Britain's older industrial towns are lagging badly behind cities, despite low unemployment figures





The reduction in UK unemployment since 2010 paints an overly positive picture of labour market trends in Britain's older industrial towns, write **Christina Beatty** and **Steve Fothergill**. They find that these towns – older industrial areas beyond the main regional cities – are becoming places where people live but work elsewhere, which is very different from their original role as centres of business in their own right.

The recent general election has pushed Britain's older industrial towns higher up the political agenda. It was these towns in the North and Midlands that swung so dramatically from Labour to Conservative, giving Boris Johnson his parliamentary majority, and there is now an expectation that his government will do something for these places in order to try to hold on to them in future. Not least, the newly-elected Conservative MPs from these towns are certain to press for a local dividend from the government to help keep voters sweet.

In a newly-published open access article in Regional Studies we've looked closely at recent economic trends in Britain's older industrial towns. In particular, we've tried to establish whether the historically low levels of unemployment now recorded in the towns reflects a recovery in their local economies or whether there is still a much deeper malaise. The answer, perhaps not entirely surprising to those who know these areas well, is that the reduction in unemployment since the recession paints an overly positive picture of labour market trends in the towns.

Our research documents the changing levels of employment, population, national and international migration, commuting and labour force participation in older industrial towns since 2010, as the national economy moved out of the recession. The number of jobs in the towns has increased – it would have been astonishing if this had not been the case during a period of strong national growth in employment – but the rate of increase has been slower than in the main regional cities and far slower than in London, which really forged ahead over this period.

The fall in recorded unemployment in older industrial towns, which has actually been faster than the national average or than in London, cannot therefore be explained by local labour demand alone. It also owes a great deal to changes in labour supply, in particular to a rise in out-commuting to jobs in other places and to a local population with an excess of retirements over young entrants to the workforce. In older industrial towns, international migrants have also been a smaller source of new labour than in the cities.

There is little evidence in our findings that London's impressive employment growth has been of any direct benefit at all to the labour market in the older industrial towns of the Midlands, North, Scotland and Wales. London's growth has drawn in more commuters, but overwhelmingly from the rest of South East England. London's growth has also drawn in migrants from elsewhere, but principally from outside the UK.

Our figures mostly stop at 2016, when polarisation between the cities and older industrial towns was becoming apparent. More recent data points to Britain's cities and older industrial towns growing further apart and at an accelerating rate. New figures through to 2019, for example, show that in relation to the resident working age population the increase in the number of jobs in older industrial towns since 2010 (2.8%) was five times faster in the main regional cities (14.2%) and nearly six times faster in London (16.3%).

The inevitable consequence of this huge disparity in job growth has been a surge in commuting. In 2010, net commuting out of Britain's older industrial towns (the balance between flows in each direction) was around 800,000. By 2016 this had risen to 900,000, and by 2019 to over 1 million, equivalent to one-in-seven of all residents in employment in the towns. By contrast, in 2019 Britain's ten main regional cities had a net commuting inflow of just under 1 million, equivalent to more than a quarter of all the jobs located there. These figures point to a major redefinition of the role of Britain's older industrial towns. Increasingly, they are becoming places where people live but work elsewhere: they are becoming dormitories for commuters to the big cities. This is very different from their original role as centres of business and population in their own right.

We should probably welcome the employment growth in the cities and their role in providing job opportunities for the residents of older industrial towns, thereby holding down unemployment in the towns, but whether this is a sustainable or desirable model of growth is deeply questionable.

At a purely practical level, it generates congestion on the road and rail network. Britain's transport network was never designed to move vast numbers in and out of the main regional cities. The rail network away from London and the South East is skeletal at best and much of the rolling stock is unable to handle the demands placed upon it. The motorway network was built with long-distance travel in mind but around the cities it has become clogged with commuters. Journey times have increased significantly, even in the last five years.

The city-centric model of development is also incompatible with the green agenda. The growing dependence of the residents of older industrial towns on jobs in cities works directly against the aspiration to reduce CO2 emissions and is doubly damaging because most of the commuting happens by car, which is especially profligate in terms of emissions.

There is much pious talk about 'inclusive growth' but the long-distance separation of home and workplace that is built into the city-centric model of growth makes it too difficult for many people to participate in rewarding employment. Commuting into the cities may just about work for car owners in well-paid jobs but for those on lower incomes, for shift-workers, and those who work outside city centres public transport is rarely a practical option. For the residents of older industrial towns at a considerable distance from the nearest city – and there are plenty of towns that fit this description – commuting to a city is not even an option. The travel times are too great.

The message for Boris Johnson's government is that Britain's older industrial towns are indeed now lagging badly behind the big cities, and ministers should not be misled by positive unemployment figures. Britain's older industrial towns need more jobs, and better jobs, closer to home.

Note: the above draws on the authors' published work in Regional Studies.

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