



Annual Business Inquiry 2007 revised results

Date: 16 June 2009

Coverage: United Kingdom **Theme:** The Economy

Revised results from the 2007 Annual Business Inquiry (ABI) for the United Kingdom are now available.

A comparison between 2006 and 2007 of the four main industry groups shows increases in turnover, purchases and gross value added figures. The largest increases were in the construction industries and the smallest in the production industries.

	2006 £ billion	2007 £ billion	Per cent change
Production industries			
Turnover	606	633	4.5
Purchases	387	405	4.6
Approximate GVA at basic prices ^(note 5)	202	211	4.6
Construction industries			
Turnover	176	196	11.6
Purchases	109	124	13.2
Approximate GVA at basic prices ^(note 5)	68	75	10.5
Distribution industries			
Turnover	988	1,056	6.9
Purchases	826	884	7.0
Approximate GVA at basic prices ^(note 5)	151	160	6.4
Service industries			
Turnover	824	891	8.2
Purchases	433	468	7.9
Approximate GVA at basic prices ^(note 5)	363	394	8.7

Production industries

Turnover of the mining and quarrying industries (which includes oil and gas extraction) increased by 2.7 per cent, a smaller increase of 1.5 per cent for purchases resulted in gross value added increasing by 7.3 per cent. The turnover of the electricity, gas and water supply increased by 6.2 per cent and gross value added by 4.3 per cent in the same period.

Within manufacturing, the largest increases in turnover were seen in the non-metallic mineral products and manufacture not elsewhere classified industries at 17.2 per cent and 13.4 per cent respectively. The largest increases in gross value added were shown in the manufacture not elsewhere classified industry at 21.2 per cent and the wood and wood products industry at 18.8 per cent.

There were no significant decreases in turnover within manufacturing. The leather and leather products, and chemicals, chemical products and man made fibres industries both showed decreases of 4.3 per cent for gross value added.

Construction industries

In the construction industries, turnover increased by 11.6 per cent and gross value added by 10.5 per cent.

Distribution industries

Within the distribution industries, wholesaling continued to show the largest increases in turnover and purchases, at 9.0 per cent and 8.9 per cent respectively. The largest increase in gross value added was in the motor trades industries at 8.3 per cent.

Service industries

In the service industries the largest increase in turnover and purchases were in renting and business activities at 11.8 per cent and 12.7 per cent respectively, with education showing the largest increase of 13.2 per cent for gross value added.

Revisions

In line with the policy for ABI, the periods 2006 and 2007 were open for revision for this release. Table R1 shows the revisions for turnover, purchases and approximate gross value added by industry.

The revisions for the latest years form a normal part of the release process for ABI data. This release reflects the revisions since the publication of provisional 2007 data in November 2008. The revised results for both years are based on a more complete set of data following receipt of additional data and further analysis. Additional information can be found at http://www.statistics.gov.uk/abi/revisions_history.asp.

Background Notes

ABI

This first release covers information collected as part of the Annual Business Inquiry (ABI). This inquiry replaced the various annual inquiries sent to businesses for 1997 and earlier. The ABI collects both employment and accounting information. This Release is concerned with the accounting information collected by ABI 2. From the publication of 2006 provisional data, there has been a change in the sampling arrangements for the two parts of the ABI. In previous years ABI 2 was a sub-sample of ABI 1, which collects the employment figures. From the 2006 inquiries, ABI 1 and ABI 2 have been sampled separately.

ABI Updates

1. Further releases of ABI data will be:
 - 30 July 2009 - Regional data for ABI 2007
 - 17 November 2009 - Provisional data for ABI 2008

Basic Quality Information

2. A Summary Quality Report for ABI/2 can be found at http://www.statistics.gov.uk/about/data/methodology/quality/information_business_statistics.asp. This report describes, in detail, the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.
3. Estimates of sampling errors, together with response rates can be found on the ABI Quality Measures page at http://www.statistics.gov.uk/abi/quality_measures.asp.

Coverage

4. The results in this First Release represent approximately two thirds of the UK economy. The presentation is in line with the Standard Industrial Classification SIC (2003). The industries covered are:

Agriculture (service activities only), hunting and forestry	Section A (Groups 01.4 and 01.5 and Division 02) only
Fishing	Section B
Production Industries	Sections C-E
Construction Industry	Section F
Distribution Industries	Section G
Service Industries	Section H, Section I, Section K, Section M, Section N (except industries 85.111,

85.12, 85.13, 85.311 and 85.321) and
Section O

The main areas excluded are agriculture (Groups 01.1, 01.2 and 01.3), financial intermediation, public administration and defence.

Definitions

5. Gross value added (GVA) represents the amount that individual businesses, industries or sectors contribute to the economy. Broadly, this is measured by the income generated by the business, industry or sector *less* their intermediate consumption of goods and services used up in order to produce their output. GVA consists of labour costs (e.g. wages and salaries) and an operating surplus (or loss). The latter is a good approximation to profits. The cost of capital investment, financial charges and dividends to shareholders are met from the operating surplus.

Data collected and published through the ONS Annual Business Inquiry (ABI) are used to produce an approximate estimate of GVA at basic prices. This measure is approximate because it does not allow fully for certain types of National Accounts concepts such as taxes or subsidies or income earned-in-kind.

The ABI forms a major data input to the production of Input-Output Annual Supply and Use Tables used to set the annual level of UK Gross Domestic Product. These tables also show industry estimates of GVA at basic prices, but are different from those shown in the ABI. In producing the Input-Output based estimates of GVA at basic prices fully consistent with the European System of Accounts 1995, there are essentially four key adjustments required to the survey based data: coverage adjustments; conceptual and valuation adjustments; quality adjustments; and coherence adjustments. Details are available in the notes to the United Kingdom Input-Output Analyses
http://www.statistics.gov.uk/about/methodology_by_theme/inputoutput/.

Further information

6. Revised 2007 UK national results at SIC(2003) 4 digit class level, together with results for 1995-2006, giving both analysis and tabular detail, will be available free of charge from the National Statistics website at <http://www.statistics.gov.uk/abi/>.

Additional standard extracts are available on request. Bespoke analyses are also available but there will be a charge for these. For more information about either of these services please e-mail abi2@ons.gsi.gov.uk or telephone +44(0)1633 456592 for standard extracts or +44(0)1633 456601 for bespoke analyses.

Articles describing the Inter Departmental Business Register (IDBR), which provides the sampling frame, appeared in the November 1995 and February 1998 editions of *Economic Trends*, explaining the move of business surveys to the IDBR in more detail. The November 2000 edition of *Economic Trends* (no 564) contained an article detailing the development of the

Annual Business Inquiry, together with methodological information. Further information on the IDBR can be found at <http://www.statistics.gov.uk/idbr>.

Information on SIC (2003) is available on the National Statistics website at <http://www.statistics.gov.uk/statbase/Product.asp?vlnk=14012>.

7. Details of the policy governing the release of new data are available from the media office.
8. National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2009.

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Next publication: 30 July 2009

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1 Details of income and expenditure by industry (Sections A-O) 2006 and 2007

Revised 2007 United Kingdom data

Standard Industrial Classification Revised 2003 Industry	Year		Turnover £ million	Purchases £million	Approximate Gross Value Added £ million
A-O (see note 4)	2006	Agriculture, fishing, production.	2,597,917	1,758,551	785,179
	2007	construction, distribution and services	2,780,474	1,883,328	842,680
A (Part)	2006	Agriculture, hunting and forestry	3,831	2,177	1,835
	2007		3,922	2,212	2,027
B	2006	Fishing	1,122	594	581
	2007		949	637	341
C-E	2006	Production industries	605,551	387,153	201,927
	2007		632,513	405,126	211,167
C	2006	Mining and quarrying	48,386	22,194	24,832
	2007		49,672	22,524	26,634
CA	2006	Mining and quarrying of	42,211	18,001	23,066
	2007	energy producing materials	44,850	19,499	24,996
CB	2006	Mining and quarrying except	6,175	4,194	1,766
	2007	energy producing materials	4,822	3,025	1,638
D	2006	Manufacturing	483,349	314,887	151,538
	2007		504,469	330,148	157,864
DA	2006	Food products; beverages	81,909	49,656	22,435
	2007	and tobacco	81,954	49,628	22,995
DB	2006	Textiles and textile products	9,316	6,009	3,277
	2007		9,445	6,061	3,411
DC	2006	Leather and leather products	761	476	292
	2007		767	494	279
DD	2006	Wood and wood products	7,515	4,850	2,714
	2007		8,484	5,391	3,224
DE	2006	Pulp, paper and paper products;	43,404	25,018	18,386
	2007	publishing and printing	43,748	25,375	18,483
DF	2006	Coke, refined petroleum	30,965	18,931	2,825
	2007	Products and nuclear fuel	32,822	20,191	3,354

DG	2006	Chemicals, chemical products	62,129	43,647	19,047
	2007	and man made fibres	62,948	44,526	18,223
DH	2006	Rubber and plastics products	21,237	13,740	7,598
	2007		21,639	13,985	7,789
DI	2006	Non-metallic mineral products	13,476	8,032	5,503
	2007		15,790	9,688	6,110
DJ	2006	Basic metals and fabricated	46,722	30,512	16,758
	2007	metal products	50,346	33,051	17,717
DK	2006	Manufacture of other	36,559	23,783	12,927
	2007	machinery and equipment	39,004	25,822	13,302
DL	2006	Electrical and optical	40,922	25,280	15,729
	2007	equipment	40,589	24,843	15,982
DM	2006	Manufacture of transport	69,054	51,903	17,542
	2007	equipment	74,950	56,589	19,112
DN	2006	Manufacture not elsewhere	19,381	13,050	6,504
	2007	classified	21,984	14,505	7,881
E	2006	Electricity, gas and water supply	73,817	50,072	25,558
	2007		78,372	52,454	26,670
F	2006	Construction	175,770	109,109	67,579
	2007		196,185	123,505	74,656
G-O (see note 4)	2006	Distribution and service industries	1,811,642	1,259,519	513,256
	2007		1,946,905	1,351,848	554,488
G	2006	Distribution industries	987,936	826,308	150,529
	2007		1,056,034	884,347	160,161
50	2006	Motor trades	156,784	132,950	24,010
	2007		166,269	141,367	25,997
51	2006	Wholesale trades and commission	552,722	478,660	62,920
	2007	trade	602,437	521,449	67,730
52	2006	Retail trade and repair of personal	278,429	214,698	63,599
	2007	and household goods	287,328	221,531	66,434
H-O (see note 4)	2006	Service industries	823,707	433,211	362,727
	2007		890,871	467,502	394,327
H	2006	Hotels and restaurants	64,124	33,990	30,185
	2007		65,534	34,379	31,166

I	2006	Transport, storage and communication	219,953	139,746	84,476
	2007		229,508	144,092	89,819
K	2006	Renting and business activities	362,113	149,474	182,776
	2007		404,949	168,494	205,513
M	2006	Education (excludes some public sector)	21,880	13,820	8,143
	2007		23,860	14,692	9,222
N (see note 4)	2006	Health and social work (excludes some public sector)	24,567	8,004	16,524
	2007		26,286	8,826	17,402
O	2006	Other services	131,069	88,176	40,624
	2007		140,735	97,019	41,205

R1 Details of income and expenditure by industry (Sections A-O) 2006 and 2007

Revisions to data

Standard Industrial Classification Revised 2003 Industry	Year		Turnover £ million	Purchases £million	Approximate Gross Value Added £ million
A-O (see note 4)	2006	Agriculture, fishing, production.	-6,802	-2,463	-4,312
	2007	construction, distribution and services	-12,604	-3,136	-12,981
A (Part)	2006	Agriculture, hunting and forestry	1	-	1
	2007		6	21	40
B	2006	Fishing	-22	-43	15
	2007		-15	106	-123
C-E	2006	Production industries	-1,079	-1,712	1,223
	2007		381	889	-686
C	2006	Mining and quarrying	-273	-443	694
	2007		-111	-51	-66
CA	2006	Mining and quarrying of	-238	-416	701
	2007	energy producing materials	-179	-114	-71
CB	2006	Mining and quarrying except	-35	-27	-8
	2007	energy producing materials	68	62	5
D	2006	Manufacturing	-850	-1,310	413
	2007		319	305	-470
DA	2006	Food products; beverages	-48	-209	67
	2007	and tobacco	58	56	191
DB	2006	Textiles and textile products	27	-5	37
	2007		-107	-51	-43
DC	2006	Leather and leather products	1	-	1
	2007		-16	-3	-12
DD	2006	Wood and wood products	-5	-23	4
	2007		-81	-99	67
DE	2006	Pulp, paper and paper products;	-765	-756	11
	2007	publishing and printing	-35	-114	86
DF	2006	Coke, refined petroleum	20	75	-48
	2007	products and nuclear fuel	49	62	-240

DG	2006	Chemicals, chemical products	109	122	62
	2007	and man made fibres	137	92	-253
DH	2006	Rubber and plastics products	-9	22	-18
	2007		-184	72	-256
DI	2006	Non-metallic mineral products	-309	-304	5
	2007		-399	-406	3
DJ	2006	Basic metals and fabricated	129	137	-9
	2007	metal products	-72	-26	-179
DK	2006	Manufacture of other	-180	-52	-224
	2007	machinery and equipment	112	108	-12
DL	2006	Electrical and optical	201	-235	459
	2007	equipment	177	-73	190
DM	2006	Manufacture of transport	-22	-77	64
	2007	equipment	363	412	-102
DN	2006	Manufacture not elsewhere	2	-5	3
	2007	classified	318	276	89
E	2006	Electricity, gas and water supply	44	41	116
	2007		174	635	-150
F	2006	Construction	786	249	450
	2007		-3,232	410	-3,251
G-O (see note 4)	2006	Distribution and service industries	-6,488	-958	-6,001
	2007		-9,746	-4,561	-8,961
G	2006	Distribution industries	-3,072	-1,093	-1,513
	2007		-333	2,144	-6,787
50	2006	Motor trades	435	500	-107
	2007		-584	-308	-109
51	2006	Wholesale trades and commission	-3,041	-1,978	-849
	2007	trade	1,950	2,760	-5,072
52	2006	Retail trade and repair of personal	-466	386	-557
	2007	and household goods	-1,699	-309	-1,607
H-O (see note 4)	2006	Service industries	-3,415	135	-4,488
	2007		-9,413	-6,704	-2,174
H	2006	Hotels and restaurants	-169	-62	-126
	2007		97	39	47

I	2006	Transport, storage and	81	369	-592
	2007	communication	-729	461	-1,332
K	2006	Renting and business activities	285	-26	-266
	2007		-6,470	-5,319	-491
M	2006	Education	65	-55	108
	2007	(excludes some public sector)	-301	-222	-68
N (see note 4)	2006	Health and social work	-49	22	-67
	2007	(excludes some public sector)	-977	-820	-173
O	2006	Other services	-3,628	-113	-3,544
	2007		-1,034	-844	-156

Next publication: 30 July 2009

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