

23 September 2003

**Coverage**

United Kingdom

**Theme**

Commerce, Energy  
and Industry

# Annual Business Inquiry

## 1998-2001 regional results

Regional Annual Business Inquiry (ABI) data for 2001 for the English government office regions, Scotland, Wales and Northern Ireland has been published today by the Office for National Statistics (ONS).

Revised regional data for 1998-2000 is also being issued as part of this release. These regional estimates are consistent with UK data for the ABI released on 18 June 2003.

Growth in approximate gross value added (GVA) - see Background Note 5 - was strongest in the North West, outstripping the increase in turnover for the region for 2000/01. Investment in the North West increased more than in any other region and, as a percentage of approximate GVA, was above the UK average.

London again had the largest regional economy; approximate GVA and turnover both rising by 5.4 per cent between 2000 and 2001. This can be partially explained by rising house prices and increased real estate activity (division 70). However, investment fell during the same period and London now has the lowest investment as a percentage of approximate GVA of any region. The approximate GVA growth in both London and the South East was weakened by the general downturn in air transport (division 62) following the 11th September attacks.

Approximate GVA in Scotland rose by more than the UK average in 2001, due in part to rises in the wholesale, retail, telecommunications and business services sectors. Although investment levels in Scotland only increased marginally between 2000 and 2001 they remain above the UK average as a percentage of approximate GVA.

Every region and country showed an increase in approximate GVA between 2000 and 2001, but the smallest increase was recorded in Wales as rises across a range of industries were partially cancelled out by a fall in the manufacture of basic metals (division 27).

The impact of foot and mouth is likely to explain the rise in approximate GVA in the renting of machinery and equipment (division 71) and veterinary health (part of division 85) in the North East, North West, East of England, South West, Wales and Scotland.

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Next publication date  
To be announced

Between 2000 and 2001 investment rose in the North East, North West, East Midlands, West Midlands, Wales, Scotland and Northern Ireland, but fell in Yorkshire and The Humber, East of England, London, South East and South West.

## BACKGROUND NOTES

### ABI

1. This first release covers information collected as part of the Annual Business Inquiry. The ABI collects both employment and accounting information. This more efficient use of the sample helps to reduce the compliance burden on businesses whilst at the same time ensuring that these two sets of data are consistent. This inquiry replaced the various annual inquiries sent to industry for 1997 and earlier.
2. ONS produces ABI estimates for English government office regions, Scotland, Wales and Northern Ireland. The methodology used to calculate these estimates is consistent across the UK and the resulting estimates are constrained to match the UK National estimates at the all-industry level. This methodology therefore produces estimates suitable for comparisons between regions within the UK. Further details about the ABI methodology can be found at [www.statistics.gov.uk/abi](http://www.statistics.gov.uk/abi).

However, alternative estimates for Northern Ireland are produced by the Department of Enterprise Trade and Investment Northern Ireland (DETINI) for 1998 to 2001. These estimates will differ from ONS Northern Ireland estimates due to differences in the methodology. The DETINI methodology, while broadly comparable with that of the UK, is designed to give the best Northern Ireland estimate rather than an estimate which is consistent with the rest of the UK.

3. Release of regional data for 1997 has been delayed until further notice.

### Coverage

4. The results in this first release cover approximately two thirds of the UK economy and cover production, construction, distribution, service, as well as the forestry and fishing industries starting in 2000 and part of agriculture from 2001. The presentation is in line with the Standard Industrial Classification SIC(92). The sectors covered are:

Agriculture, hunting and forestry	Section A (Groups 01.4 and 01.5 from 2001) (Division 02 from 2000)
Fishing	Section B from 2000
Production Industries	Sections C-E
Construction Industry	Section F



Distribution Industries	Section G
Service Industries	Section H, Section I (excluding industry 6411 in 1998), Section K, Section M, Section N except industries 85.12, 85.13, 85.311, and 85.321 and Section O (excluding industry 91 in 1998).

The main areas excluded are part of agriculture, financial intermediation, public administration and defence.

### Definitions

5. Approximate GVA represents the income generated by businesses out of which is paid wages and salaries, the cost of capital investment and financial charges, before arriving at a figure for profit. It includes taxes on production (for example business rates), net of subsidies but excludes subsidies and taxes on products (for example, VAT and excise duty). The data released today are the output from an annual survey and are not subject to any adjustments. They will be used, in part, as an indicator to derive the next Regional Gross Value Added (GVA) estimates.

Estimates of approximate GVA shown here for regional data will not be exactly the same as Regional GVA published by ONS on 14 and 20 August 2003. The Regional GVA data are subject to adjustments in three key areas: adjustments for coverage; adjustments needed to move the accounts onto an ESA 95 basis; and adjustments for balancing purposes. More information can be obtained from [www.statistics.gov.uk/abi/variable\\_info.asp](http://www.statistics.gov.uk/abi/variable_info.asp).

### Further information

6. Revised 2001 UK results at SIC(92) 4 digit class level, together with results for 1995-2000, giving both analysis and tabular detail are available free of charge from the ONS 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 us at [abi2@ons.gov.uk](mailto:abi2@ons.gov.uk) or telephone +44(0)1633 812435 for standard extracts or +44(0)1633 812674 for bespoke analyses.

Further information on SIC(92) is contained in the October 1992 and February 1993 editions of Economic Trends (nos 468, 472). 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 SIC(92) can be found at [http://www.statistics.gov.uk/methods\\_quality/sic/contents.asp](http://www.statistics.gov.uk/methods_quality/sic/contents.asp), further information on the IDBR can be found at <http://www.statistics.gov.uk/CCI/nugget.asp?ID=195&Pos=1&ColRank=1&Rank=208>

7. Details of the policy governing the release of new data are available from the press office.
8. National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2003.

## WHOLE ECONOMY (SECTIONS A-O) BY COUNTRY AND GOVERNMENT OFFICE REGION, 1998-2001

Government Office Region or Country	Year	Total turnover	Approximate gross value added at basic prices	Total purchases of goods, materials and services	Total employment costs	Total net capital expenditure
		£ million	£ million	£ million	£ million	£ million
North East	1998	54,549	17,199	36,836	10,202	3,624
	1999	55,986	18,472	36,981	10,126	3,728
	2000	62,739	18,708	43,408	10,918	3,353
	2001	61,003	19,686	40,611	11,460	3,536
North West	1998	173,467	54,308	115,233	30,426	9,106
	1999	182,111	59,431	119,076	32,650	8,822
	2000	182,801	58,406	121,534	32,820	7,995
	2001	199,215	64,477	131,976	35,809	9,434
Yorkshire and The Humber	1998	119,722	38,105	81,620	21,683	5,781
	1999	123,435	40,326	83,106	22,358	5,385
	2000	130,410	42,141	88,168	23,056	5,791
	2001	133,488	43,602	89,783	25,058	5,600
East Midlands	1998	106,039	35,981	68,939	19,740	4,978
	1999	105,638	35,142	69,083	19,697	5,237
	2000	109,743	36,973	71,060	20,344	4,453
	2001	114,827	38,162	74,480	21,510	4,492
West Midlands	1998	144,593	44,743	99,257	25,999	6,912
	1999	155,168	47,894	105,531	27,269	5,806
	2000	161,045	48,032	112,050	28,105	6,538
	2001	160,731	49,632	109,729	29,274	7,235
East of England	1998	157,900	47,988	106,264	26,492	6,585
	1999	162,004	50,235	107,979	27,003	6,845
	2000	174,999	54,923	116,790	29,635	7,836
	2001	180,660	57,091	120,183	31,937	6,908
London	1998	408,114	116,222	287,703	59,759	16,895
	1999	418,842	129,238	290,189	66,400	16,006
	2000	463,864	140,266	322,644	70,850	16,933
	2001	489,028	147,871	340,630	78,506	15,948
South East	1998	272,601	86,708	179,965	45,598	11,894
	1999	296,901	95,745	196,209	49,543	13,269
	2000	308,671	99,096	202,497	53,517	14,034
	2001	323,147	103,284	213,205	57,556	13,618
South West	1998	112,153	35,889	75,057	19,875	5,289
	1999	120,897	39,628	80,265	21,461	6,313
	2000	125,694	42,513	83,223	22,469	6,952
	2001	130,748	45,173	84,503	24,197	6,866
Wales	1998	59,569	17,259	39,333	9,882	3,362
	1999	63,230	17,808	41,315	10,482	3,164
	2000	68,626	18,866	45,243	10,630	2,499
	2001	66,296	18,877	43,570	11,029	2,911
Scotland	1998	133,853	47,137	85,804	23,489	10,251
	1999	136,975	46,690	89,119	24,069	8,662
	2000	144,298	50,891	93,570	25,330	8,447
	2001	154,471	54,802	98,671	28,078	8,500
Northern Ireland	1998	33,289	9,613	22,424	4,967	1,881
	1999	37,075	10,883	24,064	5,432	1,931
	2000	40,757	12,236	25,756	5,898	1,938
	2001	41,171	12,931	25,250	6,104	2,245
United Kingdom	1998	1,775,850	551,151	1,198,434	298,113	86,557
	1999	1,858,261	591,493	1,242,919	316,491	85,168
	2000	1,973,648	623,050	1,325,943	333,571	86,768
	2001	2,054,787	655,587	1,372,591	360,518	87,293