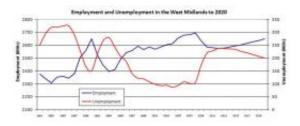


Study says West Midlands bearing brunt of recession and will take longest to recover

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New research by the University of Warwick Institute for Employment Research shows that says West Midlands is bearing brunt of recession in the UK and is the region that will take longest to recover.

Recently released official statistics reveal that it is the West Midlands, more than any other region, which is bearing the brunt of the recession. In part, this stems from the region's dependence upon industries which are particularly vulnerable to the economic downturn; not least the automotive industry and its chain of suppliers.

The latest <u>labour market</u> assessment conducted by the University of Warwick's Institute for <u>Employment</u> Research in conjunction with Cambridge Econometrics suggests a relatively pessimistic outlook for the West Midlands economy over the medium-term. The current impact of the recession in the region is plain to see, but what about the future.



How quickly will the region recover lost ground? The answer to this question is somewhat pessimistic.

The Warwick Institute for Employment Research is keeping a watching brief on the development of the recession and its long-term implications for the University's host region: the West Midlands. For more information see: www2.warwick.ac.uk/fac/soc/ier/recession/

Though employment levels are not expected to fall as much as in previous recessions, there will be a relatively slow pick up in employment to the year 2020, such that even by then pre-recession levels of employment will not have been recovered. Unemployment is also expected to stay at relatively high levels over the medium-term.

The problems which beset the West Midlands labour market are not solely the result of the current <u>recession</u> but they have been exacerbated by it. The projections of future employment suggest challenging times ahead for the region's economic partners.

Provided by University of Warwick (<u>news</u>: <u>web</u>)

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