

1. Relationship between population and GVA baseline growth 2014-33

Year	2014	2020	2025	2030	2033	Change	% Change
Population	207,396	213,946	219,333	223,896	226,385	19,009	9.1%
REM GVA baseline	£4.192b	£4.695b	£5.274b	£5.773b	£6.096b	£1.904b	45.4%
GVA per capita	£20,213	£21,945	£24,046	£25,784	£26,928	£6,715	33.2%

Source - population: Local Plan table 2.4; Regional Economic Model GVA baseline: WYCA - James Hopton (Economic and Transport Analysis Manager). Full WYCA spreadsheet 1997-2036 available on request

2. UK 2070 Commission - An Inquiry into Regional Inequalities June 2019

figure page 25 Cumulative Percentage Point Differential Growth Gaps of GVA (2011 prices): The North, South and London, 1971-2013. The figure shows both London and South increasing from 0 in 1971 to +13 in 2013, and North decreasing from 0 to -17 in 2013 Source: Cambridge Econometrics

3. Transport for the North: Connectivity & Labour Markets in the Northern Powerhouse 2018

A- changes to GVA, productivity and labour market

"According to the Northern Powerhouse Independent Economic Review (NPIER 2016), the North's economic performance gap (measured in GVA per capita terms) has persisted over the last thirty years, averaging about 25% below the rest of England (10% – 15% when London is excluded)." Page 15

"UK productivity and real wages have stagnated since the recession in 2008 and subsequent period of fiscal austerity. Although this phenomenon has been experienced in a number of developed economies, the UK has been particularly affected (experiencing weaker productivity growth over this period than, for example, the US, Germany, France and Italy)." page 16

"The working-age population is expected to grow more slowly than the total population, reflecting the ageing of the population. In the three regions of the North, the effect is that the working-age population is projected to be flat or falling. While improved health and the higher state pension age will increase the numbers in the labour force who are aged 65+, this effect will not make a substantial difference to the broad trends shown in Figure 3.2." page.26

Figure 3.2: ONS projections for the population aged 16-64 by region shows Y&H with zero growth working age population 2015-40, and NW and NE with reductions, whilst London increases to 120 (2015 = 100) Source: ONS 2014-based subnational population projections.

B - Trends in commuting

"The nature of employment has changed – more self-employment and more part-time working - and this has contributed to a reduction in the volume of commuting. Should this trend continue a further reduction should be expected. Countervailing this is the number of people in employment. The NPIER Transformational scenario has more jobs and, other things being equal, this could mean more commuting. Also, people are travelling for longer and further." page 48

C - Conclusions

"The Northern Powerhouse Independent Economic Review set out a deliberately ambitious vision for transformation of the North's economic performance. In that vision, GVA, employment and productivity all grow more rapidly than in the past, rebalancing the gap in performance relative to southern England seen in previous decades." page 64

“There is only limited scope to meet increased demand for workers from BAU population growth, as economic activity rates are already reasonably high, and unemployment rates are already reasonably low. The projected aging population will curb activity rates.” *page 64*

“In the four Transformational scenarios, by 2050, smaller proportions of workers are expected to work in the same local authority area where they live and commute from outside of the North. Instead, the results suggested an increased propensity for people who live in the North to commute to work outside of the local authority of their residence. This is driven by the strong growth projected for high-skilled workers in the Transformational scenario and the assumption that high-skilled workers would be much more likely to commute and travel longer distances than workers with less skill.” *page 66*

4. UK Industrial Strategy: Building a Britain fit for the future 2018

“Ageing also presents significant challenges to the economy, including greater caring demands on those of working age and increased health and social care costs. Without action, an ageing population could reduce the size of our workforce and lead to lower productivity.” *page 53*