

economy



The UK Economy grew by 1.8% in 2002, this was behind only North America among G7 economies.

This picture of relative stability and growth in the UK is in the context of global uncertainty. A decline in equity markets and rising oil prices has led to a fall in consumer confidence earlier in the year, but more recently equity markets have started to move upwards.

Indicator EC1 - Percentage Rise in GVA

Gross Value Added (GVA) is a key indicator of the state of the economy, and is broadly the same as

Gross Domestic Product (GDP). GVA is the difference between the value of goods and services produced and the cost of raw materials and other inputs, which are used up in production.

Hertfordshire's GVA rose by 2.2% in 2002 (down from a 4.9% growth in 2001). This was above the UK rate of 1.3%, the East of England rate of 1.5% but lower than the South East rate of 2.35%. (Source: Experian Business Strategies).

In 2001 Hertfordshire had also out-performed the South East.



Indicator EC2- Employment in Knowledge-Based Industries and Services

Knowledge-based industries and services are defined as finance, insurance, real estate and business services; education; health and social work; other community and personal services; post and telecommunications; high and medium-high tech industries: chemicals; machinery and equipment; transport, excluding building ships and boats .



This definition is set by the Organisation for Economic Co-operation and Development (www.oecd.org) and used in the Department of Trade and Industry s (www.dti.gov.uk) UK Competitiveness Indicators.

In 2001 in Hertfordshire there were 282,841 employed in knowledge-based industries compared to 267,599 in 2000.

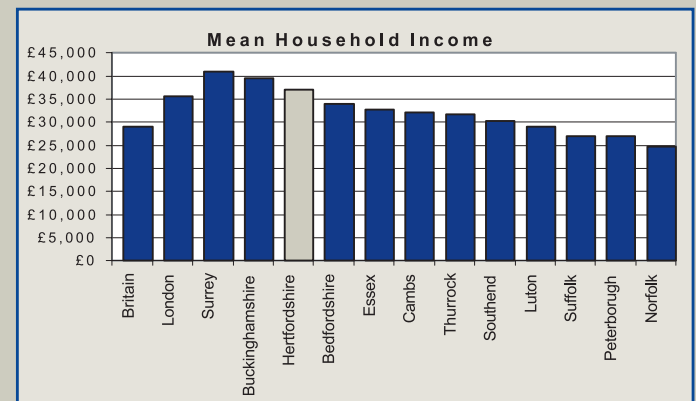
For the purposes of regional comparisons the EU uses a narrower group of activities (essentially excluding services not considered high tech i.e. finance, insurance, real estate and business services; education; health and social work; other community and personal services). This is broken down into medium and high tech manufacturing and high tech services. The figures for Hertfordshire in 2001 were 28,213 for medium and high tech manufacturing and 43,818 for high tech services.

The EU Innovation Scoreboard 2002 (for 2000) shows that Hertfordshire has a greater proportion of employment in medium/high tech manufacturing

together with high tech services than any of the UK regions save the West Midlands. It has a higher proportion of its employment in high tech services than any of the EU regions (only Stockholm comes close). The East of England proportion of employment in high tech services reported by the EU is 5.34%. Within the region, Hertfordshire, with 8.72%, leads Cambridgeshire, with 8.04%.

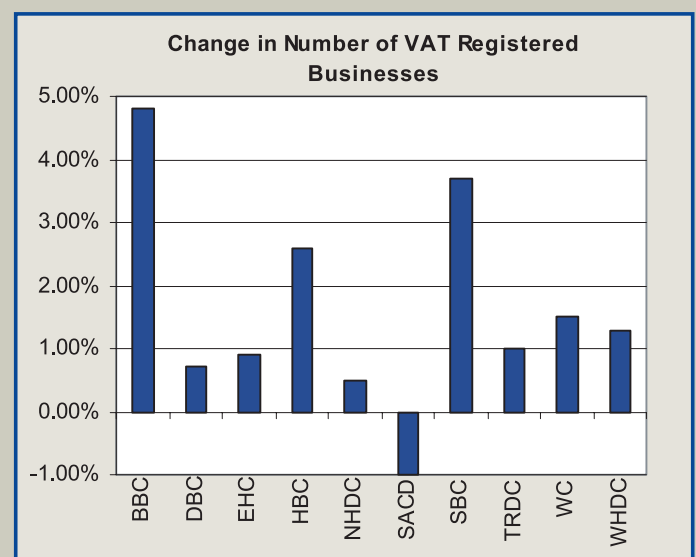
Indicator EC3 - Income per Household

The mean household income for Hertfordshire was £37,100. The Hertfordshire figure is the highest in the East of England. The figure is higher than for London but lower than Surrey or Buckinghamshire.



CACI Paycheck 2003

Indicator QoL4 - The percentage increase or decrease in the total number of VAT registered businesses in the area



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