

Healthy Labour Market Indicators

In the development of the South West of England's Regional Skills Strategy, the Institute of Employment Studies produced the Healthy Labour Market Review. This research provided an analysis of the labour market in the South West and provides a suite of indicators for benchmarking.

The indicators are grouped under three broad headings:

* **Broad outcome indicators** – which can be monitored to inform the performance over the regional economy, but over which the organisations involved in delivering the FRESA are likely to have little direct influence;

* **Closer to policy indicators** – which can be monitored to inform the performance of the regional strategy, and over which the organisations involved in delivering the FRESA may have some influence; and

* **Learning targets** – which may be directly manipulated by organisations involved in delivering the FRESA.

The following table shows the indicators we use;

Closer to Policy Indicators	
<i>Business Generation, Enterprise & Innovation</i>	Business generation & start ups
	Business survival
	R&D expenditure
<i>Labour market turnover</i>	
<i>Redundancies</i>	
<i>Vacancies</i>	Hard-to-fill & skills shortage vacancies
	Occupations & vacancies
	Internal skills gaps
Learning and Training Indicators	
<i>Participation in learning & training</i>	16-18 participation rate
	Apprenticeships
	Adult participation
	Participation in HE
	Destinations of graduates
	Graduate labour market
<i>Workforce qualifications</i>	Qualification of working population
	Qualifications of economically active
	Knowledge intensity
<i>Skills for Life & low skills</i>	Skills for Life
	NEET (Not in Employment or Training)
Broad Outcome Indicators	
<i>Output & Productivity</i>	Output
	Labour productivity
	Capital productivity
<i>Economic activity</i>	Economically active population
	Employment status
	Employment structure
	Unemployment
<i>Population & migration</i>	Population
	Migration

The Process of selecting these indicators went through much iteration. First a complete mapping of all available labour market data was carried out by the SLIM Labour Market Analyst. This was of course a massive list, so a selection was made on the basis of those which encapsulate the essence of a healthy labour market. The short list was agreed by the research forum. This was then the subject of a day long workshop at which 4 academics delivered papers about the aims of the FRESA/SWESA and the HLMI. It was at this workshop where the model was formulated, and the categories of indicators agreed. The original full report and updates can be found on the SLIM website at:

<http://www.swslim.org.uk/research/hlmi/index.asp>