APPENDIX A2

BLACK COUNTRY CURRENT ECONOMIC PERFORMANCE: 2.6BN OUTPUT GAP

£2.6bn Output Gap

BC vs. England Average

Too Few In Employment

Current BC Employment rate = 70%

- Current England Employment rate = 74%

-> **25,000 less people are working in BC vs. Eng Avg.**

- **This contributes £.8bn to the output gap**
- Gov. target = 80%

-> **requires 63,000 additional people in work in the BC**

- **Reaching this level would increase output by £2bn**

Skill Levels Insufficient

- % with NVQ4 in BC = 17%
- % with NVQ4 in Eng. = 25%

➔ **52,000 less people with degrees in BC vs. Eng. Avg.**

- **This contributes £.8bn to the output gap**

An Economy Lacking In Dynamism

- Business formation rate in BC = 24 per 10,000 population
- Business formation rate in Eng. = 32 per 10,000 population

➔ **855 less businesses start in the BC each year vs. Eng. Avg.**

- **This contributes £1bn to the output gap**

Full Employment | **Skills** | **Competition** | **Innovation** | **Investment** | **Enterprise**

Investment Priorities