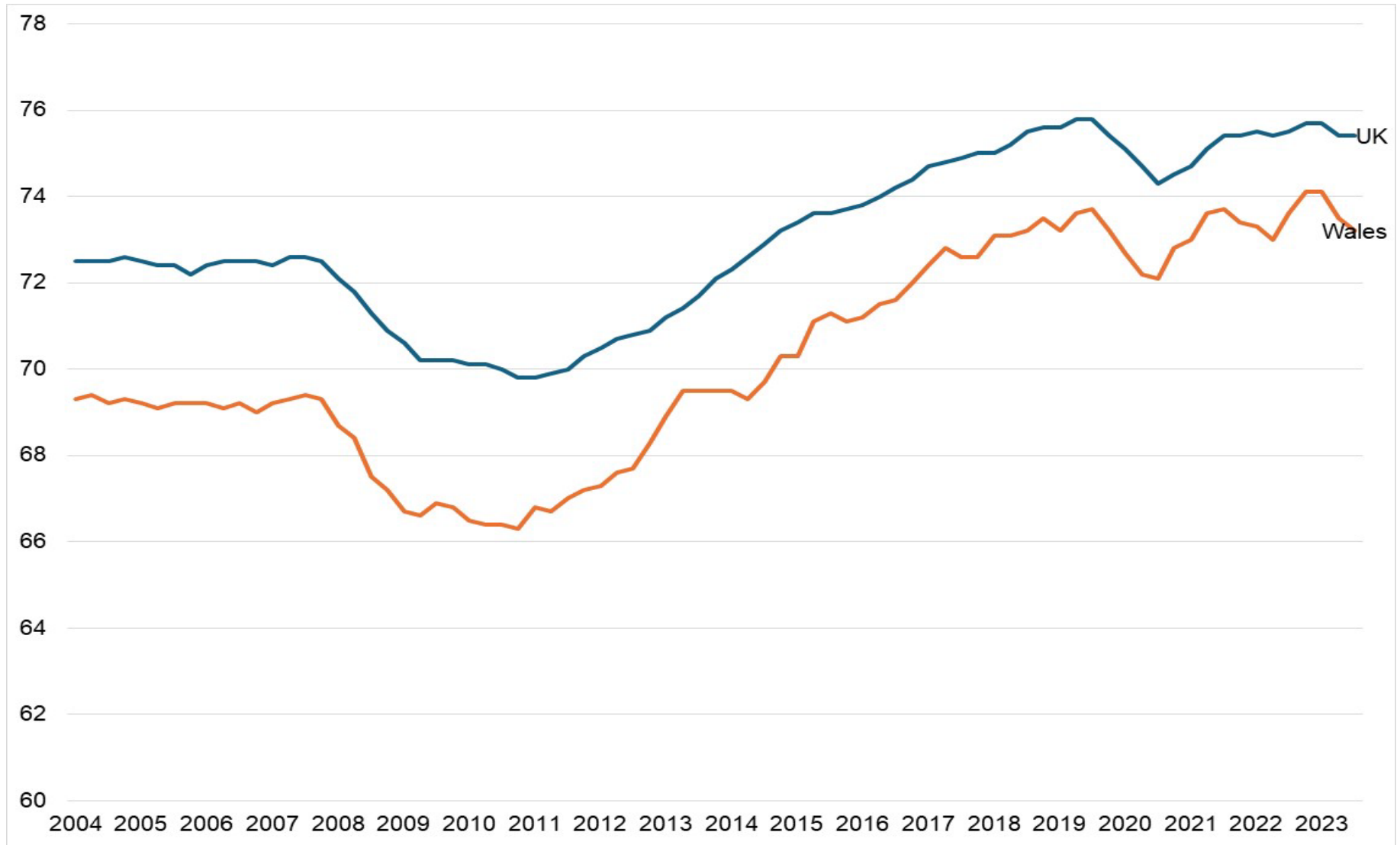

Labour market in Wales: state of play & plan for growth

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(LIKELY) EMPLOYMENT RATE



EMPLOYMENT PICTURE

43,000. Extra people in work to close gap to UK

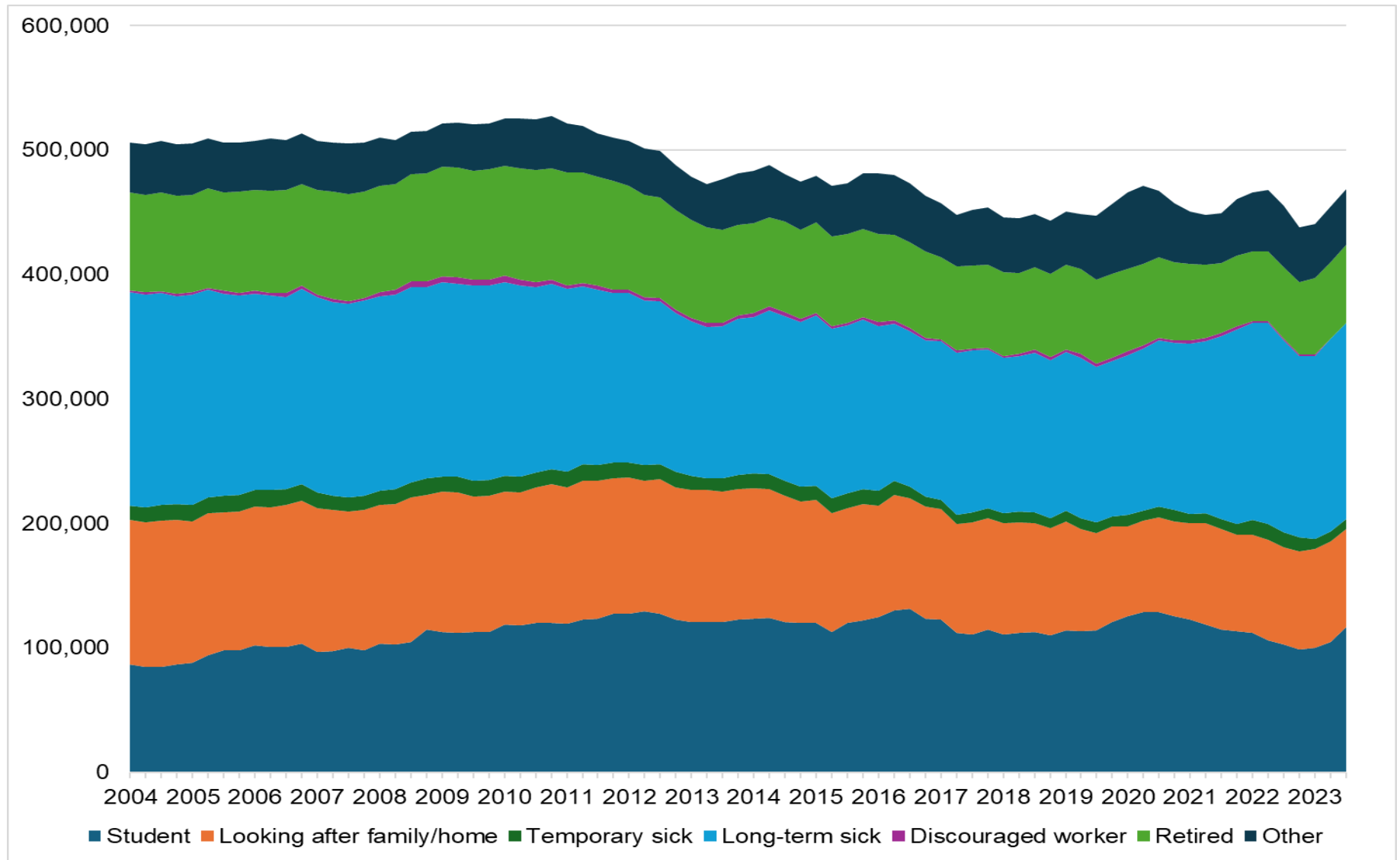
131,000. Extra people to get to 80%

Only 72,000 unemployed. Not enough to get to 80%
& most DWP help already focused here.

500k people economically inactive. Of which, 260k =
long-term sickness, 158k = looking after family/home

**Only 1 in 10 out of work disabled people get
employment support each year, and its success rate
is lower.**

ECONOMIC INACTIVITY



LEARNING & SKILLS

43% residents qualified to HE level. About average.

Q about access & labour market relevance

Likely 20-25% have low literacy or numeracy. In England, big variations by ward & LA.

Public & private investment down. E.g. employers investing 26% less per employee across UK than in 2005 with graduates 3x more likely to get training at work than non-graduates

5% adults switch sector or occupation each year.
Average £3.7k salary drop.

FAIR WORK

Fair work is the presence of observable conditions at work which means workers are fairly rewarded, heard and represented, secure and able to progress in a healthy, inclusive working environment where rights are respected.

161,000 (13%) jobs paid below Real Living Wage.

Down as minimum wage has risen, but part time workers & women more affected.

SUMMARY CHALLENGES

- **System is complicated for people & employers.** How can we change this including via the Youth Guarantee & Working Wales?
- **Support doesn't reach disabled people & works less well.** How can we join up work, health and skills & test ways to get better results?
- **Too little employer investment in skills.** How can we use public investment plus tools like public procurement to increase?

HOW TO TACKLE?

- **Consistency across plans.** How to grow economy by widening opportunity.
- **Benchmarking success.** State aim of 80% employment rate, NEETs <10%, employer investment in training up?
- **Test & learn.** Some things we don't know. Test new ways, set up as trials from start.
- **Collaboration.** Need to work across boundaries, make it easy for employers & people.

POLICY PRIORITIES

Plan for 80%. Need to reach more economically inactive people – role of trusted intermediaries

Improving support. How to join up work, health & skills to get better results – devolution + convening role

Boosting skills. How to get employers to invest more & maximise impact of public investment

Fair work. Increasing living standards, work that suits people & employers, improving progression