

Isle of Wight has the fastest growing economy in the South East, according to new Experian Report

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The results of a new report by Experian shows the Isle of Wight economy is the fastest growing in the South East. The in-depth report reveals that the Island, better known as a seaside holiday resort, has out performed all other sub regions as well as London.

Mike King, Managing Director of the Isle of Wight Economic Partnership, who have jointly commissioned the report with the Isle of Wight Council explained, "Growth averaged 4.5% a year between 1999 and 2004 compared with 2.9% in the South East and 2.5% in the UK. This is fantastic news for the Island."

He continued, "This is something the whole Island should be truly proud of – it is down to the vision, innovation, positive attitude and sheer hard work of local businesses, organisations and employees. This amazing achievement will help generate even more interest in the Island as an investment destination, bringing new opportunities and greater prosperity for the whole community."

This data reflects the positive feeling on the Island at the moment. In recent years there have been a number of business successes and inward investments, along with some major regeneration projects such as Cowes Waterfront. This, combined with the buzz that high profile events have created for the Island, for example the Nokia Isle of Wight Rock Festival, the Bestival, Skandia Cowes Week and White Air, has attracted huge interest from potential investors.

The data has been provided by Experian, one of the UK's leading research and analysis bureaus and is supported by SEEDA's (South East England Development Agency) own analysis of the South East economy in its latest Regional Economic Strategy.

The Isle of Wight economy is now valued at over £1.4 billion compared with £1.1 billion in 1999. This rise can be partly attributed to an increase of over 6,000 full time equivalent jobs. Unemployment rates have also fallen and now stand at an historically low level of around 2%. Not only has unemployment dropped dramatically over recent years; the Isle of Wight now also has a larger working population who in turn are capable of spending more of their earnings in the local economy.

Councillor Tim Hunter Henderson, Cabinet Member for Economy, Regeneration, Tourism and Leisure said "This news illustrates the success of the Isle of Wight's strategy for economic development combined with a general upturn in the national economy. Our task now is to continue this good work, continuing to support local business growth and promoting the Island as an excellent investment destination and a vibrant place for people to live, work and play."

There is no doubt that this is very encouraging news for the Island and will bring new levels of business confidence and encourage more organisations to do business with the Island.

"Though there is still a long way to go" says Mike King of the Economic Partnership, "The economic

growth of our Island is remarkable, bucking the trend around the region, though it must be said that we have come from a lower baseline.”

“It is now essential that we work hard to continue this trend, to reduce the differential in salaries and improve our productivity. The salary base on Isle of Wight currently stands at around 19% below the UK average. To achieve an increase in salaries we need to work hard to generate new, higher paid employment opportunities and increase the range and level of skills of the local workforce. Another challenge on the Island is that some of our major employment sectors tend to generate lower levels of productivity. That said they are still very important economic sectors and we shouldn’t lose sight of the value they bring, however we need to address this issue by aiming to raise the value of the lower productivity sectors and expand areas of higher productivity, to generate a more balanced economy.”

“We also need to focus on increasing our skills base. National research shows that areas with a high proportion of graduates in the workforce have higher levels of productivity and therefore stronger economies. One area we need to concentrate on is attracting graduates to the Island, both by reinforcing the message about lifestyle and opportunities as well as encouraging businesses to recruit at a higher level for long term investment in their success.”

The Isle of Wight Economic Partnership is currently designing a new economic strategy for the Isle of Wight, building on the information and trends identified within the Experian data to capitalise on this growth. The focus will be continuing to support and attract high value business, developing programmes to increase skills to meet these new business demands and working with partners to ensure that the whole community benefits from the increased confidence in the economy. Much of this work will focus on young people as the key to future business success and prosperity for our Island. Additionally the strategy will aim to protect the Island’s assets; the reason we want to be here in the first place; the outstanding environment and excellent lifestyle that can be enjoyed here on the Isle of Wight.

CONTACT DETAILS: For further information or a copy of the Experian Report, contact Melissa Edwards on 07779 340 653. Over weekend, please call 0196323284 or send email: Melissa@gja.co.uk

Notes to editors:

*GVA - Gross Value Added – a measurement of the value of economic worth to the economy – source Experian 2005 Analysis

Isle of Wight Economic Partnership (IWEP)

The Isle of Wight Economic Partnership is the Island's economic development agency.

It has a remit to improve quality of life for Island people by:

- Building competitive businesses
- Creating a culture of innovation
- Developing the isle of Wight as one of the UK’s top tourism and leisure destinations
- Improving skills and employability

- Regenerating our most disadvantaged areas
- Regenerating our rural communities

It achieves this through a number of activities, including specific projects providing support for young, expanding businesses through our Innovation Centre, promoting and supporting the composites, marine and electronics industries through the Enterprise Hub, large scale regeneration social, community and infrastructure projects for Ryde, projects for rural areas, such as the Rural Development Programme and Leader+, initiatives to promote quality of life and health through the Healthy Living Programme and major investment programmes such as Cowes Waterfront which invests in the whole of the Medina Valley and will have a huge positive impact on the Island's economy.

The Isle of Wight Economic Partnership has attracted business investment worth up to £61 million to the Isle of Wight and has secured more than £23 million of UK Government and European funding over the last five years for regeneration and rural initiatives.

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