



Arsyllfa **Wledig** Cymru
Wales **Rural** Observatory

The significance of public sector employment in rural Wales

Research Report 8

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REPORT SUMMARY

This project explores the significance of public sector employment in rural Wales. It examines the current scale of the public sector workforce, characteristics of employees in the public sector and changing trends over time in rural Wales.

Data sources

The report draws on a range of sources that provide data on public sector employment. The majority of the secondary data used for this report is derived from the Local Labour Force Survey. Other sources include the Quarterly Public Sector Employees Survey, the Census, Annual Survey of Hours and Earnings, the Local Government Employment Survey and statistics on public sector employment from the Welsh Local Government Association. In addition, data on public sector employment is available from the Wales Rural Observatory Survey of Living and Working in Rural Wales conducted in 2004. Methods of data collection and definitions of rural Wales and the public sector vary between data sources.

To gain a more detailed overview of the characteristics of public sector employees who live in rural Wales a questionnaire was undertaken with one hundred public sector workers. The aims of this empirical research were to facilitate comparisons between different sectors within the public sector and to gain a more detailed understanding of public sector employees' perception of the benefits and disadvantages of working in the public sector.

Characteristics of the public sector workforce in rural Wales

The public sector is a major employer in rural Wales, as it is throughout Wales. Twenty-eight percent of the workforce in rural Wales is employed by a public sector organisation. There is considerable geographical variation in the size of the public sector workforce in rural Wales. It accounts for almost a third of the workforce in Gwynedd and Carmarthenshire, yet less than a quarter of the working population in Pembrokeshire, Powys, Conwy and Monmouthshire are employed in the public sector.

Gender

Data suggests that the public sector accounts for less than a fifth of male employment, yet over a third of female employment in rural Wales. Given the lower propensity of women in work, the public sector is far more significant to the female labour force than it is to the male labour force. Women are considerably less likely to occupy senior positions: 6% of female employees consider their work to be 'higher' and 31% 'intermediate'.

Age

A greater proportion of employees aged 25 to 59 work in the public sector than in the private sector. Younger workers, under 25, only consist of 8% of the workforce in rural Wales, compared to 17% in the private sector. There appears to be a greater propensity of older employees working for UK Government departments and local authorities; the police force has above average levels of younger recruits.

Qualifications

Public sector workers in rural Wales have, on average, higher qualifications than employees in the private sector. Thirteen percent of private sector employees have no qualifications, compared to just 4% of public sector workers.

Welsh language

Over half of public sector employees in rural Wales are able to speak Welsh, compared to under 40% of those who work in the private sector. The ability to speak Welsh is over twice as common amongst public sector workers in rural Wales than it is for such workers elsewhere in Wales. Of those who speak Welsh, under a half use the language 'mostly' or 'sometimes' at work. There is significant geographical variation in the propensity of public sector workers who use Welsh at work. In Gwynedd over half of public sector employees use Welsh most of the time, compared to Powys where only 4% of public sector employees use Welsh most of the time for their job. Forty-three percent of survey respondents consider that Welsh is 'not at all' important for their job.

Industry and Occupation

Over four-fifths of public sector workers are employed in education, health and social work and public administration and defence.

Survey data reveal that 49% of respondents work for a local authority, with a further 7% being employed by a local education authority. Eighteen percent of respondents are employees of the National Health Service and Local Health Boards. Just over one in ten respondents work for UK government departments, such as the DVLA, Department of Work and Pensions and the Forestry Commission.

The public sector in rural Wales is dominated by four occupation categories: 'personal service occupations', 'administrative and secretarial', 'associate professional', and 'technical and professional occupations'. Higher ranked occupations are more common in the public sector than other sectors. Twenty four percent of the public sector workforce are employed in 'professional occupations' compared to 8% in the private sector.

Change

Throughout the UK there has been an increase in the number of public sector jobs between 1998 and 2005. During this period, 658,000 extra public sector jobs have been created – an increase of 11%. However, private sector employment has been growing at a faster rate, resulting in an overall decline in the significance of public sector employment to the overall labour market.

Across rural Wales, employee numbers in the public sector have increased by 9% between 2001 and 2004, three times the rate at which private sector employment has been increasing over the same period. Recent growth in public sector employment has been weaker across rural Wales than it has been across most other areas of Wales.

Rates of growth vary throughout rural Wales. Gwynedd experienced an increase of more than 25% in the proportion of people employed in the public sector between 2001 and 2004: 4000 additional employees. Denbighshire and Powys also

experienced high growth rates and absolute growth. Carmarthenshire and the Isle of Anglesey experienced no growth during this period. In Monmouthshire the number of people employed in the public sector fell by 10% over the three years.

The increase in public sector employment is most marked within the female labour force. The number of women public sector employees has risen eight times more quickly than the number of male employees in this sector. The consequence is that public sector employment has become more significant for the female workforce.

The survey results indicate that there is considerable stability within the public sector workforce. Over one third of respondents have been working for their current public sector organisation for over ten years. A third of public sector workers have only ever worked for their current employer. Eighty eight percent of those questioned have a permanent contract and a third of respondents have had more than one contract with their current employer.

Earnings and conditions

Data on earnings signify that in rural Wales public sector employees are, on average, paid more than those who work in the private and voluntary sectors in rural Wales. Furthermore, average gross weekly earnings are higher for public sector workers who work in rural Wales than those who work elsewhere in Wales. These findings do not take account of the differences in jobs, work and attributes of employees in different sectors and different locations, and therefore it is not possible to conclude that workers in the public sector are paid more than those doing similar work in the private and voluntary sectors. The predominance of higher level occupations in the public sector in rural Wales partly explains the high levels of pay for public sector employees, in comparison to their private sector counterparts.

In general, respondents are positive about working in the public sector, compared to their perception of employment in the private sector. Holidays are considered to be superior in the public sector, by at least five times as many respondents as think they are worse in the public sector; pensions are deemed better by 63% of those interviewed and over two-thirds consider that job security is better in the public sector. More than twice as many public sector employees consider that flexible working is better in the public sector than those who think it is inferior.

SECTION 1: INTRODUCTION

This project examines the significance of public sector employment in rural Wales. Wales as a whole has a higher than average dependence on public sector expenditure and employment than the UK average. Rural Wales has a similar proportion of public sector employment to the all Wales average. However the public sector is perceived to be of particular significance within the rural economy which predominantly comprises of small businesses with low levels of turnover and employment.

Public expenditure in Wales represents a significantly higher proportion of GDP than elsewhere in the UK. In Wales, public expenditure is 59% of GDP compared to 54% in the North East of England, 51% in Scotland and 32% in the South East (Partnership Council, 15 October 2001). To a large extent these figures are a function of the relative weakness of the private sector in these regions. Wales has a relatively low representation in the manufacturing, finance and business service sectors and far greater dependency on public services.

“Wales has historically and ideologically been committed to a social market economic model of public services which has been reinforced by the parallel absence of a strong private sector and entrepreneurial culture.” (Partnership Council, 15 October 2001).

The significance of the public sector in rural Wales is equally noteworthy. Only 3% of businesses operating in rural Wales have a turnover in excess of £1 million, yet Ynys Môn, the smallest unitary authority, has an annual revenue budget of £113 million. In total, the revenue expenditure of the nine rural local authorities in 2003 – 2004 was £1,523.4 million.

Public expenditure and public sector employment are closely allied. It is calculated that for every £3 the government spends, £1 is spent directly on employing or paying staff.¹ Public administration, education and health is the industry sector (according to Standard Industrial Classifications) which accounts for the greatest proportion of employment in rural Wales: 37% (Labour Force Survey). A high level of employment in these sectors is a common feature of regions in the UK that have low levels of GDP.

The local authorities are the biggest single employer in rural Wales. Carmarthenshire Council, the largest local authority employer in rural Wales employs 9220 staff. In 2004, 12% of those working in rural Wales are employed by a local authority. This accounts for 51,920 employee jobs, just over half of which (54%) are full-time. The significance of local government as a major employer is heightened by the absence of many large, private sector businesses: only 3% of businesses in rural Wales have more than 50 employees.

Lovering (1999), in a review of regional development in Wales, notes that activities dominated by public spending accounted for a higher proportion of GDP and employment in Wales in the mid 1990s, than elsewhere in the UK, except Northern Ireland. He goes on to reflect that public sector employment has made a greater

¹ CIPD Perspectives: public services John Philpott March 2004

contribution to the labour market and the economy than other sectors that are claimed to be driving a reviving Welsh economy:

“Between 1981 and 1995, Public Administration and Defence, Health, Social Services and Education created, net, around 50,000 new jobs in Wales. This is well over twice the gross employment contribution of FDI [Foreign Direct Investment] in the same period and probably much more than twice the net contribution. It is no less than 22 times the net contribution of manufacturing industry, despite the latter’s ‘renaissance’. Any unprejudiced attempt to identify the distinctive motors of the Welsh economy in the 1990s and to highlight key influences on the foreseeable future of employment and living standards in Wales would have to give a central place to this enduring legacy of the postwar compromise and the Keynesian welfare state.” (p. 382)

1.1 Recognising the significance of public sector employment

In the United Kingdom there is a concerted policy shift towards the relocation and dispersion of civil service jobs and government functions. Motives for such relocation tend to be driven by calls to reduce operating costs and contribute to more balanced regional economic development. Brooks (2004) notes that around 50% of revenue costs in the public sector are accounted for by wages and salaries. Public sector employees in London and the South East generally command greater pay as a result of regional weightings. Relocations away from these ‘core’ areas are predicted to result in significant savings in employment costs, resulting in greater public sector efficiency.

A report prepared for the English Regional Development Agencies advocates public sector relocation both on the grounds of efficiency and equitability.

“Government expenditure on the administration and delivery of services is a major economic activity that can be used more strategically than at present ...Rethinking the geography of the public sector, including both relocation and other forms of restructuring, creates the opportunity to achieve better balanced and sustainable growth across the country as a whole, reducing the cost of certain services and also improving the effectiveness of public services.” (Marshall et al., 2004)

Within Wales the relocation of Welsh Assembly Government functions from Cardiff to Aberystwyth and Llandudno Junction is scheduled for 2008. It is intended that strengthening these two regional centres will result in over 1000 public sector jobs being based within these two rural localities. Job relocations from Cardiff are anticipated to comprise of almost a third of the jobs, with strong implications on the social and economic dynamics of these towns and their hinterlands.

1.2 Regional growth

As well as economic efficiency, the public sector has a duty to consider issues that relate to equity, national resource costs and wider benefits to the public in its decision-making (Jefferson and Trainor, 1996). Sue Essex, the Minister for Finance, Local Government and Public Services, considers that the relocation of the public sector in Wales will be particularly beneficial in providing a more equitable distribution of public sector employment across Wales and enhancing the central-local

relationships within the Welsh Assembly Government as devolution becomes more regionalised.

“The relocation of a mixture of executive and policy functions on this scale will provide a major boost for the local economies of mid and north Wales. It is a significant step in our plan to spread the benefits of Assembly employment more evenly throughout Wales and to bring the formulation and delivery of Assembly Government policy and services closer to the people we serve...In total around 750 jobs will move from Cardiff to Objective One areas within the next 3 years. The new offices will give the Assembly Government a significant presence in mid and north Wales. They are crucial to our drive to bring the Assembly closer to the people we serve and will spread the economic benefits of Assembly employment across Wales.” (Sue Essex, 24/02/05)

1.3 Consequences of high levels of public sector employment on a region

Policy documents and academic analyses suggest that high or increased levels of public sector employment within a region have both positive and negative implications on an area’s development. The strategic location of public sector institutions in deprived areas is often perceived to act as a form of regional policy. However, the influx of public sector employees can potentially have negative impacts on the local labour market. Smaller, more rural areas are likely to experience greater impacts as a result of such relocations.

Henley and Thomas (2001) distinguish between ‘crowding-in’ and ‘crowding-out’ effects that emerge from a strong public sector presence. Crowding-in relates to the potential benefits of a strong public sector, predominantly as a result of the multiplier effect; crowding-out considers the displacement of existing jobs within an area as a result of enhanced public sector employment and the higher wage levels within the economy.

The extent of the multiplier effect is influenced by the types of jobs associated with relocation activities, the number of jobs that are recruited locally and the structure of the labour market. The public sector has significant potential to generate supporting and complementary private sector activities within a region, such as ‘spin-off’ enterprises or business services. Such activities, which are large employers of skilled workers, are often particularly valued in deprived or peripheral locations that tend to have a low level of high value services. (Marshall *et al.*, 2004)

Marshall *et al.* (2004) identify further consequences – both positive and negative – on areas that have a high proportion of public sector employment. These are expressed in the table below.

Table 1.1: Advantages and disadvantages of high levels of public sector employment

Potential negative impacts	Potential positive impacts
Increased property prices (although could be seen as positive by existing homeowners)	Enhancing the skill and knowledge base of regions. Potential for spin-offs
Increased labour prices	Enhancing the potential for complementary expertise within the region
May subsume the private sector and have consequences on investment and entrepreneurship	Procurement effects
Over-dependence of the regional economy on the public sector	Providing graduate opportunities
Potential implications on the social and cultural cohesion of communities	Stimulation of the ‘creative economy’

1.4 Public sector employment in policy documents

In his review of regionalism in Wales, Lovering (1999) suggests that the significance of the public sector as a major employer and spender throughout Wales has received relatively little attention in policy documents and academic literature. The following section examines seven key policy and programme documents that impact on rural Wales and considers the extent to which they address the role of the public sector in the rural labour market.

Wales: A Better Country, the strategic agenda of the Welsh Assembly Government published in 2003, refers to general employment conditions without making any reference to the current or future significance of the public sector as an employer in Wales. The strategy is particularly concerned with the growth of high added value activities. Accordingly, *Wales: A Better Country* outlines its vision to enhance development “*in areas such as aerospace and automotive, telecommunications and creative IT industries, renewable energy and tourism.*”

A Winning Wales outlines the national economic development strategy for Wales. It seeks to provide a framework to enhance the economy of Wales in order to achieve its aims of greater prosperity, equality and sustainability. The strategy notes the impact of the public sector on the Welsh economy, as a purchaser and consumer of goods and services and through the provision of a substantial proportion of employment in some communities. The basis of the strategy, however, is to encourage the creation of successful, innovative businesses.

The report incorporates a section which addresses the challenges and provides a strategy for supporting rural Wales. This section is similar to the rest of the report, calling for more productive, value-adding, growth-oriented businesses in rural areas. It does however allude to the high levels of public sector employment in rural Wales and the danger of over-dependence on the public sector:

“The investment that the Welsh Assembly Government makes in public services will create and sustain jobs throughout Wales, but there is a crucial need to develop new employment and business opportunities in rural Wales.”

The Economic Analysis for *A Winning Wales* considers that the poor performance of the Welsh economy, relative to other UK regions, is, to a large extent, attributed to the under-representation of high growth or high value-adding activities. Wales has a similar rate of productivity to elsewhere in the UK, but its industrial structure consists of a higher dependency on public services and a lower representation of financial and business services. The report concludes that raising productivity is most likely to come from a change in the industrial structure of the Welsh economy.

Wales: A Vibrant Economy (WAVE) is the successor to *A Winning Wales*. The 2005 consultation document of WAVE makes greater reference to the importance of the public sector within the labour market:

“Alongside supporting a dynamic value-creating, productive private sector it is vital that the public sector, as a significant employer, plays its part.”

“The public sector is an important employer itself, and work by the Assembly Government to improve the efficiency and effectiveness of the public sector is therefore vital.”

Rather than adopting a dualistic distinction between public and private sector employment, the report identifies that occupation has a greater influence on levels of earnings than sector of employment: *“occupational structure may be just as important, if not more important for earnings than sectoral structure.”*

Figure 3.8 of the report illustrates the number of employee jobs per sector from 1948 to 2004, using standard sectoral classifications. Unfortunately, ‘public administration, education and health’ are categorised within ‘other services’. This creates a misleading impression of the significance of these sectors that account for the majority of public sector jobs. Public administration, education and health accounted for 33% of employment in Wales in 2003, whilst ‘other services’ accounted for only 5%.

The **Wales Spatial Plan** outlines objectives and actions to ‘promote a sustainable economy’ across Wales. Objectives that relate to the public sector are primarily concerned with the distribution of programmes and service delivery agents across Wales.

The Spatial Plan makes little reference to the role of the public sector employment in Wales. It outlines ten objectives and twelve actions that seek to address the promotion of a sustainable economy, none of which refer to the public sector as a key and expanding sector of the labour market in Wales or rural Wales. Moreover, it expresses the need to develop private sector investment. One map does identify that the local authorities of Gwynedd, Conwy, Ceredigion, Swansea and the Vale of Glamorgan do have a high proportion of public sector employment; however there is no mention of this in the text.

The Objective 1 **Single Programming Document** is much more explicit about the significance of public sector employment to the West Wales and the Valleys region. The document notes that public administration, education and health is more important in the Objective 1 region than in the UK as a whole, and is particularly

significant in rural areas: with the sector accounting for 37% of employment in Gwynedd and 40% in Ceredigion. It goes on to note the high proportion of women who work in the public sector.

It is stated in the Single Programming Document that the high levels of public sector employment in the region has a negative influence on levels of entrepreneurship and levels of private sector investment. The Objective 1 region has a particularly low business density and Wales has the lowest SME birth rate in the UK. The programming document partially attributes such factors to the strength of the public sector:

“The main reasons for a low enterprise culture in the region have some grounding in the previous large scale employment opportunities provided by heavy industry and the public sector. To achieve a more enterprising region a stronger enterprise culture has to develop, with a support system which encourages entrepreneurial activity and removes barriers to new business formation.”

Another issue considered in the SPD is the impact of public sector closure on the region. It is felt that this had a negative impact on many communities in Wales, including those in rural localities.

Rural Wales – A Statement by the Rural Partnership is a non-statutory document produced by the Rural Partnership for Wales in 1999. It specifically acknowledges the significance of the public sector as a major employer in rural Wales. The report identifies ‘key issues’ under a range of headings. The first issue noted under employment is the:

“Heavy reliance on employment in a few economic sectors such as agriculture, tourism and the public sector. Concentration of employment in these sectors pushing wage levels below the national average and in turn depressing demand for services and hence employment levels in other sectors.”

It is interesting that these three sectors are mentioned as being particularly significant in rural Wales. In fact, they are listed in reverse order in terms of their share of the labour market. In 1999, the year the statement was written, agriculture accounted for 4.2% of employment, tourism 10.1% and public administration, education and health accounted for 21.3% of jobs in rural Wales.

It is implied that these three sectors have similar characteristics in terms of their wage levels. However, data from the 2005 Annual Survey of Hours and Earnings (ASHE) reveals that mean pay in the UK for the agriculture, hunting and forestry sector in 2005 is £17,002, whereas public administration and defence average pay is £24,910, for education it is £19,795 and £19,224 for health and social workers². These statistics are not available at the rural Wales scale, but nevertheless they imply a significant difference between the pay levels in these sectors. Applying this reasoning, the prominence of public sector workers in rural Wales would therefore have a positive impact on expenditure and employment in other sectors, contrary to the trend suggested in the above quote.

² data is not available for tourism

The Rural Development Plan for Wales 2000-2006 seeks to provide a framework for rural development in Wales. It is a response to the EU's Rural Development Regulation, which aims to provide a more integrated and sustainable approach to managing Europe's rural areas. The Plan provides an overview of the economic position of rural Wales. This sector of the report outlines the low level of GDP per capita in rural Wales, compared to the all-Wales figure. The discrepancy is largely attributed to lower rates of activity and productivity in rural areas. It is however stressed that productivity is not lower in rural Wales than other parts of Wales for the same kind of job, but the employment structure for rural Wales is dominated by industries with lower levels of productivity, namely public administration, health and education, and distribution, hotels and catering. Specific mention is made of the high contribution of the public services (public administration, education and health) to the rural labour market and, in particular, the high dependency on this sector in Carmarthenshire (47% of total jobs), Denbighshire (43%) and Ceredigion (41%).

The above synopses indicate that there is some recognition of the role of public sector employment to the rural economy in Wales. However, to date, there has been no detailed analysis of the scale and scope of public sector employment in rural Wales. This project explores the distribution of public sector employment, characteristics of the public sector workforce and the nature of public sector jobs within rural Wales. Comparisons are made to the situation in all-Wales, as well as that in urban and valley areas.

1.5 Structure of the report

The remainder of this report is divided into seven sections. The proceeding section outlines the sources of data drawn on for this report and the methodological challenges encountered. Section 3 examines the significance of public sector employment in rural Wales. The fourth section discusses the characteristics of the public sector workforce in rural Wales. Changes in the significance of public sector employment over time are discussed in section five. Section 6 considers earnings in the public sector. Section 7 outlines the methodology and results of the empirical research undertaken to gain a more detailed overview of the characteristics of public sector employees who live in rural Wales.

SECTION 2: DATA COLLECTION

“Most countries produce rather poor quality estimates of employment in the public sector which are compiled from a variety of sources.” (Hicks et al., 2005)

2.1 Defining public sector employment

For the purposes of this report, and in accordance with the methodology used by the Office for National Statistics and the UK National Accounts, ‘public sector employment’ refers to all employment provided directly by public bodies. Employees can be permanent, on a fixed-term contract or employed on a casual basis. Public sector employees do not include the self-employed, contract workers and agency workers delivering public goods or services for public bodies but not directly paid by public bodies.

Public bodies include central government departments and agencies, non-departmental public bodies, local government and public corporations.

Central government includes all administrative departments of government, other central governmental agencies (including H.M. Forces and the NHS) and non-departmental public bodies. The devolved National Assemblies for Scotland, Wales and Northern Ireland are part of central government, as are Regional Health Authorities.

Local government includes any unit of government with a local remit. It does not include the local offices and agencies of central government and public corporations, whether or not partially funded by a local authority. In Wales, it is usually taken to comprise Unitary, National Park, Police and Fire Authorities. Higher education and further education institutions are classified as non-profit institutions serving households and are therefore **excluded** from the public sector.

Public corporations are companies or “quasi-corporations” controlled by government but with some of their income coming from the sale of goods or services into the market place.

Box 2.1: Definition of the public sector, according to ONS (Hicks *et al.*, 2005)

Central government – includes all administrative departments of government and other central agencies and non-departmental public bodies.

Local government – all government units with a local remit. Includes magistrates’ courts and police forces. LEAs are part of local government, as are county schools and grant-maintained schools.

Public corporations – are organisations that act like companies but are controlled by government (quasi-corporations). Examples are the Royal Mail, the BBC, S4C, the Civil Aviation Authority, the Driving Standards Agency, the Audit Commission, British Waterways, British Nuclear Fuels plc.

Public sector employment in rural Wales should not be confused with employment by ‘the Welsh Public Sector’ in rural Wales. The Welsh Public Sector, according to a recent review of procurement across the public sector in Wales carried out by the National Assembly for Wales³, comprises “*those bodies which receive all, or a significant part of their funding from the National Assembly for Wales*”, including Local Government in Wales, the NHS in Wales, Higher Education Establishments in Wales, Further Education Colleges in Wales and Assembly Sponsored Public Bodies (ASPBs). Employment by the Welsh public sector does not include a number of public sector organisations that contribute significantly to the rural employment base.

2.2 Challenges to measuring public sector employment

There are significant challenges to measuring public sector employment. These principally relate to definitions, the scale and methods of data collection:

- There is no consistent definition of the public sector utilised by different surveys of employment.
- Some enumerations of public sector employment refer to number of people; others refer to number of jobs.
- Methods of data collection differ. Some sources are gained directly from public sector organisations (using administrative data or surveys); others are collected at the household level. Data varies according to the method of collection
- Different surveys relate to different time periods, which may lead to inconsistencies in depicting current and historical trends.
- The geographical scales at which data are collected and are available are inconsistent. Household data usually refers to the place of residence; organisation data usually refers to the place of employment.

2.3 Defining rural Wales

The majority of data used for this study is available at the local authority scale and has been summed to present statistics for rural Wales. The Welsh Assembly Government defines rural Wales as the nine ‘wholly’ rural authorities of Pembrokeshire, Carmarthenshire, Monmouthshire, Powys, Ceredigion, Gwynedd, Denbighshire, Conwy and Anglesey, as well as three authorities that contain rural areas within them: the Vale of Glamorgan, Wrexham and Flintshire. Most data sources do not enable a breakdown within authorities and therefore within this report, unless otherwise stated, rural Wales is defined as the nine wholly rural authorities. Comparisons are frequently made between rural Wales and other localities, such as Wales, non-rural Wales and ‘Valley’, ‘urban’ and ‘other’ authorities. Valley authorities include Neath Port Talbot, Caerphilly, Bridgend, Torfaen, Blaenau Gwent, Rhondda Cynon Taff and Merthyr

³ National Assembly for Wales (2001) *Better Value Wales: The Review of Procurement in the Welsh Public Sector*

Tydfil. Urban authorities comprise of Swansea, Cardiff and Newport and other authorities are the aforementioned 'mixed' authorities of the Vale of Glamorgan, Wrexham and Flintshire.

2.4 Data sources

From March 2005, ONS has produced a quarterly bulletin on patterns and trends in public sector employment. This **Quarterly Public Sector Employees Survey** distinguishes between five categories of central government employment - central government, local government, public corporations, total public sector employment and total number of civil servants. It also provides a breakdown of employment by industry, using the ONS Standard Industrial Classification. The quarterly bulletin provides data on changing public sector and private sector employment figures at the UK national scale, and therefore cannot be used to analyse public sector employment in rural Wales.

The **UK Census** aims to collect data on every household and every person in the UK. Data from the 2001 census is available at a range of administrative and functional scales, including wards, towns, local authorities and constituencies. The 2001 census had a substantial section on employment, which addressed: qualifications, self-employment, unemployment, size of employer, industry of employment, place of work, occupation, means of travelling to work, and hours worked. These are asked about every person in the household. There is no question that specifically addresses whether those in work are employed in the public or private sector, although there was a question which required respondents to name the organisation for which they work.

The majority of the results that have been processed from the Census refer to **industry of employment**, rather than sector. The Standard Industrial Classification (SIC) is frequently used to classify employment activities in the UK. It divides activities into seventeen industries and is commonly applied to results from the census and local labour force survey. Within this classification, three sections are commonly used as a surrogate for the public sector:

- Section L: public administration and defence; compulsory social security
- Section M: education
- Section N: health and social work

This system does not distinguish between activities on the basis of ownership or the legal status of an organisation, but is based on the characteristics of activities. The criteria of activities within the 'education' and 'health and social work' divisions make clear that these include employment in both the public and private sectors. It is not, therefore, a tool to identify public sector activities per se, but the above categories are often considered to be indicative of public sector presence.

The main source of data on levels of public sector employment in the UK is the **Local Labour Force Survey** (LLFS) carried out by the Office for National Statistics. It is carried out across the UK sampling 60,000 households. It refers to employees' place of residence, not place of work. It is conducted both annually and quarterly. The annual results are more accurate than the data from the four quarterly datasets due to differences in the sampling structures used for the two surveys. Annual data are collected throughout the year, and are published for the year ended February.

This survey uses a relatively broad definition of the public sector referring to organisations that are owned, funded or run by central or local government. Universities and other grant-funded educational establishments are included in the Labour Force Survey's definition of the public sector (unlike other surveys). Doctors and dentists are coded according to whether their work is mainly NHS or private. Many of the questions on industries, occupations and qualifications are the same in the LFS as the 2001 census. The survey enumerates number of employees, rather than number of jobs.

Respondents to the Local Labour Force Survey are required to classify themselves as working in either the public or private (including voluntary) sector. A methodological note issued by the ONS in 2005 (Hicks et al.) suggests that the LLFS overestimates public sector employment because of people classifying themselves as public sector when they are not. Commonly, this includes those who work for public funded bodies that are not controlled by government, such as universities, and employees working for agencies and contractors who are working in the public sector but their employer is a private sector organisation.

The National Assembly has funded a supplementary sample of the LLFS in order to make the Welsh data more robust. All results are sample-based estimates, rounded to the nearest 1,000 and so there may be some apparent slight discrepancies between the sum of constituent items and the totals as shown.

Stats Wales have used the Local Labour Force Survey to provide data on public sector employment in Wales from 2001 to 2004. We are grateful to Stats Wales for providing the Wales Rural Observatory with a more detailed breakdown of the characteristics of public sector workers in rural Wales, compared to those in urban Wales, the Valleys and other local authority areas.

The Wales Rural Observatory **Survey of Living and Working in Rural Wales** (2004) provides a range of baseline data on households in rural Wales. A telephone survey was used to investigate 4023 households, which incorporated over 9900 individuals. Results can be disaggregated by local authority area and settlement type, as defined by the respondent. The survey incorporated households based in rural localities in the Vale of Glamorgan and Flintshire, in addition to the standard nine rural authorities. A substantial section addressed economy and employment. Respondents were asked to state whether they (and other household members) were employed in the public, private or voluntary sectors. A more detailed analysis can be undertaken using this data to analyse the characteristics and experiences of public sector employees in rural Wales. It is anticipated that having relied on respondents' self-definition, the level of public sector employment from this survey will be over-estimated.

The Survey of Living and Working in Rural Wales provided the WRO with a database of 551 individuals who worked in the public sector and would be willing to take part in a future survey. One hundred of these public sector employees completed a further telephone questionnaire, which took place in 2005. These individuals were based in four local authority areas, worked for a range of public sector organisations and comprised a diverse occupational mix. Results from this questionnaire have been analysed to enable a more detailed breakdown of experiences and perceptions of those

who work in the public sector in rural Wales, which is discussed further in section 7. All those interviewed for this survey work in a public sector organisation, as defined by the ONS definition. However, it is important to note that although these individuals live in rural Wales; their place of work may be outside rural Wales.

The Local Government Employment Survey, formerly known as the Single Status Pay Survey, is an annual survey, carried out between June and September. It gathers information on employment numbers in local government. The survey classifies employment according to gender, full and part-time jobs and broad functional areas. The data distinguish between teachers, other education employees⁴ and social services, as well as ‘corporate functions’⁵ and ‘other services direct to public’⁶. This survey counts the number of jobs in local government, rather than the total number of employees. Data is collected from employers and therefore refers to employees’ workplace, rather than their place of residence.

The **Welsh Local Government Association** has produced statistics on local government employment across Wales. This is based on an employer survey of local government organisations. Results are available for each local authority and are disaggregated according to male and female full-time and part-time employees.

2.5 Summary

This section outlines the wide range of sources of data that exist for analysing public sector employment in rural Wales. The ambiguity of defining public sector employment and the diverse approaches to data collection presents a methodological challenge. Within this report, we have sought to use the ‘most appropriate’ statistics, according to the issue being discussed. In some cases we illustrate discrepancies between different sources; in others we use our judgement to select the most robust data source.

⁴ Includes school transport workers, youth and community workers, nursery assistants, administrative, secretarial and clerical employees in the education service and cleaners and canteen employees serving educational establishments.

⁵ Corporate functions includes jobs in central administration, central personnel services, central management services, central offices’ maintenance and cleaning and registration of births, deaths and marriages.

⁶ ‘Services direct to the public’ includes jobs in construction, libraries, museums, leisure and recreation, environmental health, refuse, recycling, housing, planning and economic development and engineering and technical services.

SECTION 3: PUBLIC SECTOR EMPLOYMENT IN RURAL WALES

3.1 Introduction

This chapter discusses the significance of public sector employment to total employee numbers in rural Wales. Section 3.1 shows the distribution of employment between the public and private sector across rural Wales. Section 3.2 compares the distribution of employment across rural Wales with the distribution of employment across other areas of Wales. Section 3.3 compares the distribution of employment between each of the nine rural unitary authority areas in Wales.

Unless otherwise indicated, data in tables are drawn from the annual Local Labour Force Survey 2001 – 2004. There is limited data on public sector employment for Wales, or rural Wales prior to 2001 and what data there is not robust. As discussed in the chapter on data sources and data collection, the Local Labour Force Survey rounds all figures to the nearest thousand. Consequently, there are occasions when the public and private sector employee numbers sum to more than ‘total employee numbers’ (as discussed in section 2.4, previously).

3.2 Distribution of employment between the public and private sectors across rural Wales

The public sector is a major employer in rural Wales. The results of the latest Wales Local Labour Force Survey, published in February 2004, suggests that the public sector accounted for well over one quarter (28.1%) of all employment across the nine predominantly rural unitary authority areas - 121,000 out of a total 309,000 people in employment. The survey of rural households carried out in early 2004 for the Wales Rural Observatory has produced almost identical findings, suggesting that 28.0% of the working population across rural Wales are employed in the public sector.

Table 3.1 shows the distribution of the labour force between the public and private sectors across rural Wales according to the Wales Local Labour Force Survey 2004.

Table 3.1: Distribution of the labour force between the public and private sectors across rural Wales, 2004; source – Wales Local Labour Force Survey

	Number Employed	% of all Employment
Public Sector	121,000	28.1
Private Sector	309,000	71.9
All Employment	431,000	100

3.3 Comparing rural Wales with other areas of Wales

Table 3.2 shows public sector employee numbers and public sector employment as a % of total employment in rural Wales, urban Wales, the Valleys, ‘Other Areas’ and across all Wales during 2004.

Table 3.2: Public sector employment as a % of total employment in 2004; rural Wales, urban Wales, the Valleys, 'other areas'

Geographical area	Total Employment #⁷	Public sector Employment #	Public Sector Employment %
Rural Wales	431,000	121,000	28.1
Urban Wales	299,000	92,000	30.8
The Valleys	363,000	102,000	28.1
Other Areas	190,000	48,000	25.3
<i>All Wales</i>	<i>1,281,000</i>	<i>364,000</i>	<i>28.4</i>

The proportion of the labour force employed by the public sector is similar across Wales. Public sector employment in rural Wales (28.1%) is almost identical to the Wales average of 28.4%. Employees (including the self-employed) living in rural Wales are marginally less likely to work in the public sector than employees in urban areas (30.8%), equally likely to work in the public sector compared to employees in the Valleys and marginally more likely to work in the public sector than employees in 'other' unitary authority areas (25.3%).

However, more public sector employees live in rural Wales than in any other area of Wales. Consequently, the nine rural unitary authorities provide a higher proportion (33.2%) of the total public sector workforce than any other area of Wales. The Valleys, home to 102,000 public sector employees, provide 28.0% of the public sector workforce, followed by Urban Wales (92,000 employees; 25.3% of the public sector workforce) and Other Areas (48,000 employees; 13.2% of the public sector workforce). Across both the public and private sectors, more employees live in rural Wales than in any other single area of Wales.

Seven of the nine predominantly rural unitary authorities – Anglesey, Carmarthenshire, Ceredigion, Conwy, Denbighshire, Gwynedd and Pembrokeshire are in receipt of assistance under the Objective 1 structural adjustment programme for Wales. Considered as a whole, the Objective 1 area - West Wales and the Valleys – has a higher proportion of public sector employment (29.7%) than other areas (24.5%).

3.4 Exploring geographical variation

Table 3.3 shows public sector employment as a % of total employment in each of the nine 'predominantly rural' unitary authority areas during 2004 in rank order. Because the figures provided by the Local Labour Market Survey are rounded to the nearest '000, the sum total of employment for the nine unitary authority areas may be greater or smaller than the total of employment for Rural Wales.

⁷ The figures provided by the Local Labour Market Survey are rounded to the nearest thousand. As a result, the sum total of employment for Rural Wales, Urban Wales, The Valleys and Other Areas does not equate to the total employment for All Wales.

Table 3.3: Public sector employment as a % of total employment in 2004; rural unitary authority areas; rank order (descending)

Administrative area	Total Employment #	Public Sector Employment #	Public Sector Employment %
Gwynedd	53,000	18,000	33.3
Carmarthenshire	72,000	23,000	32.3
Ceredigion	35,000	11,000	30.5
Denbighshire	43,000	13,000	29.9
Isle of Anglesey	29,000	8,000	28.4
Pembrokeshire	49,000	12,000	25.1
Conwy	48,000	12,000	24.2
Powys	61,000	15,000	24.2
Monmouthshire	41,000	9,000	22.8
<i>Rural Wales</i>	<i>431,000</i>	<i>121,000</i>	<i>28.1</i>

It is evident that within rural Wales, there is considerable geographical variation in the significance of public sector employment as a proportion of total employment. It is most significant in Gwynedd and Carmarthenshire, where it accounts for close to a third (33.3% and 32.3% respectively) of all employment. Public sector employment is relatively low in Pembrokeshire, Conwy, Powys and Monmouthshire, where it accounts for a quarter or less of all employment. At a broader geographical scale, employment in the public sector is highest in west Wales – with the exception of the extreme north-west (the county of Anglesey) and the extreme north-west (the county of Pembrokeshire) – and lower in east Wales.

SECTION 4: CHARACTERISTICS OF PUBLIC SECTOR WORKERS

This section discusses the characteristics of the public sector workforce within rural Wales. The following dimensions are considered in depth: gender, age, hours worked, qualifications, Welsh language, occupation, social class, industry of employment.

4.1 Gender

This sub-section discusses the significance of public sector employment with regard to gender. Section 4.1.1 compares the distribution of male and female employees between the public and private sectors across rural Wales. Section 4.1.2 compares the distribution of male and female employees in rural Wales with their distribution between the public and private sectors across other areas of Wales. Section 4.1.3 compares the distribution of male and female employees in each of the nine rural unitary authority areas in Wales. All sections begin with a summary of key patterns apparent from the data presented in the tables and then proceed to a more detailed discussion of the data.

Unless otherwise indicated, data in tables are drawn from the annual Local Labour Force Survey 2001 - 2004, the only years for which figures are available. As discussed in the chapter on data sources and data collection, the Local Labour Force Survey rounds all figures to the nearest thousand. Consequently, there are occasions when public and private sector employee numbers sum to more than 'total employee numbers'. Where this occurs, and where there are other discrepancies or problems with data, this is pointed out in the text.

4.1.1 The distribution of male and female employees between the public and private sectors across rural Wales

Across rural Wales, public sector employment is far more significant to the female labour force than it is to the male labour force. The results of the latest Wales Local Labour Force Survey, published in February 2004, suggest that the public sector accounts for less than a fifth (18.3%) of male employment but well over a third (39.6%) of female employment. Whilst overall the female labour force across rural Wales is 12% smaller than the male labour force, the public sector employs almost twice as many women from rural Wales as it does men.

The survey of rural households carried out for the Wales Rural Observatory in Spring 2004 suggests the same broad distribution of employment according to gender, but with a slightly lower figure (36.0%) for public sector employment amongst women who are 'currently in work' and a higher figure (24%) for public sector employment amongst men 'currently in work'. These figures are likely to be less accurate than the figures from the Local Labour Force Survey because of the different sampling methods used.

Table 4.1 shows the distribution of the male and female labour force between the public and private sectors across rural Wales according to the 2004 Wales Local Labour Force Survey.

Table 4.1: distribution of the male labour force between the public and private sectors across rural Wales, 2004

	# males Employed	# females Employed	% all male Employment	% all female Employment
Public Sector	42,000	80,000	18.3	39.6
Private Sector	188,000	122,000	81.7	60.4
All Employment	229,000	202,000	100	100

4.1.2 Comparing rural Wales with other areas of Wales

Table 4.2 shows public sector employee numbers and public sector employment as a % of total employment, by gender, across Rural Wales, Urban Wales, The Valleys, Other Areas and All Wales in 2004.

Table 4.2: Public sector employment as a % of total employment according to gender, Rural Wales, Urban Wales, The Valleys, Other Areas and All Wales, 2004

Geographic al area	Total Employment #		Public sector Employment #		Public Sector Employment %	
	Male	Female	Male	Female	Male	Female
Rural Wales	229,00	202,000	42,000	80,000	18.3	39.6
Urban Wales	155,000	143,000	33,000	58,000	21.3	40.6
The Valleys	193,000	168,000	36,000	68,000	18.7	40.5
Other Areas	101,000	89,000	17,000	31,000	16.8	34.8
<i>All Wales</i>	<i>680,000</i>	<i>602,000</i>	<i>126,000</i>	<i>237,000</i>	<i>18.6</i>	<i>39.5</i>

In 2004, the proportion of public sector employment within the male labour force was highest in urban Wales (21.3%), lowest in 'other' areas (16.8%) and almost identical across rural Wales (18.3%) and the Valleys (18.7%). The proportion of public sector employment within the female labour force was highest in urban Wales (40.6%) and the Valleys (40.5%) and lowest in 'other areas'. However, what differences were apparent between rural Wales and elsewhere are small and may well be attributable to sampling errors in the Local Labour Force Survey and the practice of rounding up headcounts to the nearest '000. Given these factors, it would appear that within both the male and female workforces the significance of public sector employment across rural Wales is broadly similar to the significance of public sector employment across other areas of Wales.

4.1.3 Exploring geographical variation

Within rural Wales, there is significant geographical variation in the significance of public sector employment to overall employment amongst both the male and the female workforce. At the same time, it appears that this variation is 'gender-neutral'; where male public sector employment is more significant, female public sector employment is more significant, and vice versa. However, the difference between the

significance of public sector employment for the male workforce and the significance of the public sector for the female workforce varies significantly between unitary authority areas.

Table 4.3 shows public sector employee numbers and public sector employment as a % of total employment within the male labour force in each of the nine 'predominantly rural' unitary authority areas during 2004 in rank order.

Table 4.3: Public sector employment as a % of total employment within the male labour force, rural unitary authority areas, 2004, rank order (descending)

Administrative area	Total Employment #	Public Sector Employment #	Public Sector Employment %
Gwynedd	28,000	7,000	24.4
Ceredigion	18,000	4,000	20.7
Denbighshire	23,000	5,000	20.2
Carmarthenshire	39,000	7,000	19.0
Isle of Anglesey	16,000	3,000	17.4
Pembrokeshire	26,000	4,000	16.2
Conwy	25,000	4,000	16.2
Powys	33,000	5,000	14.0
Monmouthshire	21,000	3,000	13.7
<i>Rural Wales</i>	229,000	42,000	18.3

It can be seen that public sector employment amongst the male workforce is most significant in Gwynedd, where almost a quarter (24.4%) of male employees work in the public sector. Public sector employment amongst the male workforce is also higher than average in the counties of Ceredigion (20.7%), Denbighshire (20.2%) and Carmarthenshire (19.0%). In all these counties where male public sector employment is relatively high, public sector employment overall is relatively high. Public sector employment amongst the male workforce is notably lower than the average in the counties of Powys (14.0%) and Monmouthshire (13.7%), where public sector employment overall is relatively low.

Table 4.4 shows public sector employee numbers and public sector employment as a % of total employment within the female labour force in each of the nine 'predominantly rural' unitary authority areas during 2004 in rank order.

As with the male workforce, the significance of public sector employment to overall female employment exhibits notable geographical variation. Public sector employment amongst the female workforce is highest in Carmarthenshire, where it accounts for almost half (48.1%) of all female employment. It is also higher than average in Gwynedd (43.1%), Ceredigion (41.2%), Denbighshire (40.9% and Anglesey (40.8%). These counties are all characterised by higher than average public sector employment overall.

Table 4.4: Public sector employment as a % of total employment within the female labour force, rural unitary authority areas, 2004, rank order (descending)

Administrative area	Total Employment #	Public Sector Employment #	Public Sector Employment %
Carmarthenshire	33000	16000	48.1
Gwynedd	25000	11000	43.1
Ceredigion	17000	7000	41.2
Denbighshire	20000	8000	40.9
Isle of Anglesey	14000	6000	40.8
Powys	27000	10000	36.7
Pembrokeshire	23000	8000	35.3
Monmouthshire	20000	6000	32.8
Conwy	23000	8000	32.7
Rural Wales	202,000	80,000	39.6

Table 4.5 shows public sector employment as a % of total employment within the male and female labour forces and the male: female employment ratio across the nine 'rural' unitary authority areas in 2004.

Table 4.5: Public sector employment as a % of total employment within the male and female labour forces, rural unitary authority areas, 2004

Administrative area	Female Public Sector Employment %	Male Public Sector Employment %	Male: Female Employment Ratio
Carmarthenshire	48.1	19.0	2:5
Gwynedd	43.1	24.4	4:7
Ceredigion	41.2	20.7	1:2
Denbighshire	40.9	20.2	1:2
Isle of Anglesey	40.8	17.4	8:19
Powys	36.7	14.0	8:21
Pembrokeshire	35.3	16.2	4: 9
Monmouthshire	32.8	13.7	8:19
Conwy	32.7	16.2	1:2
Rural Wales	39.6	18.3	1:2

Across rural Wales, the public sector is approximately twice as significant for women as it is for men; that is, it accounts for twice the proportion of employment amongst the female labour force as it does amongst the male labour force - 39.6% compared to 18.3%. For each public sector employee in the male labour force there are two public sector employees in the female labour force. However, this average 1: 2 male: female ratio exhibits considerable spatial variation. The highest ratio is in Carmarthenshire, where for every two public sector employees in the male labour force there are five public sector employees in the female labour force (a 2:5 ratio). High ratios are also evident in Powys (8:21), Anglesey (8:19) and Monmouthshire (8:19). The lowest female: male ratio is in Gwynedd, where for every four public sector employees in the male labour force there are seven public sector employees in the female labour force (a ratio of 4:7). Gwynedd stands out as the only rural county to have a female: male

public sector employment ratio substantially below the average for rural Wales. There are no rural counties in which public sector employment is more significant amongst the male workforce than amongst the female workforce.

4.2 Age

Table 4.6 The age distribution of the workforce within the public sector, private sector and all sectors in rural Wales and all Wales

	16-24	25-39	40-49	50-59	60-64
Public sector employees in rural Wales (%)	8	35	30	25	2
Public sector employees throughout Wales (%)	8	37	29	25	2
Private sector employees in rural Wales (%)	17	30	25	24	4
Private sector employees throughout Wales (%)	19	33	25	20	3
All employees in rural Wales (%)	14	31	27	24	4
All employees throughout Wales (%)	16	34	26	21	3

Source: Welsh Local Labour Force Survey, 2004

Table 4.6 demonstrates that the public sector in rural Wales has a greater proportion of employees aged between 25 and 59, than the private sector. This trend is reversed with younger workers (aged between 16 and 24), who constitute 17% of the private sector workforce and only 8% of the public sector workforce in rural Wales. At the other end of the age spectrum, there is a lower representation of older people working in the public sector. Such differences may possibly be accounted for by superior pensions within the public sector and greater propensity amongst public sector workers to take early retirement.

The results reveal that there is limited demographic variation within the public and private sectors across Wales, with a similar age distribution across rural authorities, Valley authorities and urban areas, in both sectors.

Table 4.7 The age distribution of the workforce within the public sector, private sector and all sectors in rural Wales and all Wales, according to gender

	16-24		25-39		40-49		50-59		60-64	
	M	F	M	F	M	F	M	F	M	F
Public sector employees in rural Wales (%)	8	7	34	36	27	32	25	25	6	
Public sector employees throughout Wales (%)	8	8	36	37	26	31	25	24	5	
Private sector employees in rural Wales (%)	15	19	30	29	25	26	23	25	7	
Private sector employees throughout Wales (%)	16	23	33	33	25	24	20	20	5	
All employees in rural Wales (%)	14	14	31	32	25	29	23	25	7	
All employees throughout Wales (%)	15	17	34	35	25	27	21	22	5	

Source: Welsh Local Labour Force Survey, 2004

When this data is analysed according to gender, as well as age, the most notable feature is the absence of women in the highest age group (see table 4.7). This is due to women being currently able to receive their state pension at the age of 60. Generally, the distribution amongst age categories is similar for male and female workers in rural Wales, although female public sector workers constitute a higher proportion of the workforce between 40 and 49. There is no such discrepancy within the private sector.

4.3 Full and part-time working

In the public sector, 29% of the workforce who live in rural Wales work part-time, which is a slightly higher proportion than those who work part-time in the public sector in non-rural areas (27%). Throughout Wales, and across all sectors there is a greater tendency for women to work part-time than men. In rural Wales, 89% of men work full-time and 11% work part-time; whilst 55% of women work full-time and 45% are part-time employees. Figures for non-rural authorities are similar, although women who live in rural Wales have a greater propensity to work part-time (in non-rural authorities 42% of women are part-time workers).

Table 4.8: Persons aged 16 or more in full and part time employment in Wales in all sectors by area type and gender, 2004

	Full-time (%)			Part-time (%)		
	Male	Female	Total	Male	Female	Total
Rural	89	55	73	11	45	27
Valleys	92	60	77	8	40	23
Urban	88	55	72	12	45	28
Others	92	58	76	8	42	24
Non-rural	90	58	75	10	42	25
All Wales	90	57	74	10	43	26

Source: Welsh Local Labour Force Survey, 2004

Within the public sector, women are less likely to work part-time than those in the private sector. In rural Wales, 39% of female public sector employees are part-time workers, compared to 50% of women who work part-time in the private sector. Men are also less likely to be part-time workers in the public sector. The discrepancy between the propensity of part-time jobs in the public and private sectors raises questions about the suitability of public sector employment to those who do not wish, or are not able, to work full-time, which has a particular impact on the female workforce.

Table 4.9: Persons aged 16 or more in full and part time employment in Wales in the **public** and **private** sectors by gender in rural Wales, 2004

	Full-time (%)			Part-time (%)		
	Male	Female	Total	Male	Female	Total
Public	91	61	71	9	39	29
Private	88	50	73	12	50	26

Source: Welsh Local Labour Force Survey, 2004

4.4 Qualifications

In Wales, the public sector workforce has, on average, higher levels of formal qualifications than the private sector workforce, according to statistics from the Welsh Local Labour Force Survey. Within the private sector, 13% of the workforce has no qualifications, compared to 4% of public sector workers. Trade apprenticeships are, however, four times more common amongst the private sector workforce in rural Wales, than the public sector.

The Wales Rural Observatory household survey presents similar findings. Data reveals that public sector employees are more likely to have gained qualifications from higher education establishments than those who work in the private sector. Employees with university degrees and postgraduate qualifications are, however, most common in the voluntary sector. The proportion of employees with no qualifications in the private sector is twice as high as those in the public sector.

Table 4.10: Highest qualifications according to sector of current employment:

		Private (%)	Public (%)	Voluntary (%)
Highest educational qualification:	No qualifications	10	5	4
	O level, CSE or GCSE	23	20	11
	University degree	12	22	23
	Postgraduate qualification	2	9	12

Source: Wales Rural Observatory, 2004

There are variations in the levels of qualifications across Wales. Public sector employees who live in urban authorities have the highest levels of qualifications, over half of whom have at least a Level 4 NVQ; only 44% of public sector employees who live in Valley authorities have such qualifications, whilst 49% of those in rural Wales do so.

Table 4.11: NVQ level 4 qualifications in the public sector across Wales

	% of public sector workforce with NVQ level 4 and above
Rural authorities	49
Valley authorities	44
Urban authorities	56
Other authorities	48

Source: Welsh Local Labour Force Survey, 2004

4.5 Welsh language

Table 4.12: Persons aged 16 or over in public sector employment who say they can speak Welsh - by gender and area type, 2004

	Able to speak Welsh		
	Male	Female	Total
Rural	47	54	52
Valleys	19	22	21
Urban	13	18	16
Others	20	23	22
Non-rural	17	21	19
Wales	27	32	30

Source: Welsh Local Labour Force Survey, 2004

Over half of public sector employees who live in rural Wales are able to speak Welsh, with women employees being slightly more likely to be Welsh-speakers than men. The ability to speak Welsh is well over twice as common amongst public sector workers in rural Wales than it is for public sector employees elsewhere in Wales (52% are able to speak Welsh in rural Wales, compared to 21% in the remainder of Wales).

Throughout Wales, Welsh speakers are more common in the public sector than in other sectors. This trend is particularly apparent in rural Wales where 52% of public sector employees are able to speak Welsh, compared to 43% of the total workforce and only 39% in the private sector. In part, the greater propensity for Welsh speakers to work in public sector organisations may result from internal Welsh language policies and the statutory Welsh Language Act that require Welsh speakers in many employment positions.

Table 4.13 Persons aged 16 or over in public sector employment who say they can speak Welsh in rural Wales - by sector, 2004

	Able to speak Welsh
Public sector	52%
Private sector	39%
Total workforce	43%

Source: Welsh Local Labour Force Survey, 2004

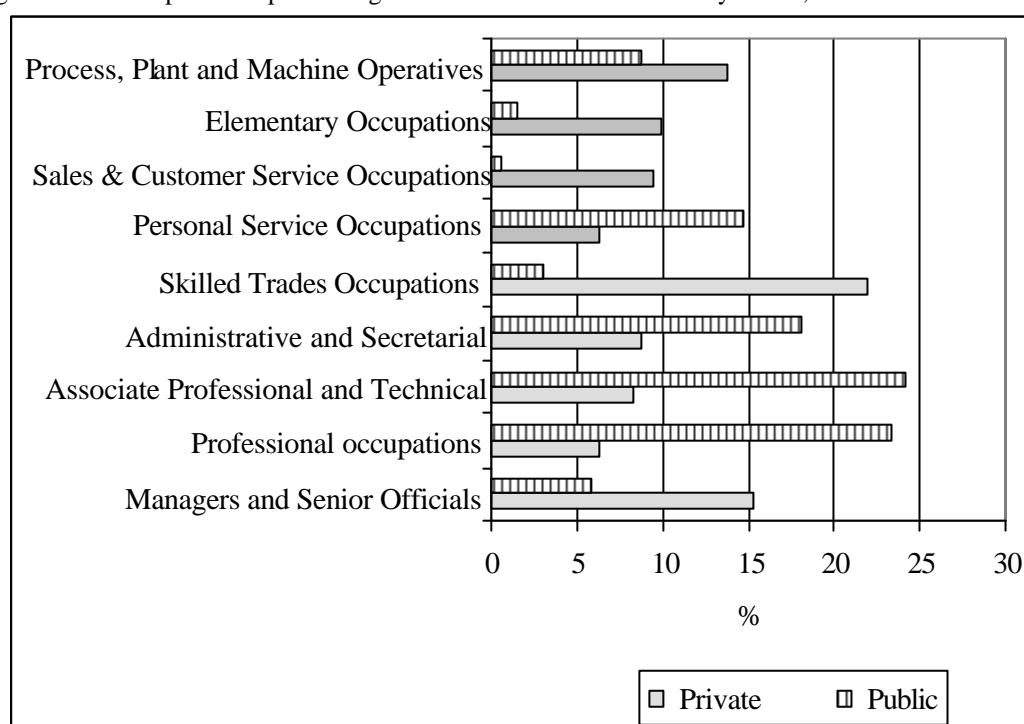
These findings are corroborated by Wales Rural Observatory data from the 2004 household survey. According to this source, fluent Welsh speakers are more likely to work in the public sector than the private or voluntary sectors. Thirty seven percent of public sector employees speak Welsh fluently or quite well, compared to 29% of those in the private sector and 21% of employees who work for voluntary sector organisations.

A sense of Welsh 'identity' appears to have no bearing on sector of employment. Similar proportions of those in the public sector and private sectors define themselves as Welsh, British and English. Likewise, the place where respondents had spent most of their lives and the length of residence in their current property had little bearing on sector of employment.

4.6 Occupation

Figure 4.14 below illustrates the contrast between occupations within the public and private sectors in rural Wales. Only one of the nine categories – ‘elementary occupations’ – accounts for a similar proportion (within 5%) of the workforce in both the public and private sectors. Four occupation categories are dominated by the public sector: ‘personal service occupations’, ‘administrative and secretarial’, ‘associate professional’ and ‘technical and professional occupations’. The biggest discrepancy between sectors is within the ‘higher’ ranked occupations of ‘associate professional and technical’ (24% of the public sector workforce and 8% in the private sector) and ‘professional occupations’ (23% in the public sector and 6% of the private sector workforce).

Figure 4.14: Occupation of persons aged 16 or more in Rural Wales by sector, 2004



Source: Welsh Local Labour Force Survey, 2004

Within the private sector, lower skilled occupations account for a greater proportion of jobs, namely: ‘elementary occupations’, ‘process, plant and machine operatives’, ‘sales and customer service occupations’ and ‘skilled trades occupations’. However, ‘managers and senior officials’ are much more prominent in the private sector, accounting for 15% of the private sector workforce, compared to just 6% in the public sector.

Overall, this evidence demonstrates the contrast in the structure of the public and private sectors and highlights the hazards of making broad comparisons between public and private sector employment.

Table 4.15: Occupation of persons aged 16 or more in Wales by area type, and sector, 2004 (percentages)

	Public sector		Private sector	
	Rural	Non-rural	Rural	Non-rural
Managers and Senior Officials	6	7	15	15
Professional occupations	23	22	6	6
Associate Professional and Technical	24	24	8	9
Administrative and Secretarial	18	20	9	10
Skilled Trades Occupations	3	3	22	14
Personal Service Occupations	15	13	6	5
Sales and Customer Service Occupations	1	1	9	12
Process Plant and Machine Operatives	1	1	10	14
Elementary Occupations	9	9	14	13

Source: Welsh Local Labour Force Survey, 2004

The above table demonstrates the similarity of occupations within the public sector in both rural and non-rural areas of Wales. This indicates that there is a largely standard occupational hierarchy within the public sector, regardless of geography. There is much greater variation between occupations in rural and non-rural areas in the private sector. The private sector workforce in rural Wales comprises of a greater proportion of 'skilled trades occupations' and a smaller proportion employed in 'sales and customer service occupations' and 'process plant and machine operatives' than valley and urban areas. This implies that although the structure of the private sector labour market in rural Wales is distinct from the overall Welsh labour market, the public sector is relatively homogenous across Wales.

4.7 Social class

Public sector workers are more likely to be of a higher social class than those in the private sector. The WRO household survey (2004) reveals that 30% of employees in the public sector live in households that are classified as social class AB compared to 18% of those in the private sector. These social grades – defined as upper middle class and middle class – are determined on the basis of occupation (see table below). The public sector comprises of a higher proportion of individuals in managerial, administrative and professional occupations, than the private sector in rural Wales.

Table 4.16: Social class in rural Wales within the public and private sectors

Social Grade	Social status	Occupation	Public sector (%)	Private sector (%)
A	Upper middle class	Higher managerial, administrative or professional	29.8	17.8
B	Middle class	Intermediate managerial, administrative or professional		
C1	Lower middle class	Supervisory or clerical, junior managerial, administrative or professional	34.3	44.3
C2	Skilled working class	Skilled manual workers	35.1	21.1
D	Working class	Semi and unskilled manual workers	12.7	4.8
E	Lowest level of subsistence	State pensioners or widows, casual or lowest grade workers		

Source: Wales Rural Observatory, 2004

4.8 Industry of employment

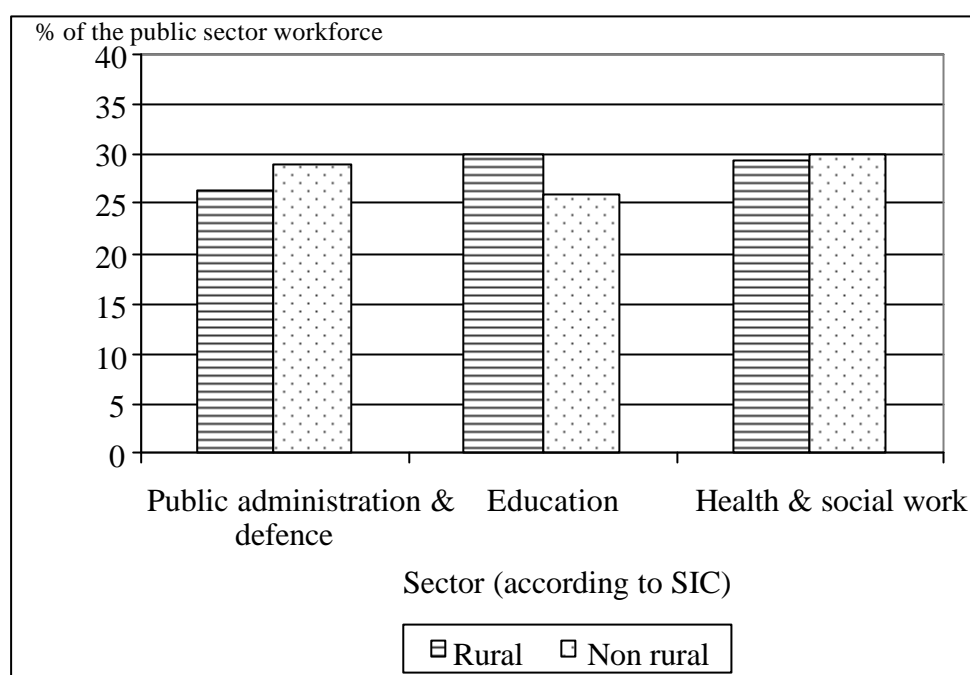
Public sector employment includes a disparate range of industry types⁸. The public sector is most commonly described as comprising of three main categories of activity (according to the Standard Industrial Classification): public administration and defence and compulsory social security, education and health and social work.

In rural Wales, 89% of public sector workers are employed in education (30%), health and social work (29%) and public administration and defence (26%). These sectors only account for 11% of the private sector workforce, of which the majority are employed in health and social work. Fourteen percent of the public sector workforce is employed in 'other industries'. It is supposed that a significant proportion of such workers will be employed in public bodies such as the Royal Mail and BBC.

The predominance of these three industry groupings within the public sector differs across Wales. Education accounts for 30% of the workforce in rural Wales, yet only 23% in Valley areas, whilst public administration and defence is much more prominent in non-rural areas of Wales (29% in non-rural areas and 26% in rural areas). A similar proportion of the workforce are employed in 'health and social work' in both rural and non-rural localities.

⁸ As mentioned in section 2.4, 'industry' relates to Standard Industrial Classification groupings.

Figure 4.17: Proportion of the public sector workforce employed in three industry sectors



Source: Welsh Local Labour Force Survey, 2004

The WRO household survey reveals that almost three quarters of public sector employees in rural Wales work in the three 'public sector' industries. Twenty eight percent of public sector workers classify their industry of employment as 'public administration and defence', 23% work in 'education' and 21% are employed in 'health and social work'.

The Standard Industrial Classification makes clear that 'education' and 'health and social work' divisions include employees in both the public and private sectors. It is generally assumed that 'public administration and defence' predominantly comprises of workers based in the public sector. The WRO survey reveals that just over half (53%) of those working in 'public administration and defence' identify themselves as working in the public sector. Education is also split equally between the public and private sectors (52% and 47% respectively), whilst just over a third of those working in the field of 'health and social work' consider that they work for a public sector body.

These results are determined by employees classifying their own sector of employment and are therefore unlikely to be exact. Nevertheless, they indicate that private sector employees have a strong involvement in what are traditionally perceived to be public sector domains.

Table 4.18: Sector of employees in three public sector industries

	Public	Private	Voluntary
Public administration and defence	54%	45%	2%
Education	52%	47%	2%
Health and social work	37%	61%	2%

Source: Wales Rural Observatory, 2004

SECTION 5: CHANGE IN TOTAL PUBLIC SECTOR EMPLOYMENT 2000-2004

This chapter discusses changes in the significance of public sector employment to total employment in rural Wales over the last four years. The absence of accurate data spanning a longer time period prevents comparisons prior to 2000 (as explained in section 2.4). Section 5.1 provides a brief historical overview of trends in the distribution of employment between the public and private sectors since 1979, the 'high point' of public sector employment in Britain. Section 5.2 looks at changing employee numbers in the public sector across rural Wales between 2001 and 2004. Section 5.3 considers the impact of changing employee numbers on the relative size of the public sector workforce across rural Wales. Section 5.4 compares changes in rural Wales with changes in other areas of Wales. Section 5.5 explores geographical variations in the changing significance of public sector employment within rural Wales. All sections begin with a summary of key trends and then proceed to a more detailed discussion of the data presented in the tables.

Unless otherwise indicated, data in tables are drawn from the annual Local Labour Force Survey 2001 - 2004, the only years for which figures are available. As discussed in the chapter on data sources and data collection, the Local Labour Force Survey rounds all figures to the nearest thousand. Consequently, there are occasions on which public and private sector employee numbers sum to more than 'total employee numbers'. Where this occurs, and where there are other discrepancies or problems with data, this is pointed out in the text. Separate figures do not exist for voluntary sector employment; workers based in the voluntary sector are typically classified as private sector employees. The Local Labour Force Survey relates to employees' place of residence, rather than place of employment.

5.1 Historical overview of trends in public sector employment since 1979

For the majority of the last twenty-five years, the proportion of public sector employment as a share of total employment in the UK has fallen sharply⁹. In 1979, the public sector accounted for 7.5 million jobs out of a total of 26.1 million workforce jobs; by 1998 it accounted for 4.9 million jobs out of a total of 27.6 million workforce jobs. Between 1991 and 1998, public sector employment fell every year. More recently, there has been something of an employment turnaround. Over the last seven years – from the second quarter of 1998 to March 2005 – public sector employment has risen consistently, with 658,000 jobs being added over this period – an increase of 11% - although employment levels are still well below those of 1979, at 5.45 million. Between 1999 and 2000, growth in private sector jobs still outstripped growth in public sector jobs, meaning that the significance of public sector employment continued to decline in terms of its overall contribution to employment. However, drawing on figures from the Office for National Statistics, the Chartered Institute of Personnel and Development (CIPD) has suggested that since 2001 the public sector has been the main area of employment growth in the UK.

⁹ Unless otherwise stated, all figures in section 5.1 are taken from the Public sector employment bulletin published by the Office for National Statistics on 15th July, 2005 and Hicks et al., (2005).

Recent employment growth in the public sector has been stronger in some industries than in others. Since 1997, when the present Government took office, growth in NHS staff (22%) and staff employed in education (18%) has been well above that for the public sector as a whole. There have also been substantial rises in civil service staff (13%) and staff employed in public administration (9%). Between 2004 and 2005, health and social services, education, public administration and the police saw the biggest increases. Over the same period, civil service employment fell, and in September 2004 the Government announced that it intended to cut a further 104,000 civil service jobs, mainly in social security offices and jobcentres.

It is against this historical backdrop that the figures and analysis presented in the remainder of this chapter should be considered.

5.2 Changes in public and private sector employee numbers, 2001-2004

Across rural Wales over the last three years, employee numbers in both the public and private sector have increased. Over this period, the private sector has remained the dominant employer. However, employee numbers in the public sector have increased at three times the rate of employee numbers in the private sector. The public sector has thus been a major source of overall employment growth across rural Wales, providing half the total increase in jobs.

Table 5.1 shows absolute and percentage changes in public and private sector employment across rural Wales between 2001 and 2004. It should be remembered that the figures from which the data in this table have been produced have previously been rounded to the nearest '000.

Table 5.1: changes in public and private sector employment across rural Wales, 2001-2004

	#2001	#2004	#change 2001-2004	% change 2001-2004	Annual % change 2001- 2004
Public Sector Employment	111,000	121,000	+10,000	9.0	3.0
Private Sector Employment	299,000	309,000	+10,000	3.3	1.1
All Employment ¹⁰	409,000	431,000	+22,000	5.4	1.8

Source: Local Labour Force Survey

Between 2001 and 2004, the number of public sector employees across rural Wales increased by 10,000, from 111,000 to 121,000. This equated to an overall increase of 9.0% over the three year period. Over the same three years, the number of private sector employees across rural Wales also increased by 10,000, from 229,000 to 309,000. Because the private sector is close to three times larger than the public sector, this identical increase in numbers translates to a far lower growth rate of 3.0%. The average annual growth rate of public sector employment across rural Wales between 2001 and 2004 was 3.0% in the public sector compared to 1.1 % in the private sector.

¹⁰ The figures provided by the Local Labour Market Survey are rounded to the nearest thousand. As a result, the sum total of all employment does not equate to the sum of public sector and private sector employment.

5.3 The changing significance of public sector employment, 2001-2004

As Table 5.2 shows, the relatively strong growth of the public sector and the relatively weak growth of the private sector between 2001 and 2004 have had little overall impact on the significance of public sector employment across rural Wales. This is due to the large difference in size between the public and private sectors. In 2001, public sector employment accounted for 27.1% of all employment in rural areas; in 2004, it accounted for 28.1%, an increase of just 1.0% over the period. In consequence, the majority of employees in rural Wales work in the private sector. Table 5.5 presents data on the changing size of public and private sector employment as a proportion of total employment in non-rural areas of Wales.

Table 5.2: significance of public and private sector employment to total employment in rural Wales, 2001 and 2004

Employment sector	2001	2004	2001-2004
Public Sector Employment %	27.1	28.1	1.0
Private sector employment %	82.9	81.9	-1.0

Source: Local Labour Force Survey

5.4 Comparing change in rural Wales with other areas of Wales

Recent public sector employment growth has been weaker across rural Wales than it has been across most other areas of Wales. Over the same period, employment growth in the private sector has been stronger in rural Wales than it has been elsewhere. In consequence, growth in public sector employment between 2001 and 2004 has had less impact on the significance of public sector employment in rural Wales than it has had elsewhere in Wales.

Table 5.3 shows absolute and percentage changes in public sector employment across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004.

Table 5.3: changes in public sector employment across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001-2004

Geographical area	Public sector employment # 2001	Public sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	111,000	121,000	+10,000	9.0	3.0
Urban Wales	83,000	92,000	+9,000	10.8	3.6
The Valleys	92,000	102,000	+10,000	10.9	3.6
Other Areas	44,000	48,000	+4,000	9.1	3.0
All Wales	329,00	364,000	35,000	10.6	3.5

Source: Local Labour Force Survey

Over the last three years, the number of public sector employees has increased across all Wales. Employment growth in rural Wales was lower in rural Wales than it was in Urban Wales and the Valleys and the same as in Other Areas. Between 2001 and 2004, the annual average rate of public sector employment growth was 20% lower in

rural areas than it was in Urban Wales and the Valleys – 3.0% compared to 3.6%. However, the proportion of the total public sector labour force living in rural areas has remained very similar over the period, declining only 0.2% (from 33.4% to 33.2%).

Table 5.4 shows changes in private sector employment across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004.

Table 5.4: changes in private sector employment across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001-2004

Geographical area	Private sector employment # 2001	Private sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	299,000	309,000	+10,000	3.3	1.1
Urban Wales	208,000	206,000	-2,000	-1.0	-0.3
The Valleys	254,000	258,000	+4,000	1.6	0.5
Other Areas	139,000	143,000	+4,000	2.9	1.0
<i>All Wales</i>	<i>900,000</i>	<i>918,000</i>	<i>+18,000</i>	<i>2.0</i>	<i>0.7</i>

Source: Local Labour Force Survey

Whilst private sector employment growth in rural Wales is weak compared to the public sector, it is still considerably higher than in most other areas of Wales. Between 2001 and 2004, average annual growth across the Valleys was less than half the average annual growth in rural areas. Across urban Wales, the number of people employed by the private sector fell by 2,000, an overall decline of 1.0% and an annual average decline of 0.3%.

In consequence, as table 5.5 (below) shows, growth in public sector employment between 2001 and 2004 has had less impact on the significance of public sector employment in rural Wales than it has had elsewhere in Wales. Change in the relative size of the public sector labour force has been most apparent in urban Wales, where it grew from 28.4% to 30.8%, a rate of increase (2.4%) some 2.5 times greater than the rate of increase in rural Wales.

Table 5.5: significance of public sector employment to total employment in 2001 and 2004

Geographical area	% 2001	% 2004	% change 2001-2004
Rural Wales	27.1	28.1	1.0
Urban Wales	28.4	30.8	2.4
The Valleys	26.4	28.1	1.7
Other Areas	24.0	25.3	1.3
<i>All Wales</i>	<i>26.8</i>	<i>28.4</i>	<i>1.6</i>

Source: Local Labour Force Survey

Table 5.6 shows changes in all employment across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004. Because the data from the Local Labour Force Survey used in this table include ‘unclassified’ workers – representing respondents who were unable to confirm whether they worked in the public or private sector – in some cases the figures for total employment in this table may be greater

than the sum of the figures for private and public sector employment given in previous tables.

Table 5.6: changes in all employment across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004

Geographical area	All employment # 2001	All employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	409,000	431,000	+22,000	5.4	1.8
Urban Wales	292,000	299,000	+7,000	2.4	0.8
The Valleys	349,000	363,000	+14,000	4.0	1.3
Other Areas	183,000	190,000	7,000	3.8	1.3
<i>All Wales</i>	<i>1,234,000</i>	<i>1,281,000</i>	<i>+47,000</i>	<i>3.8</i>	<i>1.3</i>

Source: Local Labour Force Survey

Table 5.7 draws on data from the three preceding tables to compare % changes in public, private and all employment, 2001-2004

Table: 5.7: % changes in public, private and all employment, 2001-2004

Employment sector		Rural Wales	Urban Wales	The Valleys	Other Areas	All Wales
Public	% change 2001-4	9.0	10.8	10.9	9.1	10.6
	Annual % change	3.0	3.6	3.6	3.0	3.5
Private	% change 2001-4	3.3	-1.0	1.6	2.9	2.0
	Annual % change	1.1	-0.3	0.5	1.0	0.7
All	% change 2001-4	5.4	2.4	4.0	3.8	3.8
	Annual % change	1.8	0.8	1.3	1.3	1.3

Source: Local Labour Force Survey

As noted earlier in this report, seven of the nine rural unitary authorities – Anglesey, Carmarthenshire, Ceredigion, Conwy, Denbighshire, Gwynedd and Pembrokeshire are in the Objective 1 area for Wales. Between 2001 and 2004 (the first three years of the Objective 1 programme) the Objective 1 area considered as a whole - West Wales and the Valleys – has seen public sector employment increase relative to private sector employment. Over the same period, local authorities outside the Objective 1 area – considered as a whole have seen a fall in public sector employment relative to private sector employment. Table 5.8 (below) shows the changing distribution of employees between the public and private sectors inside and outside Objective 1 area.

Table 5.8: Percentage of the workforce who are employed in the public sector within and outside the West Wales and the Valleys Objective 1 area (NUTS 2 regions). Figures for 2001 and 2004

	2001	2004
Objective 1	27.9%	29.7%
Non Objective 1	24.9%	24.5%

Source: Local Labour Force Survey

5.5 Exploring geographical variation in change

Whilst the public sector is a major source of employment growth across rural Wales considered as a whole, its significance varies geographically. Some rural unitary authority areas have seen a considerable increase in public sector employment; others have seen far less growth, whilst two have seen numbers employed remain static and one unitary authority area is characterised by a decrease in public sector employment. The range of variance in % growth between 2001 and 2004 is close to 40%.

Table 5.9 shows absolute and percentage changes in public sector employment in each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order.

Table 5.9: public sector employment, absolute and percentage change, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	Public sector employment # 2001	Public sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Gwynedd	14,000	18,000	4,000	28.6	9.5
Denbighshire	11,000	13,000	2,000	18.2	6.1
Powys	13,000	15,000	2,000	15.4	5.1
Ceredigion	10,000	11,000	1,000	10.0	3.3
Conwy	11,000	12,000	1,000	9.1	3.0
Pembrokeshire	11,000	12,000	1,000	9.1	3.0
Isle of Anglesey	8,000	8,000	0	0.0	0.0
Carmarthenshire	23,000	23,000	0	0.0	0.0
Monmouthshire	10,000	9,000	-1,000	-10.0	-3.3
Rural Wales	111,000	121,000	10,000	9.0	3.0

Source: Local Labour Force Survey

Gwynedd has experienced both the highest absolute growth and the highest rate of growth (% change); between 2001 and 2004, the number of people employed in the public sector rose by 4,000, from 14,000 to 18,000. These numbers represent growth of more than a quarter (28.6%) over the three year period, and an average annual growth rate of close to 10%. These rates of growth are more than a third higher than any other rural county. Denbighshire and Powys also experienced both high absolute growth and high rates of growth. Increases in public sector employee numbers of 2,000 in each case translate to growth across the three year period of 18.2% in Denbighshire and 15.4% in Powys. Annual average growth rates were respectively 6.1% and 5.1 %.

In marked contrast, both Carmarthenshire and the Isle of Anglesey saw no growth at all across this period. In Monmouthshire, even more notably, the number of people employed in the public sector fell. Absolute decline was 1,000, from 10,000 to 9,000, representing a 10% decrease over three years and an average annual decrease of 3.3%.

To a limited extent, changes in public sector employment are the reverse of changes in private sector employment. Table 5.10 shows absolute and percentage changes in private sector employment across each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order. Table 5.11 shows the % changes in public and private sector employment in the nine 'rural' unitary authority areas between 2001 and 2004.

Table 5.10: private sector employment, absolute and percentage changes, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	Private sector employment # 2001	Private sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Ceredigion	22,000	24,000	2,000	9.1	3.0
Pembrokeshire	34,000	37,000	3,000	8.8	2.9
Monmouthshire	30,000	32,000	2,000	6.7	2.2
Isle of Anglesey	20,000	21,000	1,000	5.0	1.7
Carmarthenshire	46,000	48,000	2,000	4.3	1.4
Conwy	35,000	36,000	1,000	2.9	1.0
Gwynedd	35,000	35,000	0	0.0	0.0
Denbighshire	30,000	30,000	0	0.0	0.0
Powys	47,000	46,000	-1,000	-2.1	-0.7
Rural Wales	299,000	309,000	10,000	3.3	1.1

Source: Local Labour Force Survey

Table 5.11: % changes in employment, public and private sector, rural unitary authority areas, 2001-2004

Administrative area	Public sector employment % change 2001-2004	Private sector employment % change 2001-2004
Gwynedd	28.6	0.0
Denbighshire	18.2	0.0
Powys	15.4	-2.1
Ceredigion	10.0	9.1
Conwy	9.1	2.9
Pembrokeshire	9.1	8.8
Isle of Anglesey	0.0	5.0
Carmarthenshire	0.0	4.3
Monmouthshire	-10.0	6.7
Rural Wales	9.0	3.3

Source: Local Labour Force Survey

The three counties that experienced the highest rates of public sector employment growth (Gwynedd, Denbighshire and Powys) are the three counties that experienced

no growth, and in one case both an absolute and percentage decline, in private sector employment. The three counties (Anglesey, Carmarthenshire and Monmouthshire) that saw no increase, or decline, in public sector employment between 2001 and 2004 saw some increase in private sector employment over the same period. However, the highest rates of employment growth in the private sector were in the two counties (Ceredigion and Pembrokeshire) that also saw higher than average growth in public sector employment. Moreover, as table 5.11 (above) shows, changes in private sector employment exhibit far less geographical variation than changes in public sector employment.

This finding is significant in that it contradicts – or at least provides a counterpoint to – arguments that there is an inverse relationship between private and public sector employment. As discussed in the introduction to this report, some academic studies of the relationship between public and private sector employment have suggested that high levels of employment in the public sector are likely to ‘crowd out’ employment in the private sector. The same studies have also suggested that low levels of public sector employment are likely to stimulate private sector employment growth. The data presented in table 5.11, however, suggest that in rural Wales any relationship between public and private sector employment are by no means so clear cut. There seems to be little correlation – whether positive or inverse – between numbers employed in the public sector and numbers employed in the private sector.

Table 5.12 shows changes in all employment and public sector employment and the percentage of changes in all employment accounted for by public sector employment in each of the nine rural unitary authority areas between 2001 and 2004 in rank order

Table 5.12: changes in all employment and public sector employment and % change accounted for by public sector, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	# change all employment 2001-2004	# change public sector employment 2001-2004	Public sector % contribution to change
Ceredigion	3,000	1,000	33.3
Gwynedd	4,000	4,000	100.0
Pembrokeshire	3,000	1,000	33.3
Monmouthshire	2,000	-1,000	(50.0)
Denbighshire	2,000	2,000	100.0
Conwy	2,000	1,000	50.0
Carmarthenshire	3,000	0	0.0
Isle of Anglesey	1,000	0	0.0
Powys	2,000	2,000	100.0
Rural Wales	22,000	10,000	45.5%

Source: Local Labour Force Survey

In those counties where both public and private sector¹¹ employment has increased, the significance of the public sector to overall employment growth has been highly

¹¹ Voluntary sector employment is classified as private sector in this context.

varied. In Ceredigion and Pembrokeshire, public sector employment growth has contributed to overall employment growth in proportion to the relative size of the public and private sectors; a third of all employment growth between 2001 and 2004 is accounted for by the public sector. In Conwy, Gwynedd and Denbighshire, by contrast, public sector employment has contributed to overall employment growth out of proportion to the relative size of the public and private sectors; in Gwynedd and Denbighshire, 100% of all employment growth between 2001 and 2004 was accounted for by the public sector.

Earlier in this report, it was noted that across rural Wales, considered as a whole, changes in both private and public sector employment between 2001 and 2004 had had little impact on the significance of public sector employment; the distribution of employees between the public and private sectors had remained very similar. The consequence of geographical variation in employment trends, however, is that in some areas the distribution of employment between the public and private sectors has changed more markedly.

Table 5.13 shows the significance of public sector employment to total employment in 'rural' unitary authority areas in 2001 and 2004 and the % change over this three year period in rank order

Table 5.13: significance of public sector employment to total employment in 'rural' unitary authority areas in 2001 and 2004 and % change 2001-4, rank order (descending)

Geographical area	% 2001	% 2004	% change 2001-2004
Gwynedd	28.1	33.3	5.2
Denbighshire	26.4	29.9	3.5
Powys	21.1	24.2	3.1
Isle of Anglesey	27.1	28.4	1.3
Conwy	23.3	24.2	0.9
Pembrokeshire	24.9	25.1	0.2
Ceredigion	31.6	30.5	-1.1
Carmarthenshire	33.6	32.3	-1.3
Monmouthshire	24.6	22.8	-1.8
Rural Wales	27.1	28.1	1.0

Source: Local Labour Force Survey

The most evident shift is in Gwynedd, where over the last three years the public sector labour force has increased in size relative to the private sector labour force by 5.2%. Between 2001 and 2004, public sector employment in Gwynedd increased from 28.1% of all employment to 33.3% of all employment, whilst, accordingly, the significance of private sector employment in the county declined, from 71.9% of all employment to 66.7% of all employment. Over the same period, Denbighshire and Powys also saw notable expansion of the public sector labour force relative to the private sector labour force. These three counties experienced the highest public sector employment growth of the nine rural unitary authority areas.

In sharp contrast, Monmouthshire, Ceredigion and Carmarthenshire saw the relative contraction of the public sector labour force over the same period. The most evident

shift was in Monmouthshire – the rural county in which public sector employment is least significant – where between 2001 and 2004 public sector employment declined from 24.6% of all employment to 22.8% of all employment. In none of these areas, however, are the changes so marked as in the three counties in which the distribution of employment has shifted notably in favour of the public sector.

One consequence of these trends is that over the last four years, spatial variation in the significance of public sector employment to total employment has become less evident. Between 2001 and 2004, the range of variation – between the counties with the highest and lowest proportion of employment accounted for by the public sector – decreased from 12.5% to 10.5%.

5.6 The changing significance of public sector employment according to gender

This remainder of this chapter discusses the changing significance of public sector employment with regard to gender between 2001 and 2004. Section 5.7 examines changes in public and private sector employee numbers within the male and female workforces across rural Wales between 2001 and 2004. Section 5.8 considers the impact of these changes on the overall significance of public sector employment according to gender. Section 5.9 considers changes in rural Wales with changes elsewhere in Wales. Section 5.10 explores variations in change between the nine rural unitary authorities in Wales. As with the earlier part of the chapter, all sections begin with a summary of key issues and then proceed to a more detailed discussion of the data presented in the tables, and unless otherwise indicated, data in tables are drawn from the annual Local Labour Force Survey 2001 – 2004.

5.6.1 Changes in public and private sector employee numbers across the male and female workforces, 2001-2004

Across rural Wales over the last three years, public sector employment has increased amongst both the male and the female labour force. Whilst private sector employment has also increased amongst both the male and female labour force, the rate of increase has been far slower. The number of female public sector employees has risen eight times more quickly than the number of male public sector employees, whilst private sector employee numbers have risen more slowly amongst the female workforce than they have amongst the male workforce. The consequence of these trends is that public sector employment has become more significant for the female workforce, whilst amongst the male workforce the distribution of employment between the public and private sectors has exhibited little change.

Table 5.14 shows changes in the distribution of employment between the public and private sectors within the female and male labour forces across rural Wales between 2001 and 2004. It should be noted that in both years the figures for public and private sector employment do not sum to the figures for all employment because of rounding to the nearest '000 in the Local Labour Force Survey.

Table 5.14: changes in public and private sector employment within the female labour force across rural Wales, 2001-2004

	#2001	#2004	#change 2001-2004	% change 2001-2004	Annual % change 2001-2004
Public Sector Employment	67,000	80,000	13,000	19.4	6.5
Private Sector Employment	119,000	122,000	3,000	2.8	0.8
All Employment	189,000	202,000	13,000	6.9	2.3

Source: Local Labour Force Survey

Between 2001 and 2004, the number of female employees across rural Wales grew by 6.9%, from 189,000 to 202,000. Because of discrepancies in the data caused by rounding, it is impossible to give a precise figure for the proportions of this increase accounted for by the public and private sectors. However, if the figures in table 5.14 are taken as indicative, it appears that of this 13,000 increase, the vast majority – at least 68% (13,000 out of 19,000 employees) – was accounted for by the public sector. According to the data from the Local Labour Force Survey, the number of female employees in the public sector increased by 19.4% over the three year period. This equates to a growth rate of almost seven times that of the private sector, where the number of female employees increased by 2.8%. Average annual growth was 6.5% in the public sector compared to 0.8% in the private sector.

Table 5.15 shows changes in public and private sector employment within the male labour force across rural Wales, 2001-2004. As with table 1, it should be noted that in both years the figures for public and private sector employment do not sum to the figures for all employment because of rounding to the nearest '000 in the Local Labour Force Survey.

Table 5.15: changes in public and private sector employment within the male labour force across rural Wales, 2001-2004

	#2001	#2004	#change 2001-2004	% change 2001-2004	Annual % change 2001-2004
Public Sector Employment	41,000	42,000	1,000	2.4	0.8
Private Sector Employment	178,000	188,000	10,000	5.6	1.9
All Employment	220,000	229,000	9,000	4.1	1.4

Source: Local Labour Force Survey

Trends in the distribution of male employment growth between the public and private sectors are the broad opposite of the trends noted for the distribution of female employment growth. Between 2001 and 2004, the number of male public sector employees increased by 2.4%, but this increase represented a growth rate of less than half the growth rate of employment in the private sector (5.6%). The public sector accounted for little more than 10% - 1,000 out of 11,000 – of the rise in employee numbers over this three year period. Average annual growth was 0.8% in the public sector compared to 1.9% in the private sector.

Overall, female employment growth in the public sector was more than eight times the growth rate of male employment in the public sector.

5.6.2 The changing significance of public sector employment to the male and female workforces

There has been little change in the overall significance of public sector employment within the male labour force. In 2004, according to the figures from the Local Labour Force Survey (see table 5.16), public sector employment accounted for just a third of one percent more employment amongst the male workforce than it did in 2001. Correspondingly, private sector employment shrank in proportion by just one third of one percent. Given the coarseness of the data from the LLFS – rounded to the nearest ‘000 – it is possible that actual changes were even less than these figures suggest.

Table 5.16: distribution of the male labour force between the public and private sector, 2001 and 2004

Employment sector	2001	2004	2001-2004
Public Sector Employment %	18.6	18.3	0.3
Private sector employment %	81.4	81.7	-0.3

Source: Local Labour Force Survey

Within the female labour force, however, it appears that there has been notable change. In 2004, the data shown in table 5.17 (below) suggest, public sector employment accounted for 4.2% more of all employment than it did in 2001. Correspondingly, private sector employment shrank in proportion by the same 4.2%. Over the three year period, public sector employment has expanded from 35.4% to 39.6% of all employment amongst the female labour force.

Table 5.17: distribution of the female labour force between the public and private sector, rural Wales, 2001 and 2004

Employment sector	2001	2004	2001-2004
Public Sector Employment %	35.4	39.6	4.2
Private sector employment %	64.6	60.4	-4.2

Source: Local Labour Force Survey

Together, this apparent stasis in the significance of public sector employment within the male workforce and apparent increase in the significance of public sector employment within the female workforce mean that differences in the distribution of male and female employment across rural Wales are becoming more marked. The changes suggest that the public sector is increasingly attractive to women looking for paid employment, either because of sheer job availability or because the public sector offers greater flexibility and better terms and conditions than the private sector that are particularly attractive to the female workforce. The perceptions and experiences of public sector employees will be discussed later in this report.

5.6.3 Comparing changes in rural Wales with other areas of Wales

Male public sector employment

Recent growth in male public sector employment has been considerably weaker across the predominantly rural unitary authority areas than it has across any other cluster of unitary authority areas in Wales. Rural Wales also saw the joint-smallest increase in the absolute number of male public sector employees. In contrast, private

sector employee numbers within the male workforce have risen more steeply in rural Wales than elsewhere. Overall, the public sector accounted for barely more a tenth of the increase in total male employee numbers. Rural Wales stands out as the only cluster of unitary authority across which the significance of public sector employment within the male workforce has contracted.

Table 5.18 shows absolute and percentage changes in public sector employment within the male labour force across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004.

Table 5.18: absolute and percentage changes in public sector employment within the male labour force across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001-2004

Geographical area	Public sector employment # 2001	Public sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	41,000	42,000	1,000	2.4	0.8
Urban Wales	31,000	33,000	2,000	6.5	2.2
The Valleys	32,000	36,000	4,000	12.5	4.2
Other Areas	16,000	17,000	1,000	6.3	2.1
<i>All Wales</i>	<i>121,000</i>	<i>126,000</i>	<i>5,000</i>	<i>4.1</i>	<i>1.4</i>

Source: Local Labour Force Survey

Between 2001 and 2004, the number of male employees in the public sector increased by 2.4 % across rural Wales. This percentage increase was less than a quarter of the rate of increase seen in the Valleys (12.5%) and less than half of the rate of increase seen in Urban Wales (6.5%) and Other Areas (6.3%). The annual average year-on-year rise was 0.8%, compared to 4.2% in the Valleys, 2.2% in Urban Wales and 2.1% in Other Areas. Absolute employee numbers rose by a total of 1,000 across the nine rural counties. Put in context, this rise is the same total rise as the three counties constituting the parts of Wales classified as 'other' than predominantly urban, predominantly rural or predominantly Valleys.

Table 5.19 shows absolute and percentage changes in private sector employment within the male labour force across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004

Table 5.19: changes in private sector employment within the male labour force across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001-2004

Geographical area	Private sector employment # 2001	Private sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	178,000	188,000	10,000	5.6	1.9
Urban Wales	123,000	122,000	-1,000	-0.8	-0.3
The Valleys	155,000	157,000	2,000	1.3	0.4
Other Areas	82,000	85,000	3,000	3.7	1.2
<i>All Wales</i>	<i>537,000</i>	<i>553,000</i>	<i>16,000</i>	<i>3.0</i>	<i>1.0</i>

Source: Local Labour Force Survey

Over the last three years, the number of male employees working in the private sector increased by 5.6% across rural Wales. This percentage increase was almost five times the percentage increase across the Valleys (0.4%) and approaching twice the percentage increase across Other Areas. Over the same period, Urban Wales saw a 0.3% decline in the number of male employees working in the private sector. Across rural Wales, employee numbers rose by 10,000 – an absolute increase greater than the increase in employee numbers across all other areas of Wales put together.

Table 5.20 shows the changing significance of public sector employment to total employment amongst the male workforce between 2001 and 2004.

Table 5.20: changing significance of public sector employment to total employment amongst the male workforce, 2001 - 2004

Geographical area	% 2001	% 2004	% change 2001-2004
Rural Wales	18.6	18.3	- 0.3
Urban Wales	20.1	21.3	1.2
The Valleys	17.0	18.7	1.7
Other Areas	16.3	16.8	0.5
<i>All Wales</i>	18.4	18.6	0.2

Source: Local Labour Force Survey

The significance of public sector employment amongst the male workforce has changed little across any cluster of unitary authorities in Wales. The most evident change is in the Valleys, where public sector employment accounted for 18.7% of the male workforce compared with 17.0% in 2001 – an increase of 1.7%. Rural Wales stands out, however, as the only cluster of unitary authority areas in which the significance of public sector employment within the male workforce has contracted – or, allowing for the coarseness of the data, perhaps remained constant – over the last three years. Otherwise, there has been no change in the relative ranking of rural Wales regarding the significance of male employment in the public sector.

Table 5.21 shows absolute and percentage changes in all employment within the male labour force across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004. Because figures published from the Local Labour Force survey include ‘unclassified’ workers – representing respondents who were unable to confirm whether they worked in the public or private sector – in some cases the figures for total employment in this table may be greater than the sum of the figures for private and public sector employment given in tables 3 and 4.

Table 5.21: absolute and percentage changes in all employment within the male labour force across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001 - 2004

Geographical area	All employment # 2001	All employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	220,000	229,000	9,000	4.1	1.4
Urban Wales	154,000	155,000	1,000	0.6	0.2
The Valleys	188,000	193,000	5,000	2.7	0.9
Other Areas	98,000	101,000	3,000	3.1	1.0
<i>All Wales</i>	<i>662,000</i>	<i>680,000</i>	<i>18,000</i>	<i>2.7</i>	<i>0.9</i>

Source: Local Labour Force Survey

Female public sector employment

Trends in female employment are in sharp contrast with trends in male employment. Recent growth in female public sector employment has been considerably stronger across the predominantly rural unitary authority areas than it has across any other cluster of unitary authority areas in Wales. Rural Wales also saw by far the largest increase in the total number of female public sector jobs than any other areas of Wales. Private sector employment growth amongst the female workforce has been notably stronger in rural Wales than elsewhere – although as in the rest of Wales, it has been decidedly weaker than growth in public sector employment. A striking consequence of these changes is that whilst public sector employment amongst the female workforce has become more significant across Wales, its significance has increased far more in rural Wales than elsewhere.

Table 5.22 shows absolute and percentage changes in public sector employment within the female labour force across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004.

Table 5.22: changes in public sector employment within the female labour force across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001-2004

Geographical area	Public sector employment # 2001	Public sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	67,000	80,000	13,000	19.4	6.5
Urban Wales	52,000	58,000	6,000	11.5	3.8
The Valleys	61,000	68,000	7,000	11.5	3.8
Other Areas	27,000	31,000	4,000	14.8	4.9
<i>All Wales</i>	<i>207,000</i>	<i>237,000</i>	<i>30,000</i>	<i>14.5</i>	<i>4.8</i>

Source: Local Labour Force Survey

Between 2001 and 2004, public sector employee numbers amongst the female workforce increased by close to a fifth across rural Wales. This rate of increase represents close to twice the rate of increase in Urban Wales and the Valleys (which both saw growth of 11.5%) over the same period. Average annual year-on-year increase was 6.5% across rural Wales compared to 3.8% in Urban Wales and the Valleys and 4.9% in Other Areas. The absolute rise in total employee numbers across rural Wales was greater than the absolute rise in any other area, and close to half of the total rise in female public sector employment across Wales as a whole.

Table 5.23 shows absolute and percentage changes in private sector employment within the female labour force across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004.

Table 5.23: changes in private sector employment within the female labour force across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001-2004

Geographical area	Private sector employment # 2001	Private sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	119,000	122,000	3,000	2.5	0.8
Urban Wales	86,000	85,000	-1,000	-1.2	-0.4
The Valleys	98,000	99,000	1,000	1.0	0.3
Other Areas	57,000	57,000	0	0.0	0.0
<i>All Wales</i>	<i>362,000</i>	<i>364,000</i>	<i>2,000</i>	<i>0.6</i>	<i>0.2</i>

Source: Local Labour Force Survey

Between 2001 and 2004, the private sector saw female employee numbers rise by 2.5% in rural Wales. In comparison, the greatest increase elsewhere – 1.0% in the Valleys – was less than half this, whilst across Urban Wales private sector employment amongst the female workforce decreased by 1.2%. The figures in table 5.23 (above) suggest that across this three year period, the total number of female employees working in the private sector would have remained static had it not been for employment growth in rural Wales. At the same time, it should be remembered that across rural Wales, as elsewhere, growth in female private sector employment was considerably weaker than growth in female public sector employment.

Table 5.24 shows the changing significance of public sector employment to total employment amongst the female workforce between 2001 and 2004.

Table 5.24: changing significance of public sector employment to total employment amongst the female workforce, 2001 - 2004

Geographical area	% 2001	% 2004	% change 2001-2004
Rural Wales	35.4	39.6	4.2
Urban Wales	37.7	40.6	2.9
The Valleys	37.9	40.5	2.6
Other Areas	32.1	34.8	2.7
<i>All Wales</i>	<i>36.4</i>	<i>39.5</i>	<i>3.1</i>

Source: Local Labour Force Survey

Across all clusters of unitary authority areas in Wales, the significance of public sector employment amongst the female workforce has changed far more than the significance of public sector employment amongst the male workforce. However, within this overall trend, rural Wales stands out. In 2004, the public sector accounted for close to 40% of all female employment across rural Wales, compared to just over 35% in 2001. This increase of 4.2% compares to increases of 2.9% in Urban Wales, 2.6% in the Valleys and 2.7% in Other Areas. A consequence of these different rates of change is that over the last three years rural Wales has been ‘catching up’ with Urban Wales and the Valleys in terms of the proportion of female employment accounted for by the public sector; it is now less than 1% ‘behind’.

Table 5.25 shows absolute and percentage changes in all employment within the female labour force across Rural Wales, Urban Wales, The Valleys and Other Areas between 2001 and 2004. Because figures published from the Local Labour Force survey include ‘unclassified’ workers – representing respondents who were unable to confirm whether they worked in the public or private sector – in some cases the figures for total employment in this table may be greater than the sum of the figures for private and public sector employment given in tables 3 and 4.

Table 5.25: absolute and percentage changes in all employment within the female labour force across Rural Wales, Urban Wales, The Valleys and Other Areas, 2001 - 2004

Geographical area	All employment # 2001	All employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Rural Wales	189,000	202,000	13,000	6.9	2.3
Urban Wales	138,000	143,000	5,000	3.6	1.2
The Valleys	161,000	168,000	7,000	4.3	1.4
Other Areas	84,000	89,000	5,000	6.0	2.0
<i>All Wales</i>	<i>572,000</i>	<i>601,000</i>	<i>29,000</i>	<i>5.1</i>	<i>1.7</i>

Source: Local Labour Force Survey

Earlier it was noted that employment growth in the public sector across rural Wales was eight times higher within the female workforce than within the male workforce. The data in Table 5.26 (below) indicate that this disparity is far higher than in other areas of Wales. Across Urban Wales and Other Areas, female public sector employment growth is higher by a factor of slightly more than two to one; in the Valleys the disparity is even lower.

Table 5.26: percentage changes in public sector employment 2001-2004 according to gender

Geographical area	% change 2001-2004		Average annual % change		Female: Male Ratio of Employment Growth
	Female	Male	Female	Male	
Rural Wales	19.4	2.4	6.5	0.8	8:1
Urban Wales	11.5	6.5	3.8	2.2	2:1
The Valleys	11.5	12.5	3.8	4.2	1:1
Other Areas	14.8	6.3	4.9	2.1	9:4
<i>All Wales</i>	<i>14.5</i>	<i>4.1</i>	<i>4.8</i>	<i>1.4</i>	<i>7:2</i>

Source: Local Labour Force Survey

5.6.4 Exploring geographical variation in change

Male employment

Data on changes in public sector employment amongst the male workforce at the local authority scale reveals a combination of stasis, increase and decrease. The predominant trend is stasis: six out of the nine rural counties saw no absolute or percentage increase in employee numbers between 2001 and 2004. Denbighshire and Gwynedd stand out from this trend, having recently experienced substantial growth in

male public sector employment over the period, whilst Carmarthenshire has seen a notable decrease in employee numbers. Two counties thus account for the entire growth in public sector employment within the male workforce across this period.

Table 5.27 shows absolute and percentage changes in public sector employment within the male labour force across each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order.

Between 2001 and 2004, the data suggest, six out of the nine predominantly rural counties in Wales saw no absolute or percentage change in public sector employment amongst the male workforce; male employee numbers remained static in Anglesey, Conwy, Powys, Ceredigion, Pembrokeshire and Monmouthshire. Three counties stand out from this dominant trend: Denbighshire saw male employee numbers in the public sector grow by 1,000, representing an increase of 25% over three years and an annual average increase of 8.3%. Gwynedd also saw male employee numbers in the public sector rise by 1,000, representing an overall increase of 16.7% and an annual average increase of 5.6%. Carmarthenshire saw the number of public sector employees in the male workforce fall by 1,000, representing a decrease of 12.5% overall and a year-on-year average decrease of 4.2%.

Table 5.27: changes in public sector employment within the male labour force, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	Public sector employment # 2001	Public sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Denbighshire	4000	5000	1000	25.0	8.3
Gwynedd	6000	7000	1000	16.7	5.6
Isle of Anglesey	3000	3000	0	0	0.0
Conwy	4000	4000	0	0.0	0.0
Powys	5000	5000	0	0.0	0.0
Ceredigion	4000	4000	0	0.0	0.0
Pembrokeshire	4000	4000	0	0.0	0.0
Monmouthshire	3000	3000	0	0.0	0.0
Carmarthenshire	8000	7000	-1000	-12.5	-4.2
Rural Wales	41,000	42,000	1000	2.4	0.8

Source: Local Labour Force Survey

To some degree, geographical trends in public sector employment amongst the male workforce appear to have a negative correlation with geographical trends in private sector employment amongst the male workforce. Table 5.28 shows absolute and percentage changes in private sector employment within the male labour force across each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order. Table 5.29 shows the % changes in public and private sector employment amongst the male workforce in the nine 'rural' unitary authority areas between 2001 and 2004.

Table 5.28: changes in private sector employment within the male labour force, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	Private sector employment # 2001	Private sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Carmarthenshire	29000	32000	3000	10.3	3.4
Pembrokeshire	20000	22000	2000	10.0	3.3
Isle of Anglesey	12000	13000	1000	8.3	2.8
Ceredigion	13000	14000	1000	7.7	2.6
Monmouthshire	17000	18000	1000	5.9	2.0
Conwy	20000	21000	1000	5.0	1.7
Powys	28000	29000	1000	3.6	1.2
Gwynedd	21000	21000	0	0.0	0.0
Denbighshire	18000	18000	0	0.0	0.0
Rural Wales	178,000	188,000	10000	5.6	1.9

Source: Local Labour Force Survey

Table 5.29: % changes in male employee numbers, public and private sector, rural unitary authority areas, 2001-2004

Administrative area	Public sector employment % change 2001-2004	Private sector employment % change 2001-2004
Denbighshire	25.0	0.0
Gwynedd	16.7	0.0
Isle of Anglesey	0.0	8.3
Conwy	0.0	5.0
Powys	0.0	3.6
Ceredigion	0.0	7.7
Pembrokeshire	0.0	10.0
Monmouthshire	0.0	5.9
Carmarthenshire	-12.5	10.3
Rural Wales	2.4	5.6

Source: Local Labour Force Survey

The only two counties in which public sector employment amongst the male workforce grew between 2001 and 2004 (Denbighshire and Gwynedd) are also the only counties to have seen no increase in male employment by the private sector over the same period. In contrast, the six counties that experienced no change in male public sector employment between 2001 and 2004 (Anglesey, Conwy, Powys, Ceredigion, Pembrokeshire and Monmouthshire) all saw growth in male private sector employment over the period. However, the degree of growth within these counties varied considerably. It was lowest in Powys, where employee numbers grew by 3.6% over three years, and highest in Pembrokeshire, where employee numbers grew by 10.0%, over three years – almost three times as quickly. The only county to see a decline in the number of male public employees (Carmarthenshire) saw the strongest growth in private sector employment, at 10.3%

Table 5.30 shows changes in all employment and public sector employment amongst the male workforce and the percentage of that change accounted for by public sector

employment in each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order. Because of rounding to the nearest '000 in the data from which table 5.30 was compiled and the low numbers involved, it would be unwise to draw any firm conclusions on the significance of public sector employment change to overall employment growth within the nine rural counties.

To the extent that tentative conclusions may be drawn, it appears that in Gwynedd and Denbighshire, public sector employment growth has contributed to overall employment growth out of proportion to the relative size of the public and private sectors; the data indicate that in Denbighshire the public sector accounted for 100% of the 1,000-strong increase in male employee numbers between 2001 and 2004, whilst in Gwynedd the public sector accounted for half the total increase, despite the private sector employing over three quarters of the male workforce in that county. In the other counties in which total employment has risen over the last three years, public sector employment has contributed nothing to the rise, and in one county, Carmarthenshire, a decrease in public sector employment over this period reduced what otherwise would have been an overall rise in employee number of 3,000 by a third. In two counties, overall employee numbers amongst the male workforce have remained static.

Table 5.30: changes in all employment and public sector employment amongst the male workforce and % change accounted for by public sector, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	# change all employment 2001-2004	# change public sector employment 2001-2004	Public sector % contribution to change
Isle of Anglesey	1000	0	0
Gwynedd	2000	1000	50%
Conwy	1000	0	0%
Denbighshire	1000	1000	100%
Powys	0	0	n/a
Ceredigion	1000	0	0%
Pembrokeshire	1000	0	0%
Carmarthenshire	2000	-1000	-33%
Monmouthshire	0	0	n/a
Rural Wales	9000	1000	11.1%

Source: Local Labour Force Survey

These trends have meant that in some counties the distribution of the male workforce between the public and private sectors has undergone a significant shift – although, as noted above, the data should be considered with some caution because of rounding and the low numbers involved. Table 5.31 shows the significance of public sector employment to total employment within the male labour force in 'rural' unitary authority areas in 2001 and 2004 and the % change over this three-year period in rank order. It suggests that whilst in some counties the shift has been marginally in favour of public sector employment, the more evident shifts are in favour of private sector employment.

Table 5.31: significance of public sector employment to total employment within the male labour force in 'rural' unitary authority areas in 2001 and 2004 and % change 2001-4, rank order (descending)

Geographical area	% 2001	% 2004	% change 2001-2004
Gwynedd	21.2	24.4	3.2
Isle of Anglesey	17.1	17.4	0.3
Conwy	16.0	16.2	0.2
Denbighshire	20.1	20.2	0.1
Rural Wales	18.6	18.3	-0.3
Powys	15.1	14.0	-1.1
Pembrokeshire	18.1	16.2	-1.9
Carmarthenshire	22.0	19.0	-3.0
Monmouthshire	16.7	13.7	-3.0
Ceredigion	24.9	20.7	-4.2

According to the figures in table 5.31, between 2001 and 2004 the male public sector labour force increased in size relative to the male private sector labour force in four counties. Only in the county of Gwynedd, however, do the data suggest that this shift was of sufficient magnitude (3.2%) to be considered noteworthy. Even in this case, the shift is far less than the overall shift in the distribution of both male and female employees noted earlier in this report. In the other three counties – Anglesey, Conwy and Denbighshire – the apparent shifts suggested by the figures in table 5.31 were so small as to be insignificant.

In five of the nine rural counties over the same period the data suggest that the male public sector labour force became smaller in size relative to the private sector labour force. Although there is variation in the degree of contraction, there has been more change across these five counties than across the four counties in which the public sector has expanded. The most evident decreases in male public sector employment occurred in Ceredigion, Carmarthenshire and Monmouthshire. In Ceredigion, public sector employment amongst the male workforce shrank by 4.2%, from close to a quarter to just over a fifth of all male employment; in both Carmarthenshire and Monmouthshire, it shrank by 3.0%.

These changes have marginally widened the geographical variation in the significance of public sector employment for the male workforce. Between 2001 and 2004, the degree of variance – between the counties with the highest and lowest proportion of male employment accounted for by the public sector – increased from 9.8% to 10.7%.

Female employment

Data on changes in public sector employment amongst the female workforce at the local authority scale reveal a predominant trend of significant growth across all but one of the rural counties. In all but one of these eight counties, growth rates were higher than in any of the counties that had experienced growth in male public sector employment. However, there was substantial geographical variation in the rates of growth. The highest rate of growth was over six times the rate of the lowest rate of growth. In three counties growth was particularly strong; in four counties it was more modest and in one county it was significantly lower than in any of the other counties in which growth had occurred. High rates of growth in the public sector were accompanied by at best relatively low rates of growth in the private sector.

Table 5.32 shows absolute and percentage changes in public sector employment within the female labour force across each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order.

The data presented in table 5.32 suggest that between 2001 and 2004 eight out of the nine rural counties saw an increase in the number of female employees working in the public sector. However, the degree and rate of increase varied considerably. In three counties – Powys, Gwynedd and Denbighshire – rates of growth were between two and three times higher than rates of growth elsewhere. Over the three year period, Powys saw an increase of 42.9% in employee numbers, Gwynedd an increase of 37.5% and Denbighshire an increase of 33.3%; average annual rates of increase were 14.3%, 12.5% and 11.1% respectively. These three counties also experienced the largest numerical increase in employment, with Powys and Gwynedd each adding 3,000 to the number of female employees working in the public sector and Denbighshire adding 1,000. The rate of increase in Carmarthenshire – 6.7% over three years, or an average of 2.2% year on year – was less than half that of any other of the eight counties that saw an increase. One county, Monmouthshire, saw no increase in female public sector employment between 2001 and 2004.

Table 5.32: changes in public sector employment within the female labour force, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	Public sector employment # 2001	Public sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Powys	7,000	10,000	3,000	42.9	14.3
Gwynedd	8,000	11,000	3,000	37.5	12.5
Denbighshire	6,000	8,000	2,000	33.3	11.1
Isle of Anglesey	5,000	6,000	1,000	20.0	6.7
Ceredigion	6,000	7,000	1,000	16.7	5.6
Conwy	7,000	8,000	1,000	14.3	4.8
Pembrokeshire	7,000	8,000	1,000	14.3	4.8
Carmarthenshire	15,000	16,000	1,000	6.7	2.2
Monmouthshire	6,000	6,000	0	0.0	0.0
Rural Wales	67,000	80,000	13,000	19.4	6.5

Source: Local Labour Force Survey

Over the same period, private sector employment amongst the female workforce rose in four counties (Conwy, Ceredigion, Monmouthshire and Pembrokeshire), remained the same in four counties (Anglesey, Gwynedd, Denbighshire and Carmarthenshire) and fallen in one county (Powys). Table 5.33 shows absolute and percentage changes in private sector employment within the female labour force across each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order.

Table 5.33: changes in private sector employment within the female labour force, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	Private sector employment # 2001	Private sector employment # 2004	# change 2001-2004	% change 2001-2004	Average annual % change
Conwy	14,000	16,000	2,000	14.3	4.8
Ceredigion	9,000	10,000	1,000	11.1	3.7
Monmouthshire	12,000	13,000	1,000	8.3	2.8
Pembrokeshire	14,000	15,000	1,000	7.1	2.4
Isle of Anglesey	8,000	8,000	0	0.0	0.0
Gwynedd	14,000	14,000	0	0.0	0.0
Denbighshire	12,000	12,000	0	0.0	0.0
Carmarthenshire	17,000	17,000	0	0.0	0.0
Powys	19,000	17,000	-2,000	-10.5	-3.5
Rural Wales	119,000	122,000	3,000	2.5	0.8

Source: Local Labour Force Survey

The three counties which experienced the highest rates of growth in public sector employment amongst the female workforce (Powys, Gwynedd and Denbighshire) saw private sector employment either remain static or – in one case – fall. Of the five counties which saw either relatively modest or low rates of growth in public sector employment amongst the female workforce, three saw female employee numbers in the private sector employment either grow or remain static. Put another way, out of the four counties in which private sector employment rose between 2001 and 2004, three experienced relatively low rates of employment growth in the public sector and one saw public sector employment amongst the female workforce remain static. Over the same period, the only county to experience a fall in private sector employment experienced the strongest increase in public sector employment. It thus appears that in some counties public and private sector employment growth are inversely correlated.

However, it is also clear that any apparent relationship between public and private sector employment growth within the female labour force is by no means universal. Of the four counties which saw the number of female employees working in the private sector remain static, two experienced relatively high rates of growth in public sector employment and two experienced relatively low rates of growth in public sector employment.

Contribution of public sector employment to overall employment growth

Table 5.34 shows changes in all employment and public sector employment amongst the female workforce and the percentage of that change accounted for by public sector employment in each of the nine 'rural' unitary authority areas between 2001 and 2004 in rank order. As with the data for the male labour force, because of rounding to the nearest '000 in the data from which the table was compiled and the low numbers involved, it would be unwise to draw any firm conclusions on the significance of public sector employment change to overall employment growth within the nine rural counties.

Table 5.34: changes in all employment and public sector employment amongst the female workforce and % change accounted for by public sector, rural unitary authority areas, 2001-2004, rank order (descending)

Administrative area	# change all employment 2001-2004	# change public sector employment 2001-2004	Public sector % contribution to change
Isle of Anglesey	1,000	1,000	100%
Gwynedd	2,000	3,000	150%
Conwy	2,000	1,000	50%
Denbighshire	1,000	2,000	200%
Powys	1,000	3,000	300%
Ceredigion	2,000	1,000	200%
Pembrokeshire	2,000	1,000	50%
Carmarthenshire	1,000	1,000	100%
Monmouthshire	1,000	0	0%
Rural Wales	13,000	13,000	100%

Source: Local Labour Force Survey

The data in table 5.34 suggest that Gwynedd, Denbighshire and Ceredigion experienced a decrease in private sector employment amongst the female workforce between 2001 and 2004, whereas the data in table 5.33 suggest private sector employment amongst the female workforce in these counties remained static over this period. The methodology of the Local Labour Force Survey from which these figures are derived make it likely that the figures in table 5.33 are correct (or at least more accurate than those in table 5.34). With these caveats in mind, it appears that it appears that in the majority of rural counties, public sector employment growth has contributed to overall employment growth out of proportion to the relative size of the public and private sectors, but with some geographical variation.

Whilst the private sector is the dominant employer in all nine of the rural counties, in all but one of those counties it has contributed less to recent employment growth than the public sector. In six of the counties in which overall employment amongst the female workforce has increased between 2001 and 2004, (Anglesey, Gwynedd, Denbighshire, Ceredigion and Carmarthenshire), the data suggest that this growth was wholly accounted for by the public sector. In two of these counties, a fall in private sector employment meant that without the rise in public sector employment, overall employment amongst the female workforce would have declined. In two counties (Conwy and Pembrokeshire), that data suggest that the contribution of the public sector is less significant, but still extremely important, accounting for half of all employment growth amongst the female workforce, despite being the smaller employer. Monmouthshire stands out as the only county in which it appears that the private sector was wholly responsible for employment growth between 2001 and 2004.

These trends have meant that in some counties the distribution of the female workforce between the public and private sectors has undergone a significant shift – although, as noted above, the data should be considered with some caution. Table

5.35 shows the significance of public sector employment to total employment within the female workforce in 'rural' unitary authority areas in 2001 and 2004 and the % change over this three year period in rank order.

Table 5.35: significance of public sector employment to total employment within the female workforce in 'rural' unitary authority areas in 2001 and 2004 and % change 2001-4, rank order (descending)

Geographical area	% 2001	% 2004	% change 2001-2004
Powys	28.7	36.7	8.0
Denbighshire	33.8	40.9	7.1
Gwynedd	36.2	43.1	6.9
Pembrokeshire	32.9	35.3	2.4
Isle of Anglesey	38.7	40.8	2.1
Ceredigion	39.5	41.2	1.7
Carmarthenshire	47.0	48.1	1.1
Conwy	31.7	32.7	1.0
Monmouthshire	33.6	32.8	-0.8
Rural Wales	35.4	39.6	4.2

Source: Local Labour Force Survey

In all but one county, the data suggest that public sector employment has increased in significance amongst the female workforce between 2001 and 2004. The most notable shifts in favour of public sector employment are in Powys (8.0%), Denbighshire (7.1%) and Gwynedd (6.9%). In all but one case, the increases are more significant than any of the apparent increases in public sector employment amongst the male workforce. Only in Monmouthshire has there been a shift in favour of private sector employment amongst the female workforce.

The most evident shifts in favour of public sector employment have occurred in counties characterised by relatively low levels of public sector employment amongst the female workforce in 2001. Those counties in which public sector employment amongst the male workforce was relatively low in 2001 have seen less notable shifts. These trends mean that over the last three years for which data are available the geographical variation in the significance of public sector employment for the female workforce has declined. Between 2001 and 2004, the degree of variance – between the counties with the highest and lowest proportion of female employment accounted for by the public sector – has decreased from 18.3 % to 15.4%.

Comparing changes in male and female public sector employment

Relative rates of change between the male and female workforce exhibit significant geographical variation. However, the dominant trend across the rural counties is an expansion of the female public sector labour force accompanied by stasis in – or even the contraction of – the male public sector labour force. Table 5.36 shows percentage changes in public sector employment according to gender between 2001 and 2001 in the nine rural unitary authority areas.

Table 5.36: percentage changes in public sector employment 2001-2004 according to gender, rural unitary authority areas

Geographical area	% change 2001-2004		Average annual % change	
	Female	Male	Female	Male
Isle of Anglesey	20	0	6.7	0
Gwynedd	37.5	16.7	12.5	5.6
Conwy	14.3	0.0	4.8	0.0
Denbighshire	33.3	25.0	11.1	8.3
Powys	42.9	0.0	14.3	0.0
Ceredigion	16.7	0.0	5.6	0.0
Pembrokeshire	14.3	0.0	4.8	0.0
Carmarthenshire	6.7	-12.5	2.2	-4.2
Monmouthshire	0.0	0.0	0.0	0.0
Rural Wales	19.4	2.4	6.5	0.8

Source: Local Labour Force Survey

As noted earlier in this report, in six counties (Anglesey, Conwy, Powys, Ceredigion, Pembrokeshire and Monmouthshire), there was no increase in the number of male public sector employees between 2001 and 2004. In only one of these counties (Monmouthshire) was there no increase in the number of female public sector employees. In the other five counties, female public sector employment rose by at least 14%; in Powys the increase was as high as 42.9%.

Of the three counties in which both male and female public sector employment increased between 2001 and 2004, in every case female employment growth was higher than male employment growth. The largest difference was in Monmouthshire, where for every additional female employee in the public sector there was an accompanying loss of 2 male employees.

SECTION 6: EARNINGS IN THE PUBLIC SECTOR

The significance of public sector employment lies not just in numbers, or the characteristics of those employed but also in salary levels and security of employment. Widespread discussion on public sector employment relates to the discrepancy between levels of pay in the public and private sectors.

The traditional stereotype is that public sector workers have lower pay but greater job security than workers in the private sector. The Annual Survey of Hours and Earnings (ASHE) provides data on earnings of adult full-time employees whose pay was not affected by absence. UK figures from the 2004 ASHE reveal that mean weekly earnings for employees in the private sector are £16.20 greater than those for public sector employees (4% greater). However, as identified in Philpott's review of the public sector¹², the trend is reversed when the median value is taken. The median implies that full-time workers in the public sector earn around £19 more than those in the private sector. This suggests that public sector pay is less polarised than private sector pay.

Table 6.1 Gross weekly pay for employee jobs in the public and private sectors in the UK

	Median	Mean
Public sector	£361.0	£405.1
Private sector	£341.9	£421.3

Source: ASHE (2004)

Until recently, it appeared that the gap between average earnings in the public and private sector was increasing – in favour of private sector employees. Between 1994 and 1998, average annual salary increases across the public sector were running at 2.5% in the public sector compared to 7% in the private sector (although such figures should be treated with caution, since they ignore variation across salary scales). It appears that this trend may now have slowed or even reversed to some degree. The Scottish Executive, for example, has calculated that between 1999 and 2004, average wages in the public sector in Scotland rose by 20% compared to an average of 18% in the private sector.

6.1 Public and private sector pay differentials in rural Wales

Limited data exists to support the hypothesis that public sector employees are paid more than their private sector counterparts in Wales or rural Wales. The Treasury (2002, cross-cutting review) suggests that overall public sector pay in Wales is higher than average private sector pay, for both males and females.

In a position statement on local government pay, the Welsh Local Government Association considers that local authority pay scales are generally higher than those offered in the private sector. It cites the evidence from one of its members:

“One rural authority covering a large area gave an example of secretarial posts which they normally paid on a scale 4, and which the private sector in

¹² Philpott, J. (March 2004) CIPD Perspectives: public services

their area paid at around the equivalent of scale 1.”

Furthermore, the WLGA notes that in rural Wales local authorities “*are not only major employers, but also the predominant employer*” and therefore have a considerable effect on setting the market rate for jobs in the local economy.

The most accurate data on pay for rural Wales, which is distinguished according to sector of employment, are available from the Annual Survey of Hours and Earnings. These statistics indicate that public sector employees who work in rural Wales are, on average:

- paid more than public sector workers who work in non-rural areas of Wales
- paid more than those who work in the private and voluntary sectors in rural Wales

Table 6.2: Average gross weekly earnings in Wales, by workplace

	Workplace based		
	Public sector employees	Non-public sector employees	All employees
Rural Wales	513.0	396.8	440.0
Non-rural Wales	500.1	439.6	460.2
Wales	503.9	428.0	454.4

Source: ASHE (2005)

The difference in average gross weekly earnings for public sector employees is £12.90 higher for those who work in rural Wales, compared to those in non-rural Wales. This variation in earnings within Wales is reversed amongst non-public sector employees. Private and voluntary sector employees who work in ‘non-rural Wales’ are, on average, paid £42.80 more per week than their counterparts who work in rural Wales. Earnings across all sectors are £20.20 higher in urban and valley areas of Wales, than in rural Wales.

Earnings appear to be higher for public sector employees than those in other sectors, throughout Wales. The pay gap is greatest within rural Wales, which can largely be accounted for by depressed private sector earnings. Average gross weekly earnings are £116.20 greater in the public sector than the non-public sector in rural Wales; £60.50 higher in non-rural areas; and £75.90 higher at an all-Wales level. However, as discussed in the section 4 of this report, the occupational constitution of the public sector and the private sector varies greatly, which has a strong bearing on salary levels. In real terms, in rural Wales high average public sector earnings and low earnings for employees in the private sector, results in the public sector workforce receiving significantly higher pay than others who and live and work in their locality.

There is some divergence when earnings are calculated according to employees’ workplace, rather than their place of residence. Public sector earnings only differ slightly, according to these two calculations, yet average gross weekly private and voluntary sector earnings in rural Wales are £32.50 greater according to place of residence, as opposed to workplace. This is likely to be a function of private sector workers commuting outside of rural Wales.

Table 6.3 Average gross weekly earnings in Wales, by residence

	Residence based		
	Public sector employees	Non-public sector employees	All employees
Rural Wales	513.9	429.2	460.2
Non-rural Wales	501.4	441.3	461.1
Wales	505.4	437.9	460.8

Source: ASHE (2005)

Such generic comparisons can be misleading and uninformative. Comparisons between public and private sector pay levels often do not take account of sufficient variables and cannot be applied universally due to wage discrepancies across and within regions. The differences between jobs, work and attributes of employees in both sectors undervalues comparative data. Many public sector roles do not have comparative jobs in the private sectors, whilst the characteristics of individuals doing similar jobs are likely to vary between sectors. Furthermore, the privatisation of some activities in the public sector, such as cleaning and catering, which typically have low levels of pay, has led to higher average earnings for remaining public sector jobs.

It is more appropriate to make pay comparisons between individuals undertaking similar jobs in the public and private sectors. A study by Disney and Gosling (2003) identified that male public sector workers had an average pay premium of 5% compared to similar private sector males. A larger pay differential was identified between women: an average of 17%. Lucifora and Meurs (2004) corroborate these findings: their research also indicates a positive pay differential for the public sector, which is more marked for women than men. In addition, they conclude that the premium is higher for lower paid workers. Low paid workers in the public sector are generally paid above the minimum wage. Minimum rates across the public sector tend to be about 20% above the national minimum wage - both local government and NHS shared a minimum rate of £5.33 in 2004, compared to the statutory rate of £4.85 at the same time (Brooks, 2004).

6.2 Regional pay

Public sector scales of pay are determined by political decisions at the national scale, rather than profitability or local labour markets, which results in distinct consequences on the wider labour market and economy (Brooks, 2004). Proposals for regional pay have, however, been made by the government for the last five years (Winckler, 2004). In a recent statement (2003) Gordon Brown claimed that he sought stronger local and regional dimensions in public sector pay within 'nationally determined frameworks'. Similarly, Michael Lyons in his 2004 review of public sector relocation, argues that the relocation of the public sector should go in tandem with pay flexibility to maximise benefits for government and locations that are receiving jobs.

From the Treasury's perspective, a key rationale for implementing regional pay is a reduction in the overall public sector pay bill. In addition, variable pay structures are associated with wider public sector reform, linked with more flexible, demand-oriented provision.

“Basic pay across the board are neither fair nor likely to deliver the best outcomes for the public....In the past, pay scales were nationally determined and reward was based on time served. Pay systems were rigid and lacked flexibility.” (HM Treasury, 2002, pre-budget report, chapter 6)

In terms of labour supply, it is anticipated that differentiated pay would lead to improvements to the public sector workforce. This is acknowledged in the 2002 pre-budget report:

“Pay systems need to give people the freedom to recruit, retain and motivate the right number of people with the right skills in particular locations...Pay must be able to vary at the local level, according to local pressures.”

As of yet, none of the public sector pay review bodies have accepted the principle of pay flexibility, nor adopted the practice of geographical pay variation. The trade unions are also opposed to regional / local pay flexibility.

UNISON, in its paper on the weaknesses of regional pay, notes that discrepancies within labour markets are more often on the basis of local areas rather than at a regional scale. Areas with high average wage levels often neighbour those that have low average levels, whilst pockets of areas with low mean pay exist in the most prosperous areas. In addition, travel-to-work areas often transect regional boundaries, further complicating any simple distinction on an area's average wage rate. The Treasury's 2000 spending review also noted that 'variations in the public sector labour market are largely local, rather than regional, and can differ significantly by occupation.' It proposed that flexibility at the local level is therefore necessary to address recruitment and retention.

A practical challenge associated with the implementation of regional or local pay structures is the basis on which such distinctions are determined. The most widely accepted method for allocating variable public sector pay is to align public sector levels to those of the private sector. This approach, however, is criticised for using the private sector as its basis. It is feared that existing labour market inequalities would be accentuated, especially in the most economically depressed regions, which often have higher dependence on public sector employment.

Another means to distinguish wage rates according to geography is to vary pay in line with the cost of living. This method is also fraught with difficulties. High cost areas are not always easily identifiable, with low and high cost sub-areas often situated in close proximity to one another. Instead, UNISON proposes a system of regional allowances to ensure that its members who live in high cost areas are able to maintain their living standards. This would involve the provision of wage supplements through weightings in high cost areas, without reducing pay in regions that have lower costs of living. Such allowances would be based within a national agreement and therefore would enable continued national bargaining.

The 2002 treasury report¹³ considers that national pay bargaining has arguably benefited public sector workers outside of the South East. Nowhere in Wales currently attracts a pay premium, hence public sector workers in rural Wales are paid

¹³ Cross-cutting review of PS labour market

the same as those throughout the UK, outside of London. Although there is no indication that pay would be cut or constrained in areas that have lower average wage levels, or lower costs of living, public sector employees in rural Wales are likely to lose out from a system which determined pay levels according to regional or local characteristics.

The public sector has a responsibility to act as an exemplary employer at both national and local scales. This relates not only to pay, but also pensions, recruitment, holidays, flexible ways of working and assessment and promotion practices. Traditionally, lower public sector wages were thought to be partially compensated by better pensions and greater job security for employees in the public sector.

Pay awards and pension provision are, on average, seen to be more generous in the public sector. According to ONS data public sector employees have enjoyed larger salary increases than their private sector counterparts for the last four years (4.6% compared to 4.2%). Further, the prominence of final salary pensions in the public sector is perceived as a financial benefit to those in public sector employment.

SECTION 7: EMPIRICAL RESEARCH

7.1 Empirical research design

To gain a more detailed overview of the characteristics of public sector employees who live in rural Wales, a questionnaire was undertaken with one hundred public sector workers. The aims of this empirical research were to:

- Enable comparisons between employees in four areas with varying dependencies on public sector employment
- Facilitate comparisons between different sectors and different employers within the public sector
- Gain a greater understanding of public sector employees' perceptions of the benefits and disadvantages of working in the public sector
- Obtain an impression of geographical and occupational mobility within the public sector

Four case study areas were selected in order to learn more about the characteristics of the public sector workforce in rural Wales (see figure 7.2). Two areas were chosen that have a high proportion of public sector employees within the total workforce, and two were selected on the basis of a relatively low proportion of public sector employment. These were chosen according to data from the 2004 Local Labour Force Survey.

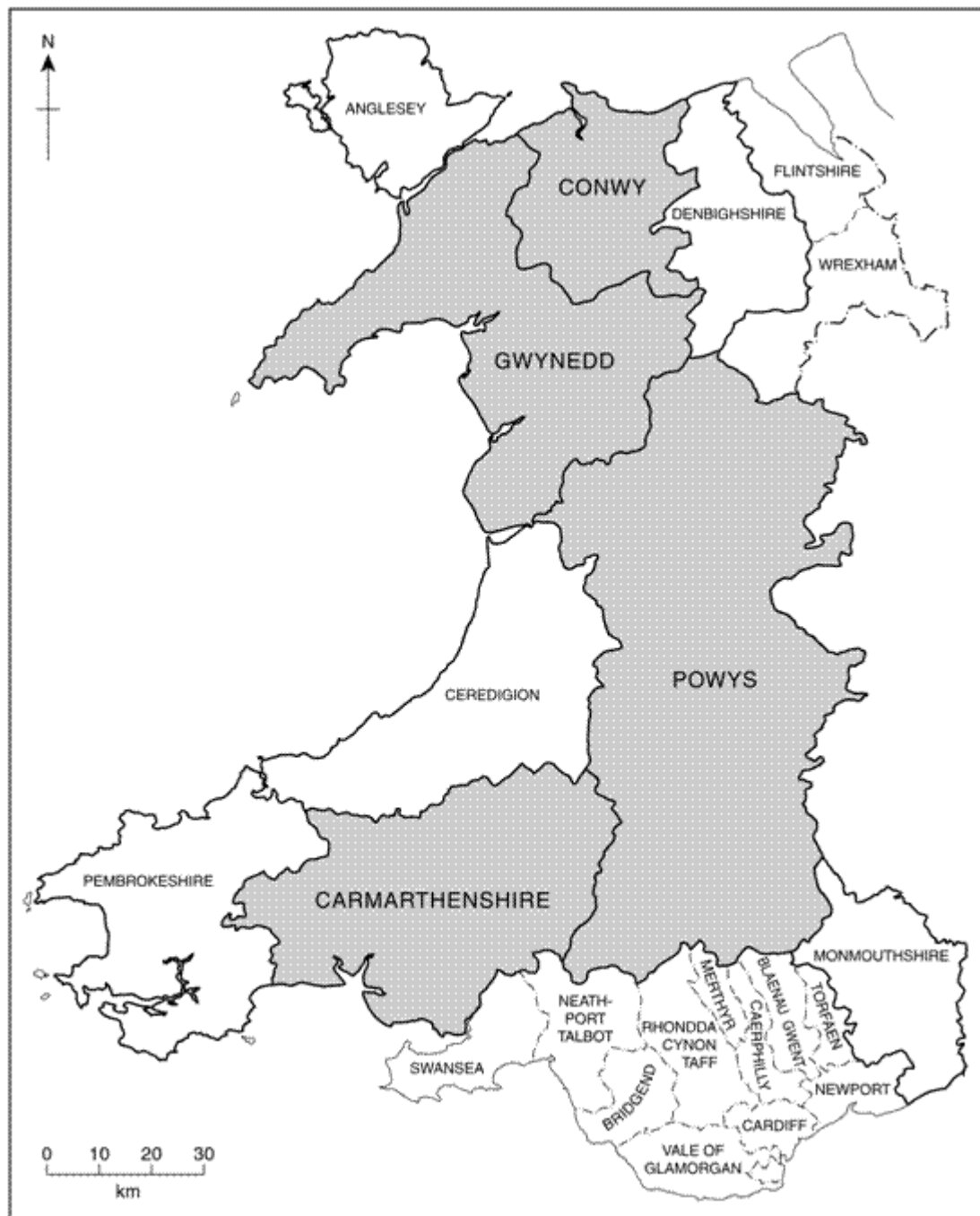
Table 7.1: Proportion of total employees who work in the public sector in rural local authorities

% working in the public sector	
Gwynedd	33.3
Carmarthenshire	32.3
Ceredigion	30.5
Denbighshire	29.9
Isle of Anglesey	28.4
Pembrokeshire	25.1
Conwy	24.2
Powys	24.2
Monmouthshire	22.8
<i>Rural Wales</i>	<i>28.1</i>

Data source: LLFS (2004)

Gwynedd and **Carmarthenshire** were selected as the two areas that have a high proportion of public sector employees. At the other end of the spectrum, **Conwy** and **Powys** were chosen. Monmouthshire was overlooked because of the low number of contacts we had for this area.

Figure 7.2 Map of case study areas (respondents live in shaded areas)



The questionnaire was undertaken with one hundred employees who currently work in the public sector. Individuals were selected from the existing database of respondents who completed the WRO Household Survey in Spring 2004 and, at this time, indicated that they worked for a public sector organisation. From this survey, a total of 684 respondents indicated that they work in the public sector, of which 551 agreed to be re-contacted.

Initial questions ascertained whether individuals were currently working in the public sector and whether their self-defined description of the public sector allied with the

Box 7.1 Synopsis of public sector employment in the four case study areas

Gwynedd

According to 2004 Local Labour Force Survey data, Gwynedd contains the highest proportion of public sector workers within its labour force (33%). It has also experienced the greatest growth in the proportion of public sector employment between 2001 and 2004: an increase of 5.2 percentage points, compared to a 1.6 percentage point increase for all Wales. Welsh Local Government Association figures for 2005/6 identify that 6976 people work for the public sector in Gwynedd, which accounts for just over a third (39%) of the total public sector employment. Men are more likely to work in the public sector in Gwynedd than in any other area in rural Wales: 24% of men who work do so in the public sector, compared to 18% across rural Wales.

Carmarthenshire

Carmarthenshire has the highest number of employees within the public sector workforce (23,000 – which is 5000 more than any other authority¹⁴). However, it also has the largest labour force with 72,000 individuals in employment. In total, 32% of those in employment currently work in the public sector. As a result of the large size of this authority area, the local authority is a significant employer: employing 9416 persons. However, the local authority only accounts for 39% of the public sector workforce, which reflects the presence of other public sector organisations in the area (e.g. the West Wales General Hospital, Welsh Assembly Government Offices and the DVLA located in Swansea). Within rural Wales, Carmarthenshire has the highest proportion of women working in the public sector. Almost half of females in work in Carmarthenshire work in the public sector (48%), whilst only 19% of males who work do so in this sector.

Conwy

Less than a quarter (24.2%) of those in work in Conwy work in the public sector. Public sector employment, as a proportion of total employment, has remained relative static in this authority between 2001 and 2004, increasing by less than 1 percentage point. Within the female workforce, Conwy has the lowest proportion working in the public sector: only 33%, compared to a 40% average for rural Wales.

Powys

As in Conwy, only 24% of workers who live in Powys are employed by a public sector organisation. The rate of growth between 2001 and 2004 of the proportion of the public sector workforce was 3.1 percentage points, which is three times higher than the average for rural Wales. Powys has the second largest number of local authority employees, which account for 50% of the public sector workforce. Powys also has a relatively low proportion of workers employed in the main public sector industries: education, health and public administration (32% compared to the mean for rural Wales of 37%).

¹⁴ Local Labour Force Survey (2004)

definition used for this study. For the purpose of this research, the public sector is defined as those who work in central government, local government and public corporations, as is used by the Office of National Statistics (Hicks *et al.*, 2005). Central government includes departments of the EU, UK and Welsh Assembly Governments, as well as assembly-sponsored public bodies. Local government includes administrative organisations that cover smaller territorial areas and any bodies that are controlled and financially managed by them. This includes local authorities, national park authorities, police forces, local health boards and the probation service. Public corporations are companies controlled by government. They include Royal Mail, BBC, S4C, British Nuclear Fuel Plc.

Equal numbers were selected from each of the four study areas. The gender of respondents across the total sample reflects the predominance of females in the public sector workforce in rural Wales. Data from the 2004 Local Labour Force Survey indicate that 35% of the public sector workforce are men and 66% are women. The sample used for this study reflects this gender split, with 36% of respondents being male and 64% female. Apart from this one variable, potential respondents were telephoned at random.

A pilot questionnaire was undertaken with a sample of public sector workers, who work for a range of organisations, including employees from a local authority, assembly-sponsored public body and a public corporation. Revisions were subsequently undertaken.

Respondents were called between 17.00 and 19.00. The questionnaire lasted approximately 10 minutes. In total, contact was made with 161 individuals. Sixty one of these people were not willing, or able, to conduct the interview, resulting in a success rate of almost two interviews for every three people telephoned.

Of those who did not complete the interview, twenty eight were rejected because they are not currently working in the public sector: their job had changed since the previous interview in 2001, they were no longer in work, or their identification of the public sector did not match that used in this survey. Seventeen were either not living at the address which we had for them, or their telephone did not accept incoming calls from withheld numbers, and fifteen individuals declined to take part in the survey.

7.2 Empirical research results

This section provides the results of survey of public sector employees. It presents an overview of the characteristics of the public sector workforce and disaggregates employment patterns by a range of variables. Cross-tabulations have been undertaken that enable a more in-depth breakdown of the results according to different occupations and employer type within the public sector. These include analysis on characteristics according to gender, age, income, Welsh language, qualifications and place of residence.

7.2.1 Analysis of survey results, according to employer type

Data from the survey reveals that 49% of respondents work for a local authority, with

a further 7% being employed by a local education authority. Employees of the National Health Service and Local Health Boards, account for the second largest proportion of respondents (18%). Just over one in ten respondents work for UK government departments, such as the DVLA, Department of Work and Pensions and the Forestry Commission.

Table 7.3 Percentage of respondents working for main public sector employers in rural Wales

	% of respondents
Local authority	49
Local education authority	7
NHS or local health board	18
UK Government department	11
Police or fire service	9
Welsh Assembly Government or ASPB	3

Age

Over a third of the public sector workforce in rural Wales are aged between 45 and 54. The age distribution varies amongst the main public sector employers. There appears to be a greater propensity of older employees working for UK Government departments and local authorities; the police force has above average levels of younger recruits.

Table 7.4 Percentage of public sector workforce by age category

Age	NHS AND LOCAL HEALTH BOARDS	LA AND LEA	POLICE	UK GOVT	ALL
16 – 24	0	4	0	0	2
25 – 34	17	9	38	17	14
35 – 44	33	32	25	17	29
45 – 54	28	36	25	42	35
55 – 64	17	20	13	25	19
65+	6	0	0	0	1

Gender

Purposive sampling was applied to ensure that the male: female split within this survey reflects the average for rural Wales from the Local Labour Force Survey. Accordingly, 36% of respondents are male and 64% female. There is some discrepancy in the gender balance of employees, according to employer type, although these results are based on relatively small samples. Women predominate in the health sector and UK government departments, whilst there is a more even split within local authorities.

Table 7.5 The gender balance of public sector workers in rural Wales (percentages)

	Male	Female
NHS and Local Health Boards	17	83
Local authorities and LEA	38	63
UK government departments	17	83
Total	36	64

Income

The modal income category of public sector workers in this survey is the £10,000 to £15,500 category, which contains 23% of all respondents. There is some variation in average incomes, according to employer type. Forty-four percent of those employed by the NHS or Local Health Boards earn between £15,500 and £21,000. A quarter of those employed by a local authority classify their income band as £21,000 to £31,000, whilst 41% of local government employees surveyed have an annual income greater than £31,000.

Table 7.6 Distribution of incomes amongst public sector employees (percentage of respondents)

	Percentage of all respondents	Local authority employees	NHS and local health board employees
Less than £5000 per year	2	2	6
£5,000 - £10,000	16	18	11
Over £10,000 to £15,500	23	27	17
Over £15,500 to £21,000	21	10	44
Over £21,000 - £31,000	21	24	11
Over £31,000 - £52,000	15	16	0
£52000 +	3	0	6

7.2.2 Analysis of survey results, according to type of occupation

According to the survey, the majority of public sector employees work in managerial, professional or administrative occupations. Fifteen percent of workers are manual workers, the majority of which classify their job as a 'skilled manual worker'.

Age

Forty-five percent of those working in 'higher' or 'intermediate' positions are aged between 45 and 54. Younger workers are more common amongst manual occupations: 21% of these jobs in the public sector are undertaken by workers aged 25 to 34.

Gender

Fourteen percent of male respondents classify their job as higher managerial, administrative or professional and 50% consider their position as intermediate managerial, administrative or professional. Women are considerably less likely to occupy such senior positions: 6% of female employees consider their work to be 'higher' and 31% 'intermediate'. Men are also more likely to be manual workers – both skilled and unskilled. There is a greater prominence of women in lower middle class occupations, classified as 'supervisory or clerical, junior managerial, administrative or professional' (46%, compared to only 19% of men).

Table 7.7 Occupations of men and women working in the public sector (percentages)

	Men	Women
<u>Higher</u> managerial, professional or administrative	14%	6%
<u>Intermediate</u> managerial, professional or administrative	50%	31%
<u>Supervisory or junior</u> managerial, administrative or professional	19%	47%
Skilled manual worker	11%	10%
Semi-skilled or unskilled manual worker	6%	3%
Casual employee	0%	2%

Income

Within higher and intermediate managerial, administrative or professional positions, 6% of the sample earns over £52,000 and 30% earn between £31,000 and £52,000. Not surprisingly, average incomes within other occupational categories are not as high. The modal salary range for manual workers is £10,000 to £15,500, which accounts for 45% of respondents in these occupations. The predominance of higher level occupations in the public sector in rural Wales partly explains the high levels of pay for public sector employees, in comparison to their private sector counterparts.

Qualifications

It appears that a degree or post-graduate qualification is not essential for higher grade positions, according to data shown in table 7.8. Within higher and intermediate managerial, professional and administrative occupations, 49% of respondents have a degree or postgraduate qualification. The highest qualification of 23% of employees in these occupations is A level, or equivalent. Manual workers have a greater propensity of having no or low qualifications, however 47% of these respondents have A levels, HNC or OND.

Table 7.8 Highest level of qualification: total and by occupation grouping (percentages)

	Higher and intermediary managerial, professional and administrative	Junior managerial, professional and administrative	Manual workers	Total
No qualifications	0	3	27	5
School leaving certificate	0	0	7	1
O level, CSE or GCSE	11	22	27	17
A level, HNC or OND	23	16	27	21
HND or similar diploma	17	27	13	20
University degree	38	27	7	29
Postgraduate qualification	5	5	0	7

Employer

Cross-tabulating respondents' occupation with employer type reveals that occupations vary amongst different public sector organisations (table 7.9). Within the NHS there is a greater frequency of higher and intermediate managerial, professional and administrative staff: 67%, compared to 47% of all respondents. Local authorities and the NHS both have a greater proportion of manual workers than the overall public sector in rural Wales, reflecting their function as a deliverer of public services.

Table 7.9 Which of the following categories do you feel best describes your occupation? (percentages)

	NHS and Local Health Board	LA and LEA	UK Government	Total
<u>Higher</u> managerial, professional or administrative	17	5	8	9
<u>Intermediate</u> managerial, professional or administrative	50	34	25	38
<u>Supervisory or junior</u> managerial, administrative or professional	17	38	67	37
Skilled manual worker	11	16	0	11
Semi-skilled or unskilled manual worker	6	5	0	4
Casual employee	0	2	0	1

7.2.3 Distance travelled to work

The majority of respondents work less than 10 miles from their home, with over a quarter working less than 5 miles away. Thirteen percent live 20 miles or more from their place of employment. Those who identify their place of residence as a town or village are – not surprisingly – more likely to live in close proximity to their workplace: a third of those who live in a village and a quarter of those who live in towns are less than 5 miles away from their work. Most respondents who live in open countryside commute between 5 and 10 miles.

Table 7.10 Distance from place of residence to place of work (percentages)

	%
Less than 5 miles	26
Between 5 and 10 miles	33
11 – 20 miles	24
21 – 49 miles	12
50 or more miles	1
Not applicable / don't know	4

Residents in Powys are likely to travel further to their place of work: a quarter of respondents from Powys commute between 21 and 49 miles. Thirty two percent of public sector employees in Powys work outside of the local authority area. In Gwynedd, 80% work less than 10 miles from their home, the majority of the remainder work between 11 and 20 miles away.

7.2.4 Welsh language

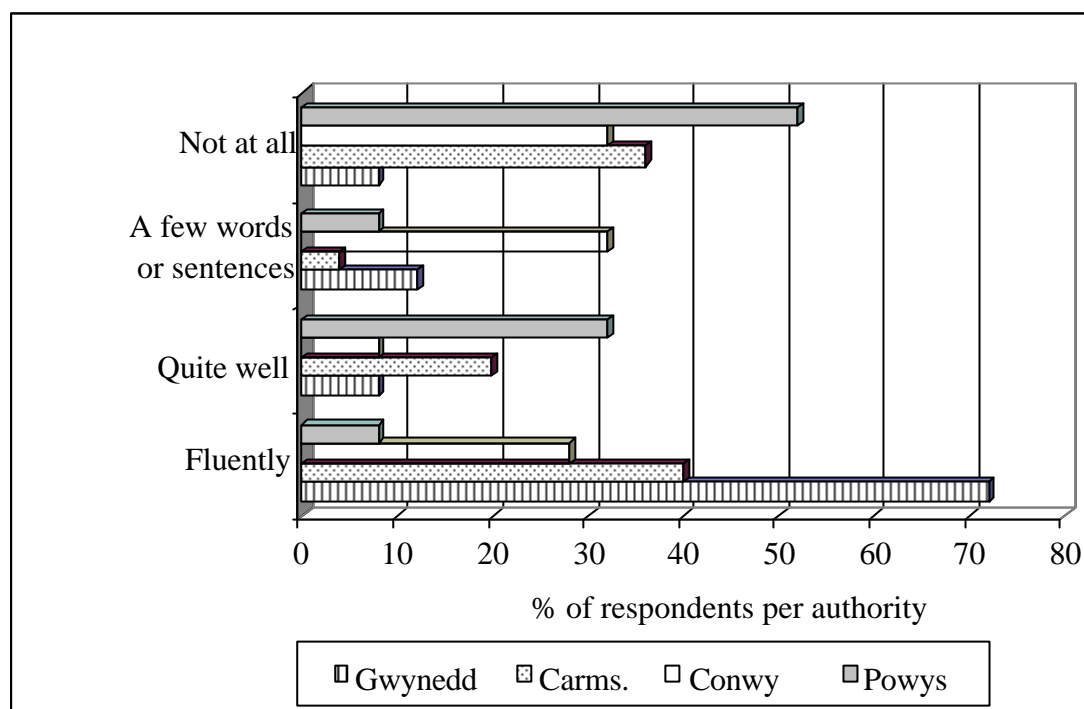
Over half of respondents state that they are able to speak Welsh fluently (37%) or quite well (17%). Thirty-two percent are not able to speak Welsh at all.

Table 7.11 Ability to speak Welsh

	%
Fluently	37
Quite well	17
A few words or sentences	14
Not at all	32

The propensity to speak Welsh varies across the four localities. According to the survey, over 70% of public sector employees who live in Gwynedd are able to speak Welsh fluently, compared to only 8% of those in Powys. Powys does, however, have the highest proportion of workers (32%) who consider that they can speak Welsh 'quite well.'

Figure 7.12 Proportion of public sector employees in Gwynedd, Carmarthenshire, Conwy and Powys who speak Welsh



Of those who speak Welsh, under a half use the language ‘mostly’ or ‘sometimes’ at work. There is significant geographical variation in the propensity of public sector workers who use Welsh at work. In Gwynedd over half of public sector employees use Welsh most of the time, Carmarthenshire also has a relative high frequency of Welsh speakers using Welsh ‘mostly’ or ‘sometimes’ at work: 52%. In Powys, only 4% of public sector employees use Welsh most of the time for their job, whilst in Conwy 40% ‘never’ use the language at work.

Table 7.13 Percentage of respondents who use Welsh at work

	Mostly	Sometimes	Rarely	Never
Gwynedd	56	16	12	16
Carmarthenshire	28	24	12	36
Powys	4	20	12	64
Conwy	12	24	24	40
Total	25	21	15	39

Employees’ perception of the importance of being able to communicate in Welsh at work varies significantly. Overall, 21% consider that the ability to speak Welsh is ‘essential’ for their work, 36% feel that it is ‘quite important or useful’ and 43% believe it is ‘not at all important’. Results vary across the four localities, correlating with patterns of Welsh language use. In Gwynedd, 44% consider that being able to speak Welsh is essential for their job, compared with 24% in Carmarthenshire and 8% of respondents in Powys and Conwy. In Powys, 68% of public sector workers consider that speaking Welsh is ‘not at all important’ for their job.

Figure 7.14 The importance of speaking Welsh for work (percentages)

	Essential	Quite important or useful	Not at all important
Gwynedd	44	32	24
Carmarthenshire	24	40	36
Powys	8	24	68
Conwy	8	48	44
Total	21	36	43

For those who deem the Welsh language to be ‘essential’, ‘quite important’ or ‘useful’ for their work, 89% consider that it is important for communicating with customers or clients, 62% feel it is important for internal communication with colleagues and 62% with others outside of their organisation.

The most significant factor that influences Welsh language ability and use is geography; however it is also notable that Welsh language ability varies amongst the main public sector employers (see table 7.15). Fifty seven percent of those who work for a local education authority can speak Welsh fluently, compared to 22% who work for the NHS or a Local Health Board. Only a quarter of employees who are employed by a UK Government department, such as the Ministry of Defence, DVLA or Inland Revenue, can speak Welsh fluently, with a half of such workers not able to speak the language at all.

Table 7.15 Welsh language ability, according to employer type (percentages)

	Fluently	Quite well	A few words / sentences	Not at all
Local education authority	57	29	0	14
Local authority	45	16	12	27
Police	25	25	25	25
UK govt	25	8	17	50
NHS or local health board	22	17	17	44

Patterns of Welsh language use are similar to patterns of ability. Forty three percent of employees working for a local education authority use Welsh at work ‘mostly’, compared to 13% of those working in the police and 17% for UK government and the NHS or local health board.

It is striking that at least a third of employees who work for local authorities, police, UK government or for the NHS do not consider Welsh to be ‘at all important’ for their job (table 7.16). Over two thirds of those working for the UK government perceive the ability to speak Welsh as ‘not at all important’ for their job, whilst similar proportions (61%) of those who work for the NHS or local health board share such feelings. This scenario is almost reversed for those who work for local education authorities, predominantly teachers: 57% of which consider that the ability to speak Welsh is ‘essential’ for their work.

Table 7.16 Percentage of respondents working for five major employers who consider that the ability to speak Welsh is ‘essential’ and ‘not at all important’

	Essential	Not at all important
Local education authority	57	29
Local authority	24	35
Police	13	38
UK government	8	67
NHS or local health board	6	61

7.2.5 Stability and change within the public sector workforce

The survey results indicate that there is considerable stability within the public sector workforce. Over one third of respondents have been working for their current public sector organisation for over ten years (see table 7.17). A third of public sector workers have only ever worked for their current employer. Eighty eight percent of those questioned have a permanent contract and a third of respondents have had more than one contract with their current employer.

Of those who have worked elsewhere, 72% previously worked for a public sector organisation. This suggests that the majority of mobility that does occur is within the public sector. In part, this is a result of many public sector occupations not being available in the private sector, such as midwives and police officers. In addition, the absence of major employers in the private sector in rural Wales, results in reduced employment opportunities outside of the public sector.

The vast majority (almost three quarters) of employees intend to remain working in their current organisation for the next five years.

Table 7.17 Length of time respondents have been working for current employer

	%
Less than a year	3
1 year - 3 years	24
Over 3 years - 5 years	16
Over 5 years - 10 years	22
Over 10 years - 20 years	22
Over 20 years – 30 years	9
Over 30 years	4

7.2.6 Perception of conditions

When asked the open question: ‘can you name three features of your current job that attracted you to it?’, the most common response related to earnings (21% of respondents). Other prominent replies were flexibility / hours (19%) and holidays –

which were mentioned by one in ten respondents (half of which are teachers). Location or locality was mentioned by 16% of employees, which implies that a significant proportion of the public sector workforce are not flexible in their place of work.

In general, respondents are positive about working in the public sector, compared to their perception of employment in the private sector (results shown in table 7.18). Holidays are considered to be superior in the public sector, by at least five times as many respondents as think they are worse in the public sector; pensions are deemed better by 63% of those interviewed and over two-thirds consider that job security is better in the public sector. More than twice as many public sector employees think that flexible working is better in the public sector than those who think it is worse.

There is no consensus regarding a pay differential between the sectors: an equal proportion deem pay to be better in the public sector, as the proportion that consider pay to be worse (35%). Generally, career progression is judged to be worse in the public sector than the private sector.

Table 7.18 Responses to the question which asked: 'Compared to those doing similar work to you in the private sector do you feel the following issues are better, about the same, or worse, as a public sector employee' (percentages)

	Better	About the same	Worse	Don't know / not applicable
Salary	35	22	35	8
Holidays	53	27	10	10
Pension	63	16	5	16
Job security	67	15	7	11
Career progression	27	25	34	14
Flexible working	48	18	19	15

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APPENDIX 1 - SURVEY OF PUBLIC SECTOR EMPLOYEES

Area.....

Phone number.....

Good evening.

Make sure you are speaking to the named person.

I am phoning you because you completed a survey last year about living and working in rural Wales for the Wales Rural Observatory.

You mentioned that you would be willing to be contacted again for an additional short survey.

I would like to ask you a few questions about the type of work you are currently involved with and your future employment plans.

All of the results will remain confidential.

Would you be willing to take part in this brief survey?

Name.....

1. Are you currently in work?

Yes	
No	End interview

If 'no', terminate the interview...Thank you for very much for your time - for this project we are only interviewing people who are currently in work.

2. Are you currently employed by a public sector organisation?

(we are interested in people whose employment contract is from a public sector organisation - see notes for definition of public sector)

Yes	
No	End interview

If 'no', terminate the interview. Thank you for very much for your time - for this project we are only interviewing people who are working in the public sector.

3. What is the name of your current employer (organisation with which you have a contract)?

.....

4. Where is your place of work?

.....

5. How far is this from your home?

Less than 5 miles	
Between 5 and 10 miles	
11 – 20 miles	
21 – 49 miles	
50 or more miles	
Not applicable / don't know	

6. How long have you been working for (enter name of current organisation)?

Less than a year	
1 year - 3 years	
Over 3 years - 5 years	
Over 5 years - 10 years	
Over 10 years - 20 years	
Over 20 years – 30 years	
Over 30 years	

7. What is your job title?

.....

8. Which of the following categories do you feel best describes your occupation?

<u>Higher</u> managerial, professional or administrative	
<u>Intermediate</u> managerial, professional or administrative	
<u>Supervisory or junior</u> managerial, administrative or professional	
Skilled manual worker	
Semi-skilled or unskilled manual worker	
Casual employee	

9. Can you name three features of your current job that attracted you to it?

.....

(don't worry if there are less than three issues)

10. Do you currently work full-time or part-time?

Full time	If 'full-time' go to question 12
Part time	

11. If answered 'part-time' to question 10:

How many hours do you work, on average, per week?

.....

12. Do you currently have a permanent contract?

Yes	Go to question 14
No	

13. If answered 'no' to question 12:

When did your contract start

When is it due to finish.....

14. Is this your first contract with (name of public sector organisation)?

Yes	Go to question 16
No	

15. If 'no' to question 14:

What was your previous job title?

.....

16. Did you have a job before working for (name of public sector organisation)?

Yes	
No	Go to question 18

17. What was the name of the organisation for which you previously worked?

Name of organisation.....

18. For how long were you working there?

Less than a year	
1 year - 3 years	
Over 3 years - 5 years	
Over 5 years - 10 years	
Over 10 years - 20 years	
Over 20 years – 30 years	
Over 30 years	

19. Would you say that was in the private sector, a public sector organisation or in the voluntary sector?

Public	
Private	Go to question 21
Voluntary	Go to question 21

20. If answered 'public' to question 19:

Have you worked outside of the public sector?

Yes	
No	
Don't know	

21. Do you anticipate that you will be working for (enter name of organisation) for the next five years - until 2010?

	Yes	Don't know	No	N/a
With your current employer	<i>Go to question 24</i>	<i>Go to question 24</i>		<i>Go to question 24</i>

22. If 'no' (to question 20) do you intend to remain working in the public sector for the next five years - until 2010?

	Yes	Don't know	No	N/a
In the public sector	<i>Go to question 24</i>	<i>Go to question 24</i>		<i>Go to question 24</i>

23. If 'no' (to the above question) why not?

.....

24. Compared to those doing similar work to you in the private sector do you feel the following issues are better, about the same, or worse, as a public sector employee:

	Better	About the same	Worse	Don't know / not applicable
Salary				
Holidays				
Pension				

Job security				
Career progression				
Flexible working				

“I am now going to ask you a few questions about your use of the Welsh language”:

25. Do you speak Welsh:

Fluently	
Quite well	
A few words or sentences	
Not at all	

26. At work, do you speak Welsh

Mostly	
Sometimes	
Rarely	
Never	

27. Is the ability to speak Welsh important for your job?

Essential	
Quite important	
Useful	
Not at all important	Go to Q. 29

28. Is it important for communicating with (tick all that apply):

Colleagues	
Customers (includes students, patients)	
Others who you have contact with outside of your organisation	

“Finally, I would like to confirm a few details about yourself and where you live

29. Would you describe where you live as a:

Town	
Village	
Open countryside	

30. Could you tell me the first four digits of your postcode?

.....

31. What is your highest academic qualification?

School leaving certificate	
O level, CSE or GCSE	
A level, HNC or OND	
HND or similar diploma	
University degree	
Postgraduate qualification	
No qualifications	

32. Which age group are you in:

16 – 24	
25 – 34	
35 – 44	
45 – 54	
55 – 64	
65+	

33. I am going to read out a few salary bands. Could you let me know which category you are in (before tax or any other deductions)?

Less than £5000 per year	
£5,000 - £10,000	
Over £10,000 to £15,500	
Over £15,500 to £21,000	
Over £21,000 - £31,000	
Over £31,000 - £52,000	
£52000 +	

33. Sex (should not need to ask this question!)

Male	
Female	

“On behalf of the Wales Rural Observatory, thank you very much for taking the time to complete this survey.