

Rt Hon Stephen Crabb MP
Chair, Welsh Affairs Committee
House of Commons
London
SW1A 0AA

18 April 2024

Dear Mr Crabb,

I write following my appearance in front of your Committee on 6 December 2023 with my colleague Jen Woolford, as part of the *Impact of Population Change in Wales* inquiry, and your subsequent letter dated 22 February 2024. I have addressed the queries raised during the session and in the letter in turn.

Population Age and Economic Growth

During our discussion, the committee asked if a “*Younger population always positively correlated with economic growth*” and I agreed to share some further information on this topic.

There is evidence¹ that average population age tends to be lower in cities and larger towns, and higher in smaller towns and rural areas. For example, as outlined above the median population age of local authority districts in Wales range from 34.4 years in Cardiff in mid-2022, to 51.1 years in Powys. However, in terms of economic growth there is not a straightforward statistical relationship between population age (or type of area) and economic growth. To illustrate, the highest economic growth rates between 2011 and 2021, did not occur in Wales’ major cities (where population is youngest), but instead occurred in the local authorities of Pembrokeshire, Flintshire, and Merthyr Tydfil. The lowest economic growth, did occur in relatively rural local authorities with older populations, namely Ceredigion, Gwynedd, Isle of Anglesey and Powys.

The reason why there is not a direct correlation between age and economic growth is that there are a wide range of different factors that can influence economic growth. These will vary by place but can include, for example, an area’s industry mix, its levels of business investment, recent infrastructure improvements and changing consumer demands amongst many other factors.

Economic Inactivity

Rob Roberts MP asked me how the levels of economic inactivity in Wales compare to other parts of the UK.

Mr Roberts quoted that in Wales, 33.8% of working-age people were economically inactive because of long-term sickness. The figure of 33.8% shows that of those who

¹<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/understandingtownsinenglandandwalespopulationanddemographicanalysis/2021-02-24>

were economically inactive, 33.8% were economically inactive due to long-term sickness, with the remaining 66.2% economically inactive for other reasons².

At the time of the quoted 33.8%, only 23.8% of the population of Wales aged 16 to 64 years was economically inactive. Of these 33.8%, or just over one third were economically inactive due to long-term sickness. Therefore, this represents 8.0% of the whole population aged 16 to 64 years who were economically inactive because of long-term sickness. For the period October 2022 to September 2023, 7.6% of the population of Wales aged 16 to 64 years were economically inactive because of long-term sickness.

Generally, Northern Ireland has the highest percentage of the population who are economically inactive because of long-term sickness, with recent rates in excess of 9% of the population aged 16 to 64 years. Wales tends to be in a group with Scotland, and the North East and North West of England with rates around 7-8.5%. Below this there is a group at around 5.5-6.5% consisting of Yorkshire and The Humber, and the East and West Midlands. Then the East of England, London, South East and South West have the lowest rates at around 4-5%.

Areas of Significant Population Change

During the session, it was discussed if there were any areas in Wales that stood out as having particularly significant levels of population change. Between mid-2011 and mid-2022, the local authority district in which the population is estimated to have increased the most is Newport, where the population increased by 10.8%. Cardiff (7.7%) and Vale of Glamorgan (5.4%) were the only other local authority districts in which population growth exceeded 5% over this period.

Between mid-2011 and mid-2022, there were six local authority districts in which the population is estimated to have decreased. These are Ceredigion (-4.9%), Blaenau Gwent (-4%), Gwynedd (-3.2%), Caerphilly (-1.5%), Isle of Anglesey (-1.2%) and Conwy (-0.9%).

Welsh Speaking Population Change

You asked what Census 2021 data indicated that the number of Welsh speakers in Wales is falling and any data that offers insight into changes in the Welsh speaking population. According to Census 2021, there were around 538,000 people aged three years or older reported as being able to speak Welsh in Wales, or 17.8% of the population.

This is the lowest percentage ever recorded in a census, driven largely by a decrease in reported Welsh speaking among children and young people. Although the percentage of the population able to speak Welsh decreased overall, there has been a slight increase in the percentage of people who can speak Welsh in the young adult groups (16- to 19-year-olds and 20- to 44-year-olds), with decreases in the older age groups.

²<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/headlinelabourforcesurveyindicatorsforwaleshi10>

The percentage of people aged three years or older who can speak Welsh fell between 2011 and 2021 in all of the 22 local authorities in Wales, except in Cardiff, the Vale of Glamorgan, Rhondda Cynon Taf and Merthyr Tydfil. Furthermore, all local authorities saw a decrease in the percentage of 3 to 15-year-olds reported as being able to speak Welsh between 2011 and 2021. The decreases for these age groups tended to be greater in areas with a lower density of Welsh speakers, such as in Blaenau Gwent, Newport and Torfaen.

Information about Welsh language skills in the census is based on a person's self-assessment of their ability. In some cases, especially for children, Welsh language ability was reported by another person, for example, a parent or guardian. Census 2021 was held during the coronavirus (COVID-19) pandemic, on 21 March 2021. This followed periods of lockdown, remote learning for children and many people were working from home. It is not known how the pandemic may have impacted reported Welsh language ability (or perception of the Welsh language ability of others).

Alongside this letter, we have included a spreadsheet that details the change in the number and percentage of Welsh speakers by local authority and age band by comparing Census 2011 data to Census 2021 data.

Community Crisis Point

The Committee also asked us if the ONS has data indicators that can “*identify definitively when a community reaches a crisis point*”. Generally, this is a very complex question that ONS data alone could not answer. The topic and question would possibly be more holistically explored by local communities and academic experts in this field.

However, on the specific issue of second homes, our data can provide some insight. As part of Census 2021 the ONS has published data on the number of vacant and second homes in England and Wales³. Unfortunately, this data is not comparable with 2011 data, so it is not possible to directly compare over time.

The Welsh Government regularly releases council tax dwellings statistics⁴ which include information about second homes and did an in-depth look at the variety of statistics available for Wales in the *Second Homes: What does the data tell us?*⁵ publication. ONS works closely with our colleagues in Welsh Government and elsewhere to provide data and statistics that can be used to provide evidence on priority housing topic areas such as second homes.

I hope this evidence is useful to the Committee. Please let us know if there is anything further we can provide as the inquiry continues, or on any other matter.

Yours sincerely,



³<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/numberofvacantandsecondhomesenglandandwales/census2021>

⁴<https://www.gov.wales/council-tax-dwellings>

⁵<https://www.gov.wales/second-homes-what-does-data-tell-us-html>

Emma Rourke