

**BELFAST:  
BENCHMARKING A COMPETITIVE  
EUROPEAN CITY**

**Mary Hutchins**

**European Institute for Urban Affairs  
Liverpool John Moores University**



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## 1. Introduction

- 1.1 Cities are high on the political agenda. The current urban policy debate covering the form, structure and future of cities has focused on their role as drivers of regional and national economies. The factors that contribute to the success of a city are complex. But it is possible to identify the key drivers of competitiveness to show how well a city is performing in a wider national and international context.
- 1.2 Belfast, Northern Ireland's capital, aspires to be a leading European city. This paper assembles a range of quantitative data, to establish how well Belfast is performing in relation to other European and UK cities. Benchmarking the city in this way highlights some strengths and weaknesses, identifies other cities facing similar issues and provides a signpost for potential policy transfer.
- 1.3 This paper provides an overview of city performance, highlighting similarities and differences with other cities and identifying some long-term trends. However, this quantitative data describes the current position: it does not explain how the position arose. The indicators of competitiveness presented here provide a context for a subsequent, more interpretative analysis of Belfast.
- 1.4 This paper covers:
- measuring competitiveness – focus;
  - measuring competitiveness – some of 'the big issues';
  - indicators of competitiveness;
  - Belfast's performance in Europe;
  - Belfast in the UK context.

## 2. Measuring Competitiveness – focus

- 2.1 Innovation, prosperity and competition are all important factors contributing to the success of a city. Among studies exploring the nature of each of these factors there is a general consensus which places a high degree of importance on a quality labour force, industrial structure and connectedness.
- 2.2 A recent review of studies of city and place competitiveness<sup>1</sup> shows that whilst the precise focus of work varies, the attributes that these studies assign to a successful city remain relatively constant, with economic structure, human capital, productivity, connectedness, and innovation featuring as the key determinants of success. Studies that set out to quantify and measure the successful city and/or region often use very similar indicators of competitiveness. This replication is in part due to limited data availability. Consequently some of the factors most pertinent to competitiveness – including innovation, governance and connectedness - remain little quantified or measured on a comparative basis.

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<sup>1</sup> Hutchins, M. The Meaning and Measurement of Urban Competitiveness – Technical Paper Appendix 1 to Parkinson et al (2003) *Urban Renaissance Characteristics of EU Non-Capital Cities (Draft)* EIUA

### 3. Measuring Competitiveness – the big issues

- 3.1 Two major issues need to be considered when developing any indicators of city performance:
- city boundaries – where's in and where's out matters, and
  - access to robust comparable data – the ideal vs. the possible.
- 3.2 Cities vary in scope and scale and these differences are in part due to their boundaries. Under-bounding occurs when the official delineation of a city does not correspond with its true reach and influence, others are over-bounded and incorporate large areas of rural or semi-rural land along with the urban area. The cut off point for city boundaries can have a significant impact on socio-economic indicators<sup>2</sup>.
- 3.3 Cities in the UK tend to have high levels of deprivation concentrated in the inner-city areas with wealthier suburbs towards the edge of town. Tightly drawn boundaries can exclude successful areas from city-wide averages. The opposite can be seen in many French and Italian cities where deprivation is often concentrated on peripheral housing estates, here tightly drawn boundaries exclude less successful areas.
- 3.4 Ideally city boundaries would reflect the true reach and influence of each city. As many UK cities are under-bounded their significance, scope and structure can only be fully understood with reference to the wider city-region. However data is not readily available for 'ideal' boundaries. Instead, the data presented here is for the cities as defined by their current administrative boundaries. This has three advantages. First, this is the level of political accountability. Second this is the functional level of most service delivery. Finally, this is the spatial level at which most readily available secondary data is published. However, it is equally important to understand how the city at the centre of each of these regions is performing. Data relating to the central city provides a valuable starting point for exploring wider relationships between city and region.
- 3.5 The limited quantity of robust comparable city-level data available on a trans-national basis is the second major challenge presented by this work. The measures of competitiveness included here have been influenced by data availability and informed by the *Urban Renaissance report*<sup>3</sup>. This paper focuses on a limited number of 'key' indicators when placing Belfast's performance in the European Context. These indicators have been supplemented with additional measures when comparing Belfast with the Core Cities as a greater variety of robust data is readily available at this spatial level.
- 3.6 Despite the challenges presented by boundary definition and limited data availability, socio-economic indicators describing the reality of cities remain a valuable tool for policy makers. The indicators can be used effectively and responsibly to identify trends and benchmark cities as long as the associated limitations and caveats of the data are acknowledged and understood.

### 4. Indicators of competitiveness

- 4.1 Our work on *Urban Renaissance Characteristics of EU Non-Capital Cities* has been used to develop a set of indicators that:
- identify the extent to which each of these cities possess characteristics that contribute to competitiveness;
  - provide a comparable overview of each of the cities;

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<sup>2</sup> Cheshire, P (1997) *Economic Indicators for European Cities and Regions: Why boundaries matter*

<sup>3</sup> Parkinson, M., Hutchins, M., Simmie, J. Clark, G. (2003) *Urban Renaissance Characteristics of EU Non-Capital Cities* ODPM forthcoming

- place performance of Belfast in the European and UK context;
  - provide supporting evidence against which to interpret and assess other comparative studies.
- 4.2 Existing comparative studies of city competitiveness have informed the selection of a set of indicators which:
- are focused and limited in number;
  - relate to the concept of competitiveness;
  - are robust;
  - are realistic;
  - are available for a series of points in time.
- 4.3 Eight indicators have been used to place the performance of Belfast in the European context, these indicators cover seven domains, see table 1.

**Table 1**

<b>Population</b>	<ul style="list-style-type: none"> <li>• Total Population</li> <li>• % Population Change 1996-2001</li> </ul> <p><i>Population size provides an indication of the scale of the city. The rate of population growth or fall provides an indication of underlying economic changes and pressures on urban infrastructures. The % of economically active/ inactive in a city provides an indication of the city's potential workforce resources / demand on services.</i></p>
<b>Productivity</b>	<ul style="list-style-type: none"> <li>• Gross Domestic Product</li> </ul> <p><i>Standardised measure of the total economic activity in an area.</i></p>
<b>Employment</b>	<ul style="list-style-type: none"> <li>• Total Employment</li> </ul> <p><i>Total employment provides a measure of scale of the local economy.</i></p>
<b>Human capital</b>	<ul style="list-style-type: none"> <li>• Qualifications - the % of working age population qualified to degree level (ISCED 1997 levels 5 and 6)</li> </ul> <p><i>A highly qualified workforce increases the potential productivity of a city.</i></p>
<b>Deprivation</b>	<ul style="list-style-type: none"> <li>• ILO Unemployment rate</li> </ul> <p><i>A measure of labour market performance and unutilised resources, it also provides an indication of pressures on welfare services.</i></p>
<b>Connectedness</b>	<ul style="list-style-type: none"> <li>• Airports – total terminal passengers</li> </ul> <p><i>The number of air passengers provides an indication of the extent to which a city is connected to wider markets. An international airport has been identified as an important urban asset, this measure also provides an indication of infrastructure investment.</i></p>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• Regional ranking from the European Innovation Index 2002</li> </ul> <p><i>This provides a comparable measure of regional innovation.</i></p>

4.4 Additional indicators – covering the same domains – have been selected to analyse the performance of Belfast in relation to the UK’s Core Cities. This data has been used to identify medium-term trends. Regional and national comparator data has also been included to show city performance in the wider context.

**Table 2**

<b>Population</b>	<ul style="list-style-type: none"> <li>• <i>Population Dependency Index – change over time</i></li> </ul>
<b>Productivity</b>	<ul style="list-style-type: none"> <li>• <i>Gross Value Added</i></li> <li>• <i>Average earnings</i></li> <li>• <i>House prices</i></li> </ul>
<b>Employment</b>	<ul style="list-style-type: none"> <li>• <i>Sectoral split</i></li> <li>• <i>Location Quotients</i></li> <li>• <i>Full time/ part time employment</i></li> <li>• <i>Employment rate</i></li> </ul>
<b>Human capital</b>	<ul style="list-style-type: none"> <li>• <i>% school leavers with no qualifications</i></li> <li>• <i>% 5+ GCSEs</i></li> <li>• <i>Working age population qualified to degree level</i></li> <li>• <i>Working age population with no qualifications</i></li> </ul>
<b>Deprivation</b>	<ul style="list-style-type: none"> <li>• <i>More detailed look at unemployment</i></li> <li>• <i>Economic activity rates</i></li> </ul>
<b>Connectedness</b>	<ul style="list-style-type: none"> <li>• <i>Travel time to major UK and European Cities</i></li> <li>• <i>More detailed look at air passenger data</i></li> </ul>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• <i>Regional competitiveness indicators</i></li> </ul>

## **5. Belfast – The European Context**

### **5.1 Overview**

In this paper Belfast’s performance has been compared to a selection of European cities. These comparator cities are leading regional centres.

In terms of population, Belfast is a relatively small when compared with leading European cities. Changes in the total number of residents mirror changes in other UK cities rather than European cities – many of which have seen their population increase over the last five years.

Data relating to productivity is still sketchy, but early analysis of existing GDP data suggests that Belfast performs better than most UK cities and sits mid table when compared with the European cities.

Whilst the total number of employees working in Belfast is small compared with other larger cities, in terms of employee jobs per capita the city scores well, a reflection of its position as the regional employment centre.

Belfast’s unemployment rate again sees it placed mid table - better than many French and UK cities. And a high proportion of the working age population is qualified to degree level.

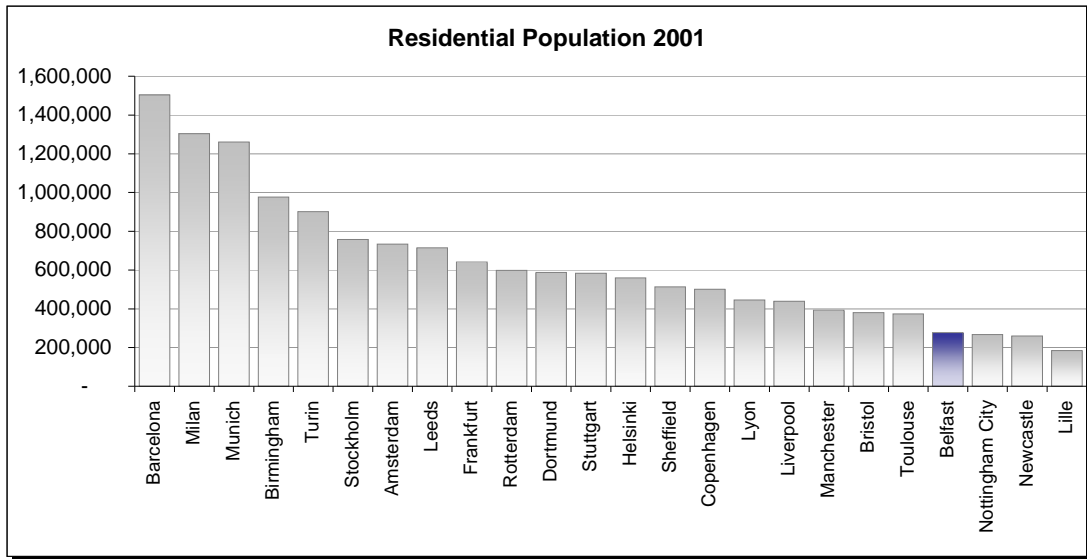
In terms of connectedness Belfast performs poorly. It relies heavily on air links to other cities but has only one direct scheduled route to a European city.

5.2 Population

Population data is some of the most robust information available – although the way in which boundaries are defined can impact on this data and the differences in population size can, in part, be a result of how city boundaries are defined.

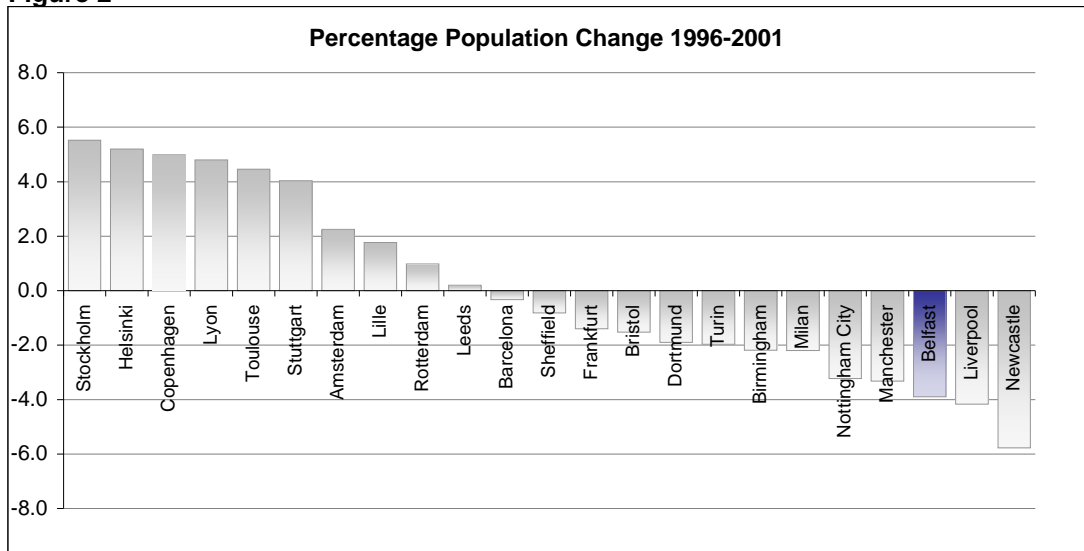
In terms of population Belfast is a smaller city than most of those included in the recent study of European non-capital cities. And the fall in residential population in Belfast in recent years reflects the experience of the UK’s Core Cities rather than other European cities.

Figure 1



In terms of population change Belfast has performed similarly to other UK cities over the last five years.

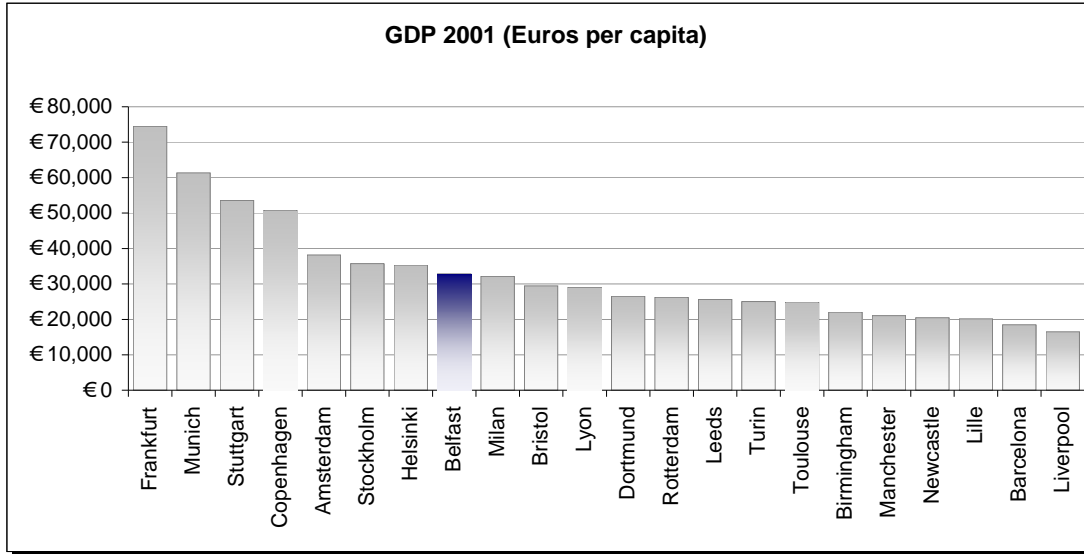
Figure 2



5.3 Productivity

Gross Domestic Product is calculated on a standardised basis across all European Union countries using the European System of Accounts 95, although GDP figures are not readily available at the city level. A recent study by Barclays bank calculated GDP figures for many European cities using a variety of data sources<sup>4</sup>. Unfortunately, Belfast was not included in the study. Figure 3 presents a proxy figure to provide an indication of where Belfast would fit in this ranking. The proxy figure was generated from ONS GDP data for 1998. These data are currently being revised and more detailed and robust GDP/GVA data will be available in late 2003 (see section 6.3).

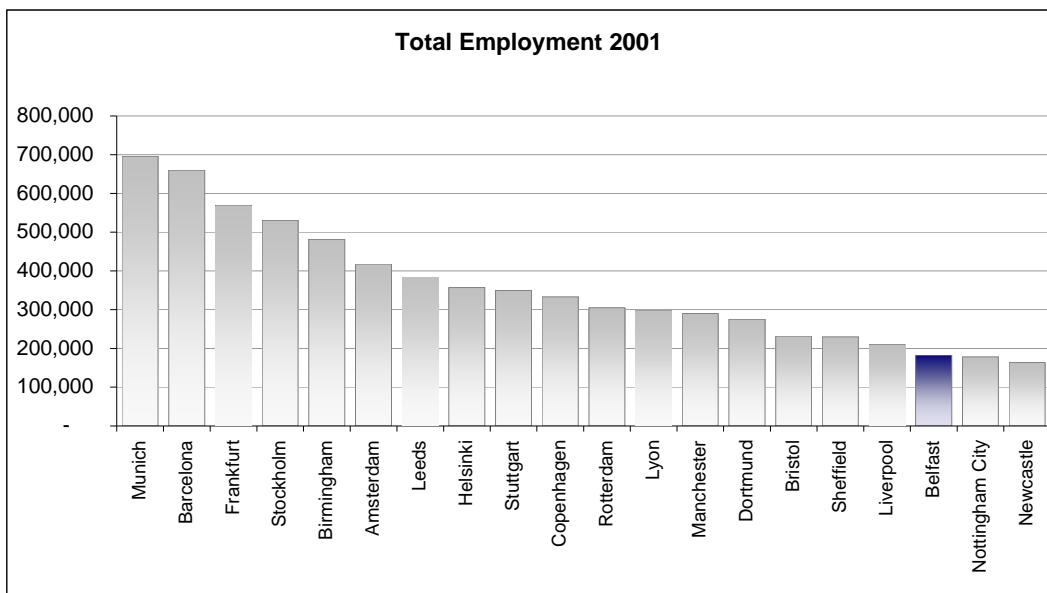
Figure 3



5.4 Employment

In terms of the total number of employees Belfast is a relatively small city. However the number of employees jobs per capita show that Belfast is a regional employment centre.

Figure 4



<sup>4</sup> See <http://www.newsroom.barclays.co.uk/news/data/712.html>

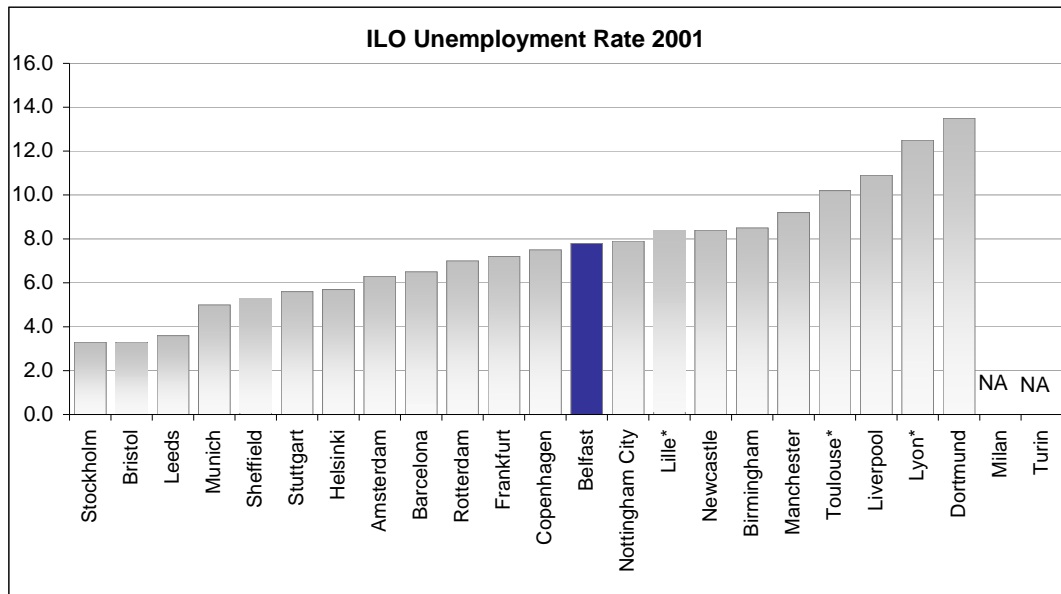
**Table 3: No. of Employee jobs per capita 2001**

City	Employee jobs per capita
Frankfurt	0.89
Manchester	0.74
Stockholm	0.7
Nottingham	0.67
Lyon	0.67
Copenhagen	0.67
<b>Belfast</b>	<b>0.66</b>
Helsinki	0.64
Newcastle	0.63
Bristol	0.61
Stuttgart	0.6
Amsterdam	0.57
Munich	0.55
Leeds	0.54
Rotterdam	0.51
Birmingham	0.49
Liverpool	0.48
Dortmund	0.47
Sheffield	0.45
Barcelona	0.44

### 5.5 Unemployment

In comparison with European cities Belfast's unemployment rate, at 7.8% is high - only the French cities and Dortmund have higher rates.

**Figure 5**

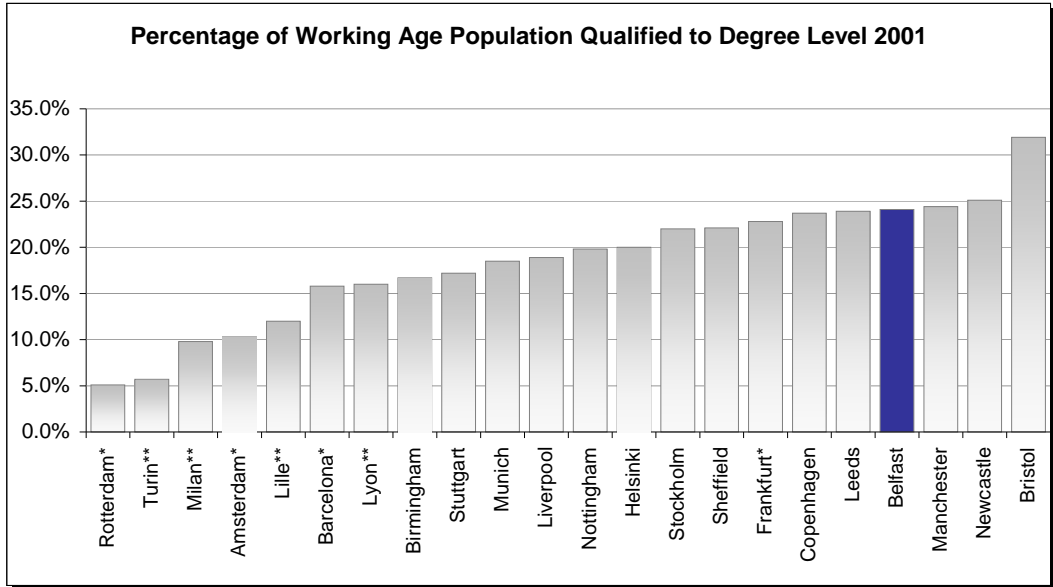


\*Regional ILO unemployment rate

5.6 Human Capital

One of Belfast’s strengths is its well-qualified workforce, 24% of its working age population were qualified to degree level in 2001.

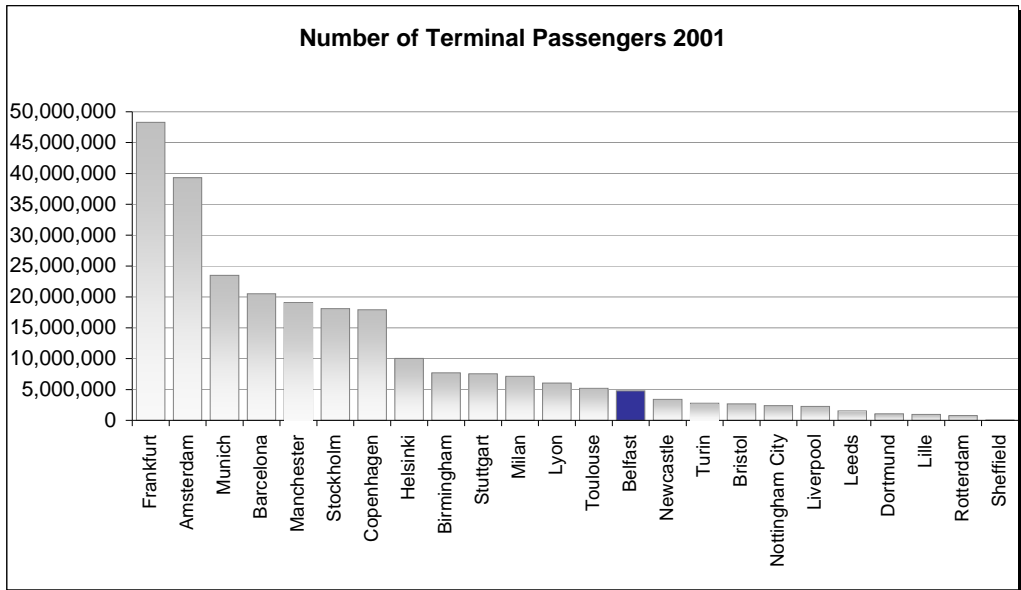
Figure 6



5.7 Connectedness

Despite the city’s reliance on air links to UK and European cities passenger numbers passing through Belfast’s two airports remain low and 97% of the scheduled air traffic is domestic. Air passenger data is explored further in section 6.9.

Figure 7



5.8 Innovation

To enable trans-national comparisons to be made the European Union’s Innovation index has been used as a proxy measure of innovation. The major limitation of this data set is that it presents regional not city level data.

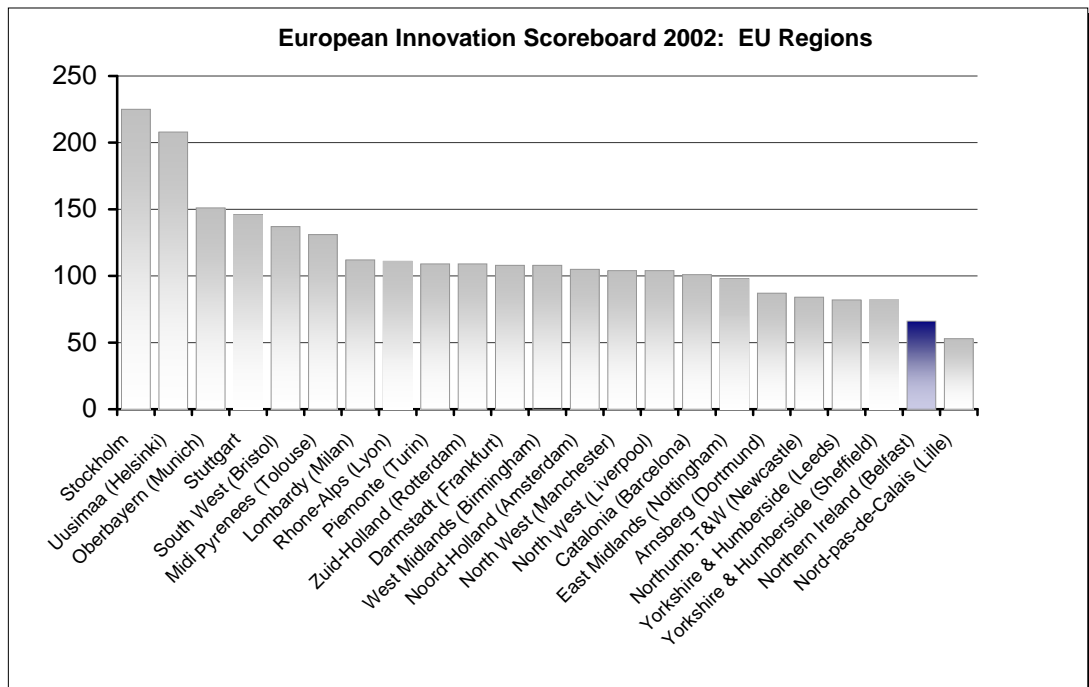
The European Innovation Scoreboard<sup>5</sup> focuses on high-tech innovation and was developed to track the ‘EU’s progress towards becoming the most competitive and dynamic knowledge-based economy in the world’. The Regional Innovation Scoreboard is a subset of this and has seven indicators:

- Tertiary education
- Participation in Life-long learning
- Employment in medium/high-tech manufacturing
- Employment in high tech services
- Public R&D expenditure
- Business R&D expenditure
- High-tech patent

The factors listed above have been combined to generate a Revealed Regional Summary Innovation Index (RRSII), which compares each region against the EU mean. Analysis shows that there is a correlation between the RRSII score and relative per capita income.

In terms of innovation the regions of Stockholm and Uusimaa (Helsinki) are the strongest performers in Europe, with the UK’s regions performing less well.

Figure 8



<sup>5</sup> European Commission Innovation/SMEs Programme (2002) 2002 European Scoreboard Technical Paper 3: EU Regions ([www.cordis.lu/trendchart](http://www.cordis.lu/trendchart))

## 6. Belfast and the Core Cities

### 6.1 Overview

The Core Cities group represents the interests of some of England's largest and most influential cities. In this section the performance of Belfast has been measured against that of Birmingham, Bristol, Leeds, Liverpool Manchester, Newcastle, Nottingham and Sheffield. During this study an interesting picture has emerged, with Belfast performing well on several of the measures of competitiveness. Overall Belfast sits somewhere in the middle of the Core Cities.

Belfast is relatively small, although it is larger than Newcastle and Nottingham and is the largest local authority in Northern Ireland. Belfast is the region's commercial and business capital.

The city is showing signs of improved economic performance in a number of areas – employment is up, earnings are up, house prices are up and unemployment is down. However contradictions remain. Although the city has a high proportion of working age residents qualified to degree level, it also has a very high proportion with no qualifications.

Separated from the rest of UK and continental Europe, Belfast has good air links with England and Scotland. However air links to European cities are minimal. This is an area that the city will need to address if it is to maximise future performance.

Belfast is performing well in some areas, better than is often presumed. It is important that the city projects an image that reflects this reality.

### 6.2 Population

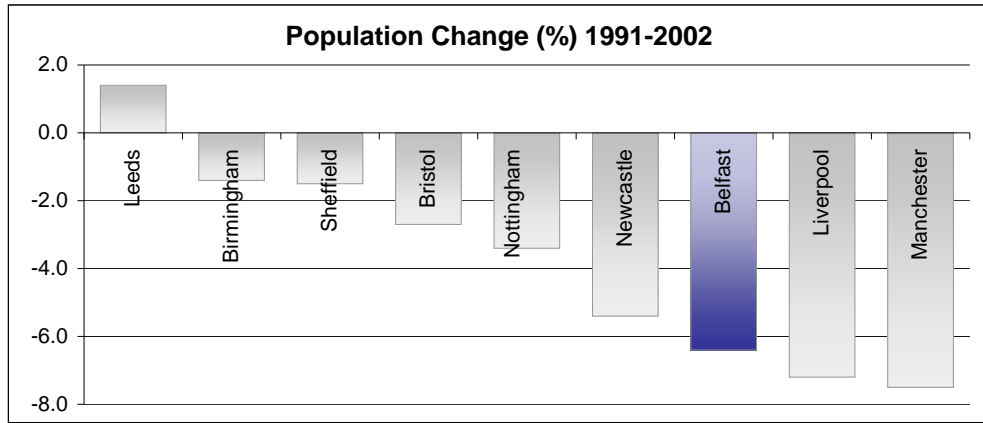
In terms of population Belfast, as defined by current Local Authority boundaries, is the 32<sup>nd</sup> largest local authority area in the UK, and the largest in Northern Ireland.

**Table 4: Total Population 2002 (Mid year population estimates)**

<b>1 Birmingham</b>	989956	18 Cardiff	308544	<b>35 Nottingham</b>	<b>270005</b>
<b>2 Leeds</b>	716513	19 Ealing	308419	36 Wandsworth	269290
3 Glasgow City	577350	20 Dudley	304830	37 Bolton	261546
<b>4 Sheffield</b>	512242	21 Coventry	304746	<b>38 Newcastle</b>	<b>260268</b>
5 Bradford	473374	22 South Lanarkshire	302110	39 Newham	254041
6 Edinburgh	448080	23 Wigan	301639	40 Lewisham	253816
<b>7 Liverpool</b>	441477	24 Bromley	296830	41 Walsall	252408
<b>8 Manchester</b>	400048	25 Doncaster	287648	42 Southwark	251307
9 Kirklees	389486	26 Sandwell	284875	43 Medway Towns	250921
<b>10 Bristol</b>	381618	27 Leicester City	283578	44 Brighton and Hove	249884
11 Fife	350700	28 Stockport	283084	45 Rotherham	249466
12 Croydon	336583	29 Enfield	281775	46 Hillingdon	246546
13 N. Lanarkshire	321350	30 Sefton	281742	47 South Glous.	246273
14 Barnet	320384	31 Sunderland	278958	48 Redbridge	244016
15 Wakefield	316415	<b>32 BELFAST</b>	<b>274100</b>	49 Kingston upon Hull	241443
16 E. Riding Yorks	317502	33 Brent	272448	50 Wolverhampton	239358
17 Wirral	310209	34 Lambeth	271869		

Over the past decade Belfast has experienced a pattern of population loss similar to that of the UK's core cities.

Figure 9



Source: 2002 Mid-year population estimates – NISRA and ONS

Belfast has a very young population with 28.4% of residents' aged 19 and under, compared with just 25% across the UK as a whole.

Table 5: Demographic Structure 2001

	% Population aged 19 and under or over 65	% Population aged 19 and under	% Pop 25- 44 (Household formation age group)
Birmingham	48.2	29.4	28.3
<b>Belfast</b>	<b>47.8</b>	<b>28.1</b>	<b>28.2</b>
Liverpool	46.3	26.3	28.2
Sheffield	45.7	24.4	28.7
Leeds	45.4	25.5	29.1
Newcastle-upon-Tyne	45.0	24.6	28.6
Nottingham City	44.7	26.5	29.2
Manchester	44.4	27.3	29.8
Bristol	43.4	24.5	30.9

Source: 2002 Mid-year population estimates – NISRA and ONS

### 6.3 A Productive City

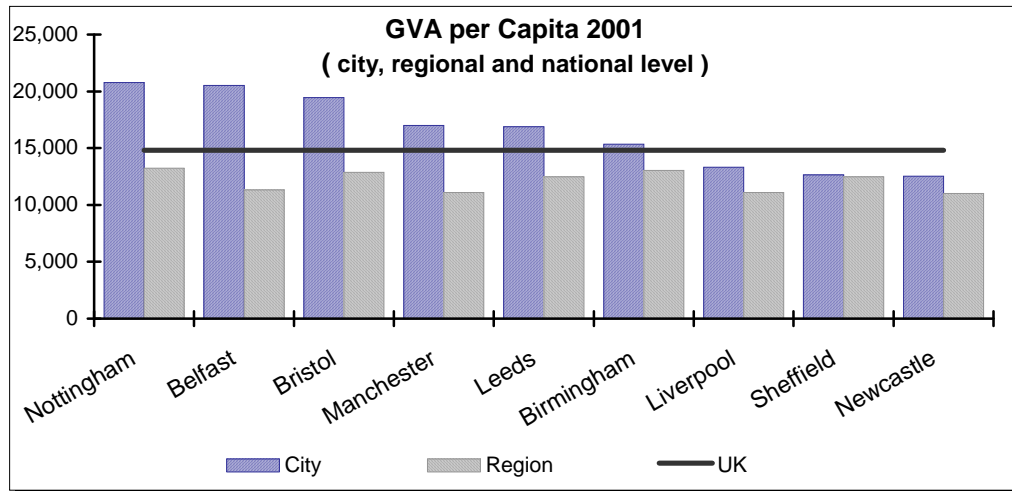
Newly published data for Gross Value Added at current basic prices data gives a measure of productivity at basic prices, this provides an indication of the value of economic activity generated within each city. Sub-regional GVA data replaces earlier estimates of sub-regional GDP (GVA plus taxes minus subsidies = GDP). In terms of total productivity Belfast's economy is similar in scale to that of Liverpool, Nottingham and Sheffield.

Table 6: Gross Value Added 2001

	GVA per Capita 2001	Total GVA (£ million)
Birmingham	£15,344	15,127
<b>Belfast</b>	<b>£20,521</b>	<b>5,688</b>
Liverpool	£13,317	5,890
Sheffield	£12,634	6,483
Leeds	£16,904	12,097
Tyneside (Newcastle)	£12,539	9,995
Nottingham	£20,782	5,595
Greater Manchester South ( Manchester)	£17,015	22,861
Bristol	£19,450	7,463

Belfast has a productive workforce and performs well in terms of GVA per capita. At £20,521 Belfast's GVA per Capita figure is higher than all the core cities with the exception of Nottingham and 39% higher than the UK average.

Figure 10



Source: ONS

GVA per capita has grown faster in Belfast (1995-2001) than in any of the core cities – up by 55% between 1995 and 2001. Across the UK GVA was up 34% during this time. GVA data for Belfast is further explored in section 7.3.

#### 6.4 Earnings up . . .

Average weekly full time earnings in Belfast stood at £427.60 in 2002, 9.6% higher than the regional average. Average wages for Belfast have increased by 20.9% over the last six years. This increase is in line with national trends but lower than the increase experienced in the core cities. Earnings data for Belfast needs to be handled with care. The high number of public sector jobs in the city – paying national rates - can distort averages<sup>6</sup>. In Belfast in 2001 average weekly earnings in the public sector were £455 compared to a private sector figure of £417.

Table 7: Average gross weekly earnings Full time employees on adult rates whose pay for the survey pay period was not affected by absence

	1997	1998	1999	2000	2001	2002	% change 1997-2002	Regional Average 2002	% difference city: region 2002
<b>Belfast</b>	<b>358.6</b>	<b>370.7</b>	<b>387.7</b>	<b>404.5</b>	<b>433.5</b>	<b>427.6</b>	20.9	390.10	9.6
Sheffield	334.3	349.4	360.75	370.46	397.76	412.4	23.4	409.83	0.6
Newcastle	330.5	336.9	357.82	392.1	397.74	409.94	24.0	399.27	2.7
Liverpool	355.8	368.6	377.51	397.44	410.63	430.78	21.1	426.75	0.9
Leeds	337.2	349.4	376.52	392.77	414.43	428.68	27.1	409.83	4.6
Birmingham	351.3	374.8	399.02	410.02	453.39	459.51	30.8	427.28	7.5
Bristol	367.6	384.8	395.94	409.85	433.15	454.41	23.6	421.65	7.8
Manchester	374.9	373.5	403.34	425.53	452.87	468.62	25.0	426.75	9.8
Nottingham			361.22	381.1	406.66	419.26		412.89	1.5
London	480.1	500.9	525.15	561.79	595.44	624.29	30.0		
England	372.7	389.9	405.4	426.2	471.7	451.5	21.1		

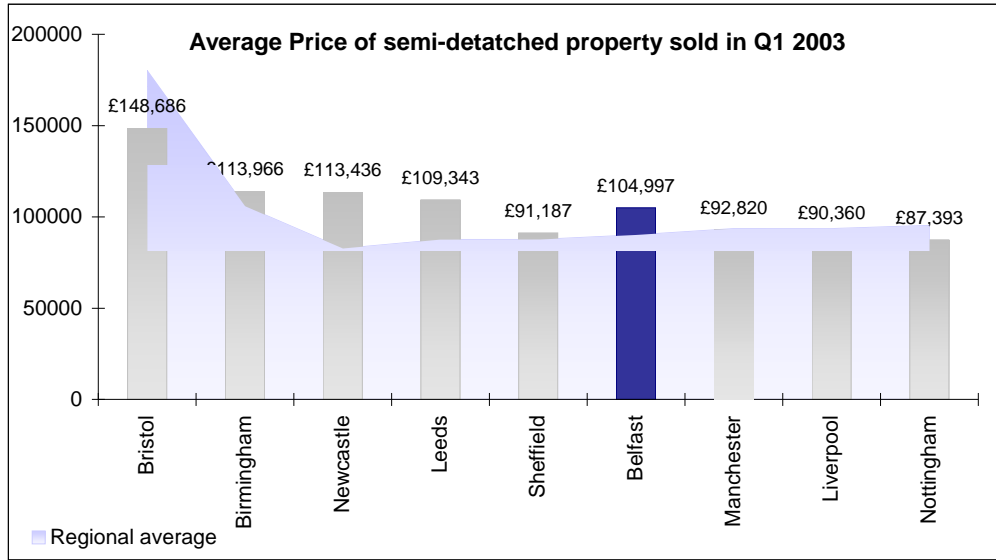
Source: New Earnings Survey. This is a sample survey and the figures for Belfast 2002 and 2001 are subject to a £7.80 standard error, consequently estimated earnings for 2001 are between £425 and £441 and for 2002 £420 and £435

<sup>6</sup> Northern Ireland Economic Council *The Knowledge Driven Economy: Indicators for Northern Ireland Report 136 April 2001*p.15

6.5 House Prices Up . . .

House prices are up in Belfast and all the core cities. The average price of a semi-detached property in Belfast during the first quarter of 2003 was just under £105,000, above the price for similar property in Manchester, Sheffield, Liverpool and Nottingham.

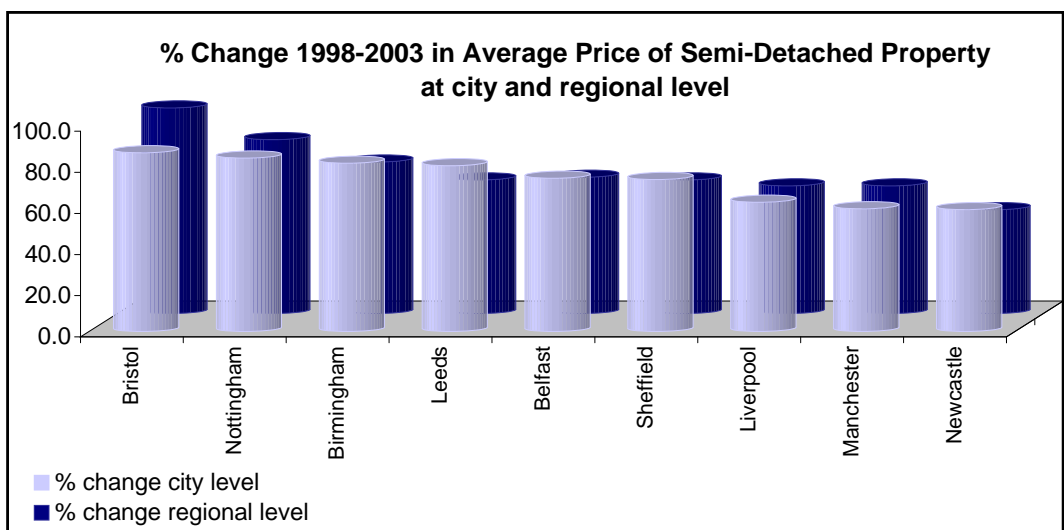
Figure 11



Source: Land Registry (Core Cities), Northern Ireland Quarterly Price Index (Q1 of each year) University of Ulster (Belfast)

The price of all types of property across Northern Ireland is up 63% since 1998. Property is now most expensive in the South Belfast area where the average house price is £132,500. Taking Belfast as a whole the average house price is £99,300 – up 73% since 1998. This rise in prices is greater than that experienced in Sheffield, Liverpool, Manchester and Newcastle during the same period

Figure 12



Source: Land Registry (Core Cities), Northern Ireland Quarterly Price Index (Q1 of each year) University of Ulster (Belfast)

**Table 8: Average price of a semi-detached property 1998-2003 (1<sup>st</sup> Quarter)**

	1998	1999	2000	2001	2002	2003	% change 1998- 2003	Regional % change 1999- 2003
Birmingham	£62,700	£64,900	£69,700	£79,500	£88,600	£113,287	74.6	73
Leeds	£60,500	£61,900	£65,800	£73,700	£83,700	£108,360	75.1	64.3
Sheffield	£47,400	£54,600	£57,000	£65,600	£68,600	£90,532	65.7	64.3
Liverpool	£55,500	£55,600	£56,500	£66,300	£72,100	£90,214	62.4	61.2
Manchester	£58,100	£54,000	£60,500	£64,800	£77,300	£90,793	67.8	61.2
Bristol	£79,600	£82,900	£94,900	£116,100	£134,700	£147,314	77.8	96.6
Newcastle	£71,200	£59,800	£66,700	£72,600	£86,300	£115,409	93.1	54.2
Nottingham	£47,400	£47,700	£50,100	£57,200	£67,200	£87,432	83.2	86.2
<b>Belfast</b>	<b>£64,163</b>	<b>£64,562</b>	<b>£85,090</b>	<b>£93,115</b>	<b>£99,300</b>	<b>£104,997</b>	<b>74.5</b>	<b>66.3</b>

Source: Land Registry (Core Cities), Northern Ireland Quarterly Price Index (Q1 of each year) University of Ulster (Belfast)

## 6.6 Employment up . . . but behind regional trends

Belfast experienced steady growth in total employment between 1996 and 2001 up 7.1% – ahead of Birmingham, Leeds, and Nottingham. However Northern Ireland as a whole experienced employment growth of 14.5% ahead of all other UK regions, with the exception of London (16.3%) and the South East (19.4%).

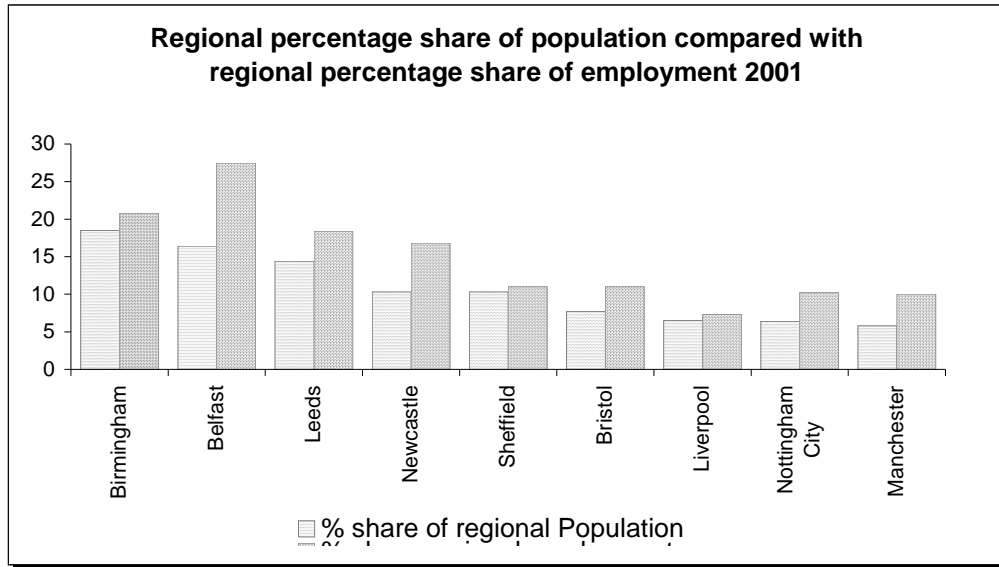
**Table 9: Change in total number of employees 1991-2001**

	1991	1995	2001	% change 1995-2001
Birmingham	464,200	464,700	481,500	3.6
Leeds	312,700	360,000	383,400	6.5
Manchester	266,000	257,700	289,900	12.5
Sheffield	212,300	209,970	231,800	10.4
Bristol	208,200	212,800	229,800	8.0
Liverpool	194,500	189,300	210,400	11.2
Nottingham	161,700	170,590	178,500	4.6
Newcastle	153,000	153,000	163,893	7.1
<b>Belfast</b>	<b>161,000 (1993)</b>	<b>165,500</b>	<b>183,000</b>	<b>7.1</b>
<b>Northern Ireland</b>	<b>532,168 (1993)</b>	<b>557,000</b>	<b>637,500</b>	<b>14.5</b>

Source: NOMIS/ONS/DETNI - ABI

Belfast's share of regional employment is 11 percentage points higher than its share of regional population – a higher share than any of the core cities. This indicates that, despite employment growth behind the regional average, the city remains the employment centre in Northern Ireland.

Figure 13



Source: NOMIS/ONS/DETNI - ABI

In terms of total employment commerce, property and business services and public authorities are the leading sectors in Belfast, each employing 14% of the total workforce. The proportion of the workforce employed in 'Public Authorities' is higher than in any of the core cities, although Newcastle is also a major employment centre for government departments.

Table 10: Percentage of Employment by Industry 2001

	Agriculture and mining (A+B+C)	Manufacturing (D+E)	Building (F)	Commerce (G)	Hotels and catering (H)	Transport and communication (I)	Banking and insurance (J)	Property, rental and leasing, business services (K)	Public authorities (L)	Education (M)	Health care and welfare (N)	Public services, private service industries (O)
Birmingham	0	17.5	3.6	14.2	4.8	6.3	5.4	16.2	5.1	9.7	11.4	5.8
Bristol	0.1	11.6	4.8	16.1	4.6	5.2	8.4	19.8	5.3	10.1	9.1	4.9
Leeds	0.2	14.5	4.8	17.6	4.6	6.9	5.4	16.8	4.6	8.6	10.7	5.4
Liverpool	0	8.7	2.9	16.7	6.9	7.2	6.3	11.5	9.1	9.7	15.1	6.0
Manchester	0	7.4	2.7	14.2	6.3	9.6	7.2	19.4	5.6	11.6	11.2	4.7
Newcastle	0	7	3.9	12.8	6.1	4.5	3.9	17.1	13.4	10.2	15	5.8
Nottingham	0.2	12.1	3.1	19	5.8	4.4	2.9	19	5.5	9.8	14	4.7
Sheffield	0	15.8	4.6	18.8	5.1	4.5	5.1	11.8	5.1	9.6	13.8	5.7
<b>Belfast</b>	<b>n/a</b>	<b>9.3</b>	<b>2.7</b>	<b>14.0</b>	<b>5.8</b>	<b>5.1</b>	<b>5.1</b>	<b>14.7</b>	<b>14.7</b>	<b>8.0</b>	<b>15.0</b>	<b>5.6</b>

Source: NOMIS/ONS/DETNI - ABI

Location Quotients (LQs) are an analytic tool for comparing a city's share of a particular activity with the national distribution. A LQ greater than 1 indicates a sector is over-represented in a city compared to the national distribution, and larger quotients help to identify the economic base of a city. Financial services, real estate and public administration are the lead sectors for Belfast.

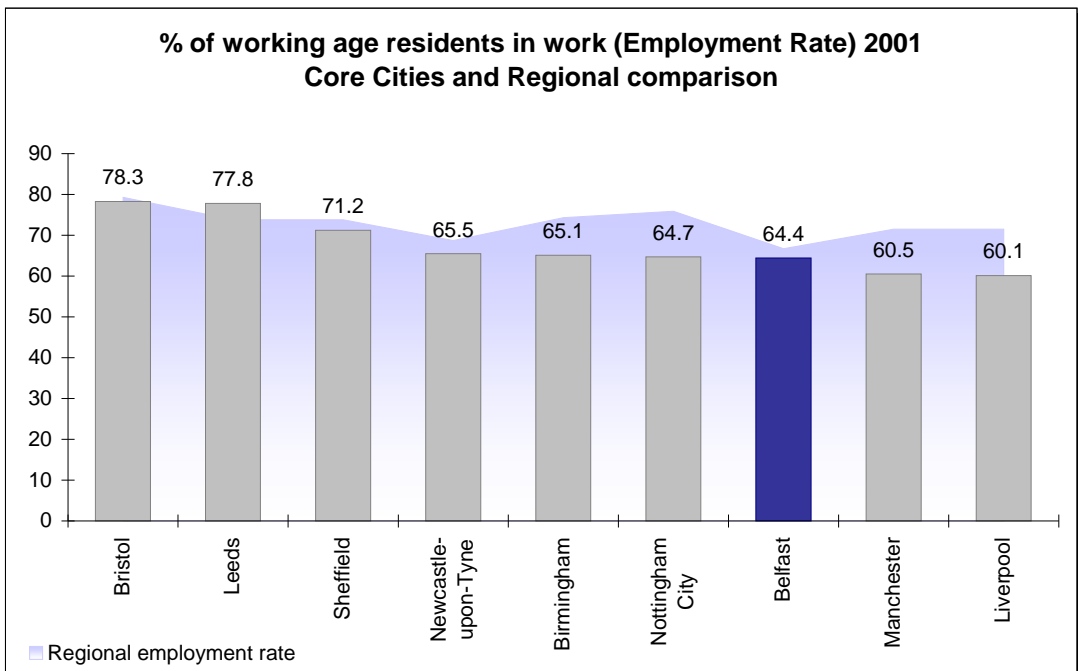
Table 11

Location Quotients City: UK													
	Mining and quarrying	Manufacturing	Electricity, gas and water supply	Construction	Wholesale/retail trade; repair, etc	Hotels and restaurants	Transport, storage and communication	Financial intermediation	Real estate, renting, business activities	Public admin/defence; social security	Education	Health and social work	Other community, social/personal service
Liverpool	0.02	0.61	0.57	0.58	0.94	1.06	1.19	<b>1.53</b>	0.75	<b>1.71</b>	1.16	<b>1.39</b>	1.15
Manchester	0.01	0.48	1.14	0.59	0.80	0.96	<b>1.58</b>	<b>1.76</b>	<b>1.27</b>	1.07	<b>1.38</b>	1.03	0.91
Leeds	0.35	0.94	<b>2.27</b>	1.06	0.99	0.71	1.13	<b>1.31</b>	1.09	0.88	1.02	0.98	1.04
Sheffield	0.13	1.09	0.57	1.02	1.06	0.78	0.74	<b>1.25</b>	0.77	0.97	1.14	1.27	1.09
Nottingham	0.69	0.78	<b>2.04</b>	0.69	1.04	0.90	0.72	0.72	<b>1.23</b>	1.05	1.17	<b>1.29</b>	0.89
Birmingham	0.03	<b>1.20</b>	0.96	0.80	0.80	0.74	1.03	<b>1.31</b>	1.06	0.96	1.15	1.05	1.11
Bristol	0.02	0.78	1.05	1.06	0.90	0.70	0.85	<b>2.05</b>	<b>1.28</b>	1.03	<b>1.21</b>	0.84	0.94
Newcastle	0.05	0.48	0.40	0.87	0.72	0.94	0.74	0.94	1.10	<b>2.59</b>	<b>1.23</b>	<b>1.40</b>	1.11
<b>Belfast</b>		0.62	0.92	0.59	0.79	0.90	0.84	<b>1.26</b>	0.96	<b>2.77</b>	0.95	<b>1.38</b>	1.07

Source: NOMIS/ONS/DETNI - ABI

64% of Belfast's working age population is working (either employed or self-employed) this is higher than in Manchester and Liverpool but below the other core cities, and below the regional employment rate. The only core city with an employment rate above its regional average is Leeds.

Figure 14



Source: NOMIS/ONS/DETNI - ABI

A high proportion of employee jobs in Belfast are full time. At 71.7% in 2001, this is well above the regional rate of 67.1%, and higher than most of the core cities.

**Table 12: Proportion of Full/Part Time Jobs 2001 City and Region**

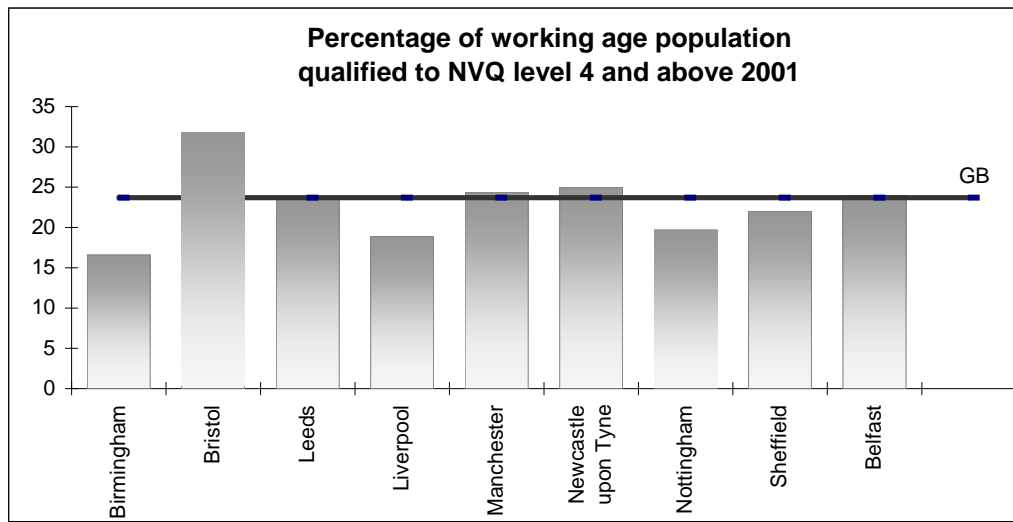
City	% full time	Region	% full time region
Manchester	72.4	NW	69.3
Leeds	72.2	YH	67.1
<b>Belfast</b>	<b>71.7</b>	<b>NI</b>	<b>68.1</b>
Birmingham	71.6	WM	69.3
Newcastle-upon-Tyne	69.8	NE	69.1
Nottingham City	68.9	EM	68.2
Bristol	68.2	SW	65.3
Liverpool	66.8	NW	69.3
Sheffield	66.4	YH	67.1

Source: NOMIS/ONS/DETNI - ABI

## 6.7 Human Capital

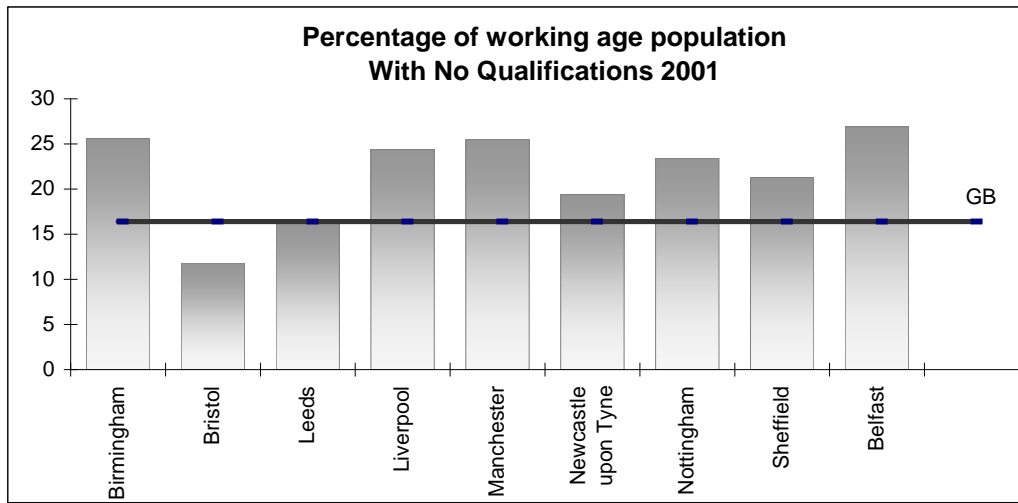
Belfast has a well-qualified workforce, with 24% of the working age population qualified to degree level or above (NVQ4+). This is higher than the regional figure of 19.7% and above the figure for GB of 23%. However, a less favourable picture emerges when data relating to the proportion of working age residents with no qualifications is explored. In Belfast 26.9% of working age residents have no qualifications at all. This is a higher proportion than in any of the core cities and 10 percentage points higher than GB.

**Figure 15**



Source: NOMIS/ONS/DETNI

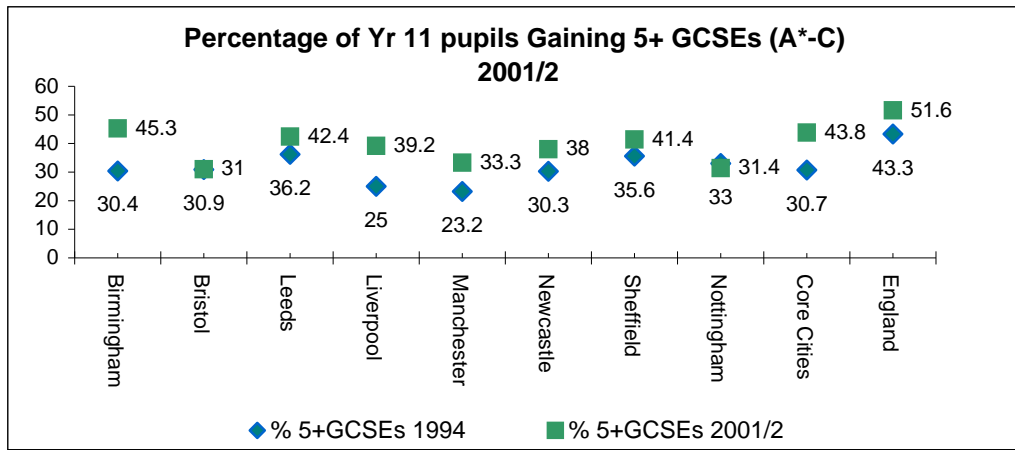
Figure 16



Source: NOMIS/ONS/DETNI

In 2001/2 half of all Belfast’s school leavers achieved 5 or more GCSEs at A\*-C. This cohort includes all those leaving school in the reference year, - rather than all those completing year 12 (year 11 in England and Wales). It can not be used to provide a direct comparison with data from English Education Authorities which details the proportion of pupils achieving 5+ GCSEs at grades A\* to C at the completion of compulsory education. However this data shows that, in terms of educational attainment of young people, Belfast is performing in line with England as a whole and better than the Core Cities.

Figure 17

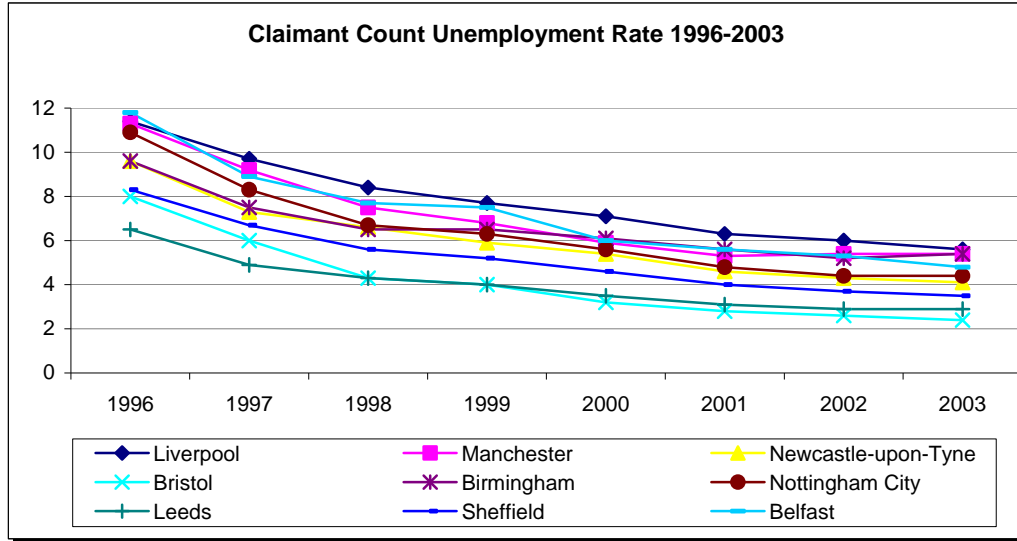


Source: DfEE

## 6.8 Deprivation

The proportion of residents in receipt of unemployment related benefits fell dramatically across the UK over the last 10 years – from 10% in 1993 to 3% today. In April 2003, 8093 residents of Belfast were registered as unemployed – 4.8% of the working age population compared with 20,000 residents in 1996. Similar falls in claimant count unemployment have been seen in all the core cities.

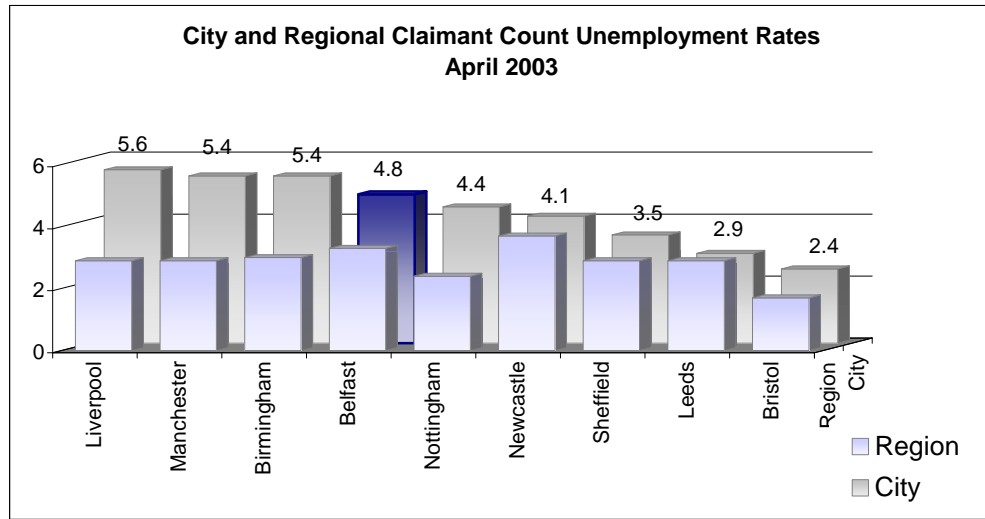
Figure 18



Source: NOMIS/ONS

Despite these falls unemployment remains concentrated in cities – the only core city with claimant count unemployment rate in line with the regional rate is Leeds – every other core city has an unemployment rate above the regional average.

Figure 19



Source: NOMIS/ONS

The ILO measure of unemployment has a broader definition than the claimant count and includes all those who are actively seeking work whether or not they are entitled to unemployment related benefits. This results in higher unemployment rates, and provides a more robust indication of worklessness.

In 2001 the ILO unemployment rate for Belfast stood at 8%, a fall of 26% since 1997. Most of the core cities experienced a greater fall in the number of residents who were unemployed between 1997 and 2001. Belfast's unemployment rate places it mid-table when compared with the UK core cities.





















