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# **Northern Ireland Annual Business Inquiry (NIABI) 2006**

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**19 December 2007**

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# Northern Ireland Annual Business Inquiry (NIABI) 2005 Revised, 2006 Provisional Results

Published 19/12/2007

The 2006 Northern Ireland Annual Business Inquiry (NIABI) provides the first output-based estimates for the year of the value of mainly business based economic activity across some two-thirds of the Northern Ireland economy. The survey covers most of the Production, Construction, Distribution and Service industries but excludes public sector activities for the most part. Revised information for 2005 is also made available in the report.

- **Total turnover has increased from £48,669 million in 2005 to £50,824 million in 2006, which equates to 4.4% growth over the year. This was similar to the annual average rate of growth over the period 2001-2005 (4.2%).**
- **Total Approximate Gross Value Added (GVA) at basic prices for 2006 was £16,010 million representing an increase of £1,408 million (9.6%) compared to 2005. This is higher than the rate of growth recorded last year (7.1%) and higher than the annual average rate of growth over the period 2001-2005 (3.9%).**
  - **The largest increase occurred in the Services sector where GVA increased over the year by £811 million (9.9%) to £9,035 million in 2006.**
  - **The highest level of growth over the year within the Services sector was in Wholesale and Retail where GVA increased by £364 million (10.5%) to £3,826 million.**
  - **Real Estate, Renting and Business Activities sector also gained £291 million (13.3%) in GVA over the period generating income worth £2,475 million.**
  - **The Construction sector reported an increase of £362 million (18.1%) over the year to £2,358 million. Manufacturing sector GVA (£4,009 million) increased by £222 million (5.9%).**
- **GVA per person in employment for 2005-06 increased by 8.2% to £32,279 compared to an annual average growth rate of 2.5% since 2001. Employment costs increased by 8.1% over the year.**
- **Net capital expenditure (e.g. on buildings or plant) was £2,906 million in 2006 up 23.1% from £2,360 million in 2005. This was higher than the annual rate of change in the period 2001-2005.**



Department of Enterprise,  
Trade and Investment

# Northern Ireland Annual Business Inquiry (NIABI) 2005 Revised, 2006 Provisional Results

December 2007



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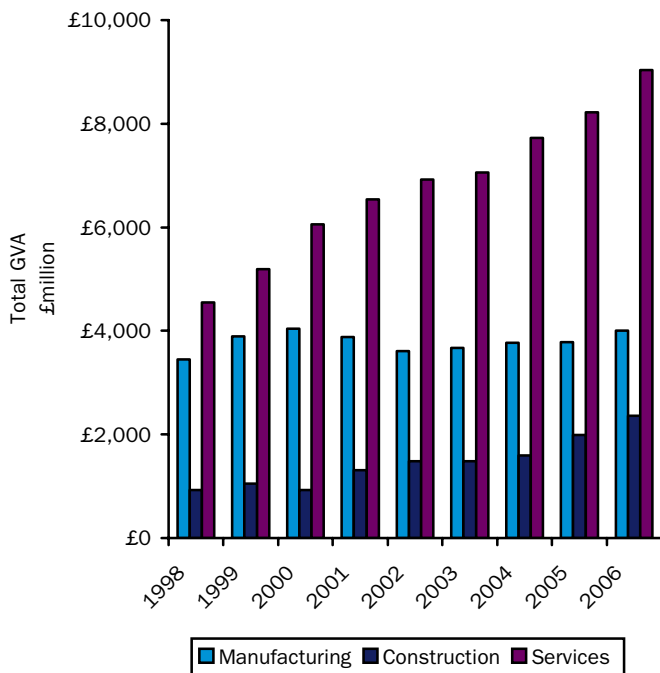
# Executive Summary

# 1

## EXECUTIVE SUMMARY

The 2006 Northern Ireland Annual Business Inquiry (NIABI) collects both employment and financial information from businesses and other establishments and covers about two thirds of the economy. This includes the Production, Construction, Distribution and Service industries<sup>2</sup> in Northern Ireland but excludes public sector activity for the most part. Coverage also includes agriculture (part), forestry and fishing, and private sector businesses within education and health and social work on a consistent basis from 1998, where information is available. The Office for National Statistics (ONS) has responsibility for the production of UK regional ABI estimates and 2006 results are scheduled for release on 30<sup>th</sup> July 2008.

**Figure 1 – Total GVA At Basic Prices 1998-2006 £ million**



## Turnover and Gross Value Added

Turnover<sup>3</sup> by businesses in Northern Ireland was estimated to be worth £50,824 million in 2006 (excluding VAT); an increase of 4.4% compared to 2005. After expenditure on goods and services was accounted for this represented a total figure of £16,010 million in terms of approximate Gross Value Added (GVA), a measure of the value of economic activity generated by businesses, an increase of 9.6% (£1,408 million) over the year. The annual increase in GVA between 2005 and 2006 was higher than the previous years growth rate (7.1%) for 2004 – 2005 and higher than the annual average growth rate recorded over the period 2001-2005 (3.9%).

## Share of Turnover & GVA by Industry

The relative importance of the main industry sectors in terms of GVA and changes since 1998 can be seen in figure 1. The Service sector accounted for approximately 55.9% of businesses' turnover and 56.4% of GVA in 2006 reflecting its continuing importance to the Northern Ireland economy. Manufacturing also continued to play a key role with the sector being responsible for 28.7% of turnover and 25.0% of GVA - broadly similar to the situation in 2005.

The Service sector accounted for 56.4 of GVA (£9,035m) in 2006 compared to 52.1% (£6,540m) in 2001.

Manufacturing accounted for 25.0% of GVA (£4,009m) in 2006 Compared to 30.9% (£3,880m) in 2001.

14.7% (£2,358m) of total GVA was accounted for by the Construction sector in 2006 compared to 10.5% (£1,315m) in 2001.

## Changes in GVA 2005 – 2006

The £1,408 million increase in GVA was due for the most part to a 9.9% (£811m) increase in Service sector GVA from £8,224 million to £9,035 million, an increase of 18.1% (£362m) in Construction from £1,996 million to £2,358 million, and a 5.9% (£222m) increase in Manufacturing GVA from £3,786 million to £4,009 million.

### Annual Changes Within Sector

The largest increase in terms of value within the Service sector was in the Wholesale and Retail sector with an increase of £364 million (10.5%). This sector now accounts for 23.9% of total business GVA.

In Manufacturing the largest increase in GVA was in the Manufacture of Electrical and Optical Equipment up £166m (63.9%) to £424m.

The largest decrease in Manufacturing GVA was recorded in the Manufacture of Rubber and Plastic Products, down £69m (18.9%) to an estimated £296m.

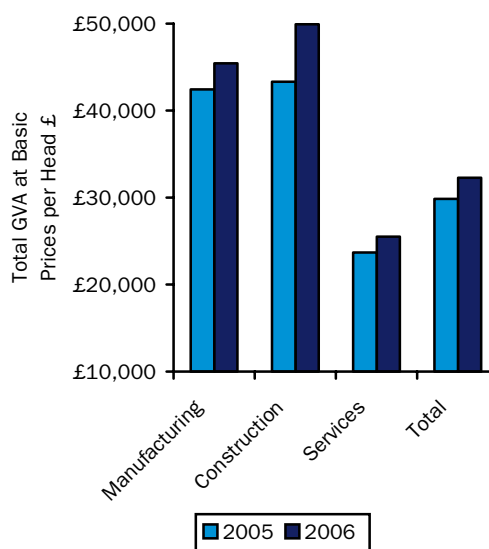
### Employment levels

The NIABI provides estimates of employment to enable per head calculations to be made. Preferred estimates of the changes in employment and employee jobs are provided by the Labour Force Survey and Quarterly Employment Survey respectively, and can be found on the DETI web site.

### GVA per head

The NIABI allows estimates of both the value added per person<sup>4</sup> in employment (GVA per head) and employment costs per head to be calculated across different industries. Total GVA per head at basic prices increased by 8.2% from £29,824 in 2005 to £32,279 in 2006 in Northern Ireland. Over the same period GVA per head increased in Construction (£49,932) by 15.3%, the Service sector (£25,510) by 7.7% and in Manufacturing (£45,475) by 7.1%.

Figure 2 – GVA per Head by Section 2005-2006



### GVA per head within main Sectors

In the three largest sub sections by GVA value within Manufacturing, GVA per head fell by 1.0% in the Food Products, Beverages and Tobacco sector, but rose by 64.2% in the Manufacture of Electrical and Optical Equipment and rose by 3.3% in the Transport Equipment sector in the period 2005-2006.

In the three largest sectors within Services, GVA per head increased in the Wholesale and Retail sector by 12.6% and by 6.6% in Real Estate, Renting and Business Activities. A fall was recorded in the Transport, Storage and Communication sector (3.4%) in the same period.

There is considerable variation in terms of GVA per head between sectors, reflecting different value added contributions per person in employment and differences in the extent of part-time employment of which the per head measure does not take account.

Service sector GVA per head was highest in the Transport, Storage and Communication sector (£44,540) in 2006.

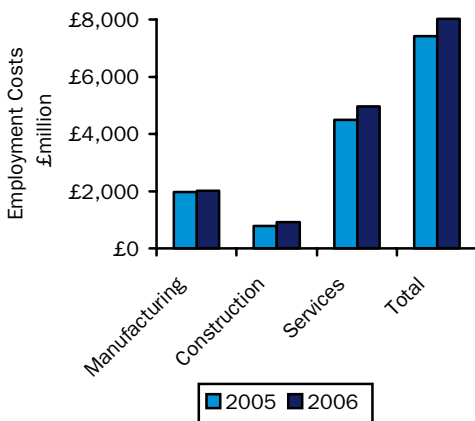
## Employment Costs

While GVA increased over the year by 9.6%, wages and salary costs and payments on behalf of employees have increased by 8.1% from £7,419 million in 2005 to £8,017 million in 2006 - figure 3. Sixty-two percent of such payments for employees were accounted for by the Service sector and were worth £4,951m in 2006, up 10.2% on 2005.

The value of Construction salaries were up 15.8% (£124 million) on 2005 and were worth £909 million in 2006.

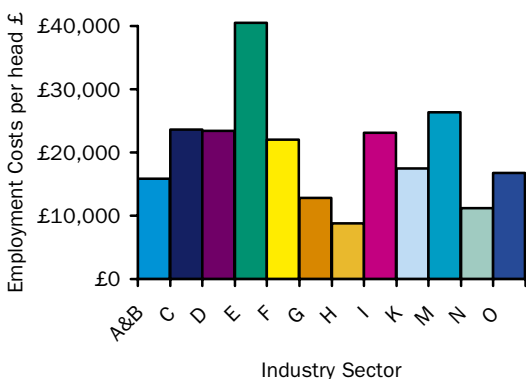
The value of Manufacturing salaries and employee payments increased by £30m (1.5%) over the year to be worth £2,003 million to the NI economy in 2006.

**Figure 3 – Total Employment Costs 2005-2006**



Employment costs per head vary considerably by section from £40,554 in the Electricity, Gas and Water supply industry, £23,590 in Mining and Quarrying to £8,804 in the Hotels and Restaurants sector – figure 4.

**Figure 4 - Employment Costs per Head by Section 2006**



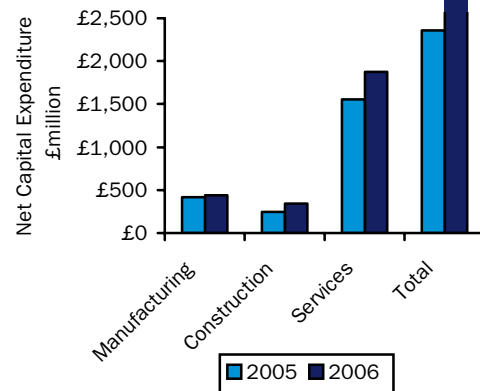
## Purchases

Total Purchases represent the value of all goods, materials and services purchased during the year. In 2006 total purchases were £32,905 million an increase of 2.7% from 2005. Purchases per head have also increased in the period 2005 to 2006 by 1.4% from £65,438 to £66,343.

## Net Capital Expenditure

This is calculated using the value of new building work and any new acquisitions less disposals of land or plant and machinery and can be interpreted as one indicator of the level of investment<sup>5</sup> in the Northern Ireland economy.

**Figure 5 – Net Capital Expenditure 2005-2006**



Overall net capital expenditure was £2,906 million in 2006 up 23.1% from £2,360 million in 2005. During 2006 net capital expenditure was greatest in Real Estate, Renting and Business Activities (£990 million) representing an increase of 45.5% since 2005. The next largest share of net capital expenditure was in Manufacturing at £439 million, which was up 5.9% from the previous year.

## Further NIABI Results

More detailed sectoral analysis for 2006 will be placed on the DETI web site and revised results for 2006 will be published in December 2008.

## NOTES

<sup>1</sup>. Basic Prices reflect the amount received by a producer for a unit of goods and services minus any taxes payable on the product such as VAT

<sup>2</sup>. Full details regarding ABI sectoral coverage can be found on page 16.

<sup>3</sup>. Turnover is defined as the value of total sales and work done.

<sup>4</sup>. The ABI does not distinguish between full and part time jobs when calculating per head values. It should also be noted that the employment information is at a fixed point in time whereas the financial information is over an annual period. The data are not preferred measures of competitiveness and productivity, which are instead based on Regional Accounts measures of GVA.

<sup>5</sup>. This data should be interpreted with caution as large capital projects can have an undue influence on any one-year's figures.

**A&B** – Agriculture (Part), Hunting and Forestry, Fishing

**C** – Mining and Quarrying

**D** – Manufacturing

**E** – Electricity, Gas and Water Supply

**F** – Construction

**G** – Wholesale and Retail Trade

**H** – Hotels and Restaurants

**I** – Transport Storage and Communication

**K** – Real Estate, Renting and Business Activity

**M** - Education

**N** - Health and Social Work

**O** – Other Community, Social and Personal Service Activities

# Introduction

## 2

The Northern Ireland Annual Business Inquiry (NIABI) is a survey carried out by the Department of Enterprise Trade and Investment (DETI) since 1998 that provides a number of key measures of the economic performance of businesses and other establishments<sup>1</sup> based in Northern Ireland. This report provides provisional results for the 2006 survey and revised information for the year 2005. It includes financial information at basic prices<sup>2</sup> for the most recent accounting year (2006) and reports employment levels at a fixed point in time (September 2006) to cover most of the main areas of the economy including the Manufacturing, Construction, Distribution and Service sector industries. The main exclusions from the survey are in the areas of public sector administration, health and education for the most part. As such the NIABI provides one of the earliest measures available of the levels of economic performance of about two-thirds of the Northern Ireland economy. Comparable information for all regions of the UK is scheduled to be published by the Office for National Statistics 30<sup>th</sup> July 2008, which will allow the Northern Ireland information to be placed in a wider context.

### Structure of the report

This report provides an analysis of a number of key indicators such as the total value of sales and work completed by businesses (Turnover), Approximate GVA, the value of the purchase of goods, materials and services, total employment costs and expenditure on such areas as capital investment by businesses and others.

The information is disaggregated by the major Standard Industrial Classifications (SIC03) and equivalent per head information is provided using the employment data collected. More detailed sectoral data at the 2 digit SIC level will be placed on the DETI web site. Further variables and more detailed industrial breakdowns are also available (e.g. 3, 4 & 5 digit industrial classification subject to confidentiality constraints) as is a bespoke analysis service on request. From 2001 the data coverage has been extended to include sector A (part) Agriculture, Hunting and Forestry and B Fishing, and also private sector businesses within M, Education and N, Health and Social Work. This brings the published sectors in line with those provided by ONS. A back series of this data has been provided at Table 1.

### Employment Estimates

The NIABI provides estimates of employment to enable per head calculations to be made. Preferred estimates of the changes in employment and employee jobs are provided by the Labour Force Survey and Quarterly Employment Survey respectively and can be found on the DETI web site.

The NIABI estimates are at a fixed point in time and as such do not take into account within year seasonal variations in employment and may therefore distort measures such as GVA (which is based on a full year) per head for those sectors where such effects occur.

<sup>1</sup> Other establishments include organisations such as local authorities whose primary activities are classified outside public administration and non-profit making organisations

<sup>2</sup> Basic prices reflect the amount received by a producer for a unit of goods and services minus any taxes payable on the product such as VAT (see also notes at back)

# Turnover

## 3

Total turnover consists of total takings or invoiced sales and receipts of the business in connection with the sale of goods, work done and services rendered. Adjustments have been made so that all turnover excludes VAT.

Total turnover has increased from £48,669 million in 2005 to £50,824 million in 2006, which equates to 4.4% and is broadly similar to the average annual rate of growth reported in the period 2001-2005 (4.2%). This comprises a 3.3% increase in Manufacturing turnover from £14,116 million to £14,576 million, a 9.7% increase in Construction (£5,474 million to £6,003 million) coupled with a 3.8% increase in Services from £27,376 million to £28,426 million.

**Figure 1 – Total Turnover 1998-2006 £ million**

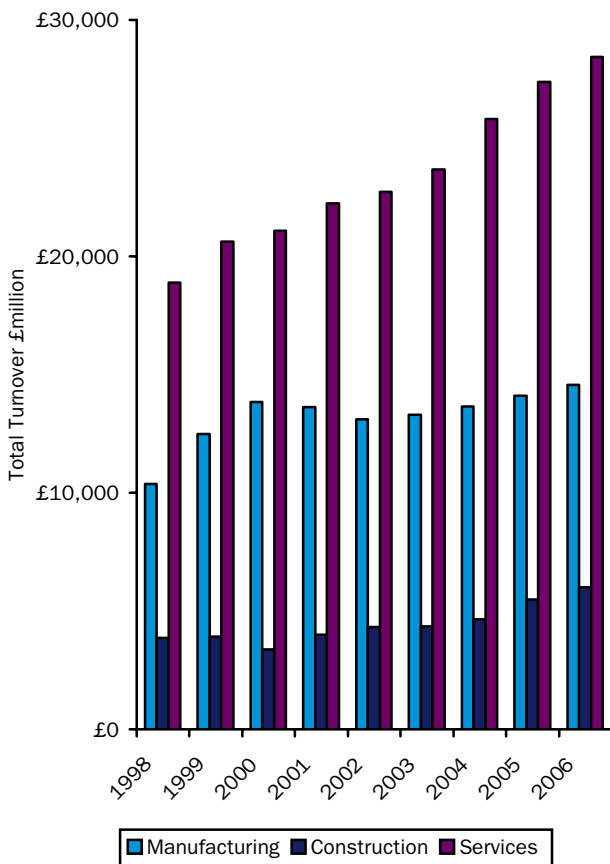
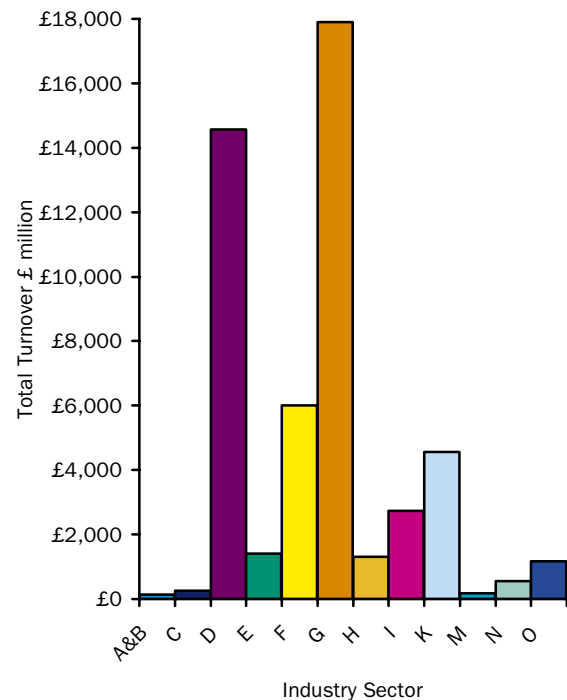


Figure 2 demonstrates the variation of turnover by industry sector in 2006, from the highest turnover in the Wholesale and Retail Trade worth £17,906 million (section G) followed by Manufacturing £14,576 million (section D), to just £141 million in Agriculture, forestry and fishing (sections A&B).

Overall the Service sector accounted for 55.9% of the total Northern Ireland turnover in 2006 which was similar to that in 2005 (56.3%).

**Figure 2 – Total Turnover by Section 2006 £ million**

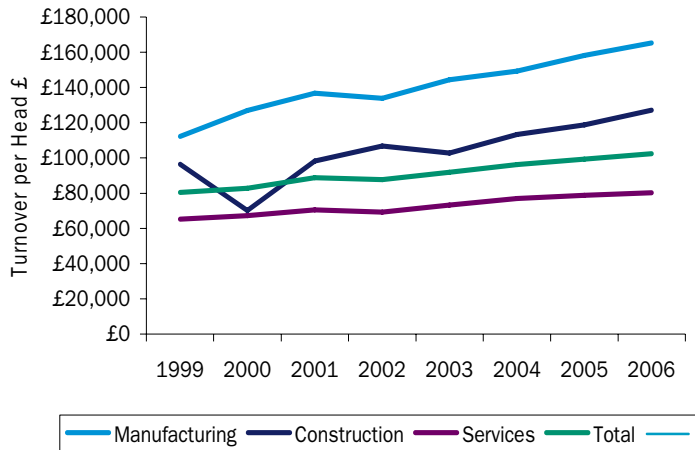


See page 7 for Industry classifications.

## Turnover per head

Total turnover per head (figure 3) is significantly lower within the Service sector (£80,257) than within Manufacturing (£165,340) for 2006.

**Figure 3 – Turnover per Head by Section 1998-2006**



Overall turnover per head has increased by 3.1% over the period 2005 to 2006, from £99,400 to £102,471– figure 3.

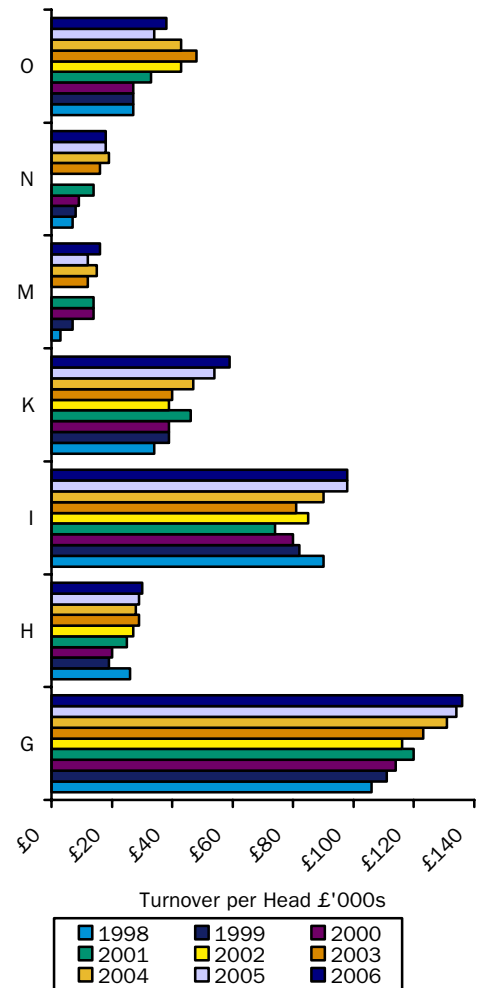
Within the Service sector, Wholesale and Retail Trades had the highest turnover per head in 2006 (£136,437), followed by Transport Storage and Communication (£97,930) – figure 4.

Lowest turnover per head was experienced within Education (£15,774), Health (£17,719) and Hotels and Restaurants (£29,816).

Within the Wholesale and Retail sector turnover per head rose from 2005 to 2006 by 1.5%.

The greatest change in turnover per head within the Service sector in terms of value was in Real Estate, Renting and Business Activities which rose by £5,595 from £53,534 in 2005 to £59,129 in 2006. The lowest was a fall of £335 in Health and Social Work from £18,054 in 2005 to £17,719 in 2006.

**Figure 4 – Turnover per Head within Services 1998-2006**



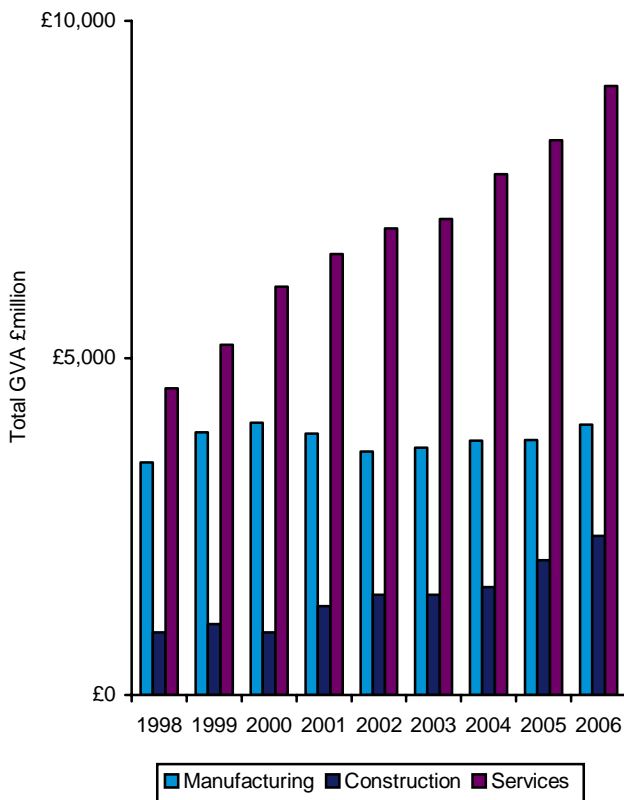
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# Gross Value Added at Basic Prices

## 4

Approximate Gross Value Added (GVA) represents the wealth created by businesses and is essentially the difference between income and expenditure on external goods and services, though it includes employment costs, such as wages and salaries and payments on behalf of employees such as national insurance. These are output-based measures of GVA. All published GVA is given at basic prices i.e. adjustments are made for changes in stock levels, own account capital expenditure, local authority rates and excise duties.

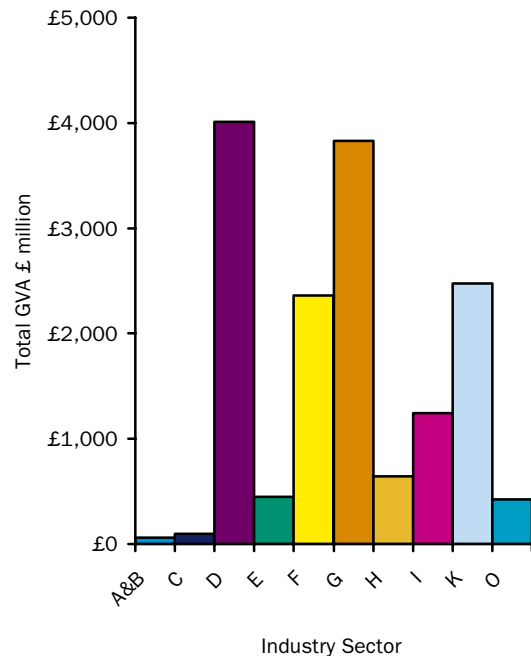
**Figure 5 – Total GVA At Basic Prices 1998-2006  
£ million**



In 2006 total GVA at basic prices was £16,010 million, an increase of 9.6% on the figure for 2005 (£14,602 million) - figure 5. This comprises a 18.1% increase in Construction (£1,996 million to £2,358 million), a 9.9% increase in Services (£8,224 million to £9,035 million) coupled with a 5.9% increase in Manufacturing from £3,786 million to £4,009 million. This increase is higher than the annual average growth rate recorded over the period 2001-2005 (3.9%).

Overall the Service sector accounts for 56.4% of GVA in 2006 up slightly from 56.3% in 2005, Manufacturing accounts for 25.0% down from 25.9% and Construction accounts for 14.7% up from 13.7%.

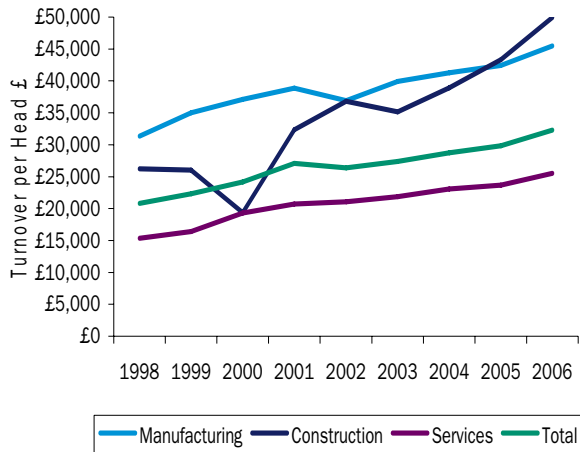
**Figure 6 – Total GVA at Basic Prices 2006  
£ million**



See page 9 for Industry classifications.

Within the Service sector Wholesale and Retail (£3,826 million) accounts for the greatest proportion of GVA – 23.9% of the total for NI in 2006, followed by Real Estate Renting and Business Activity (£2,475) at 15.5% - figure 6.

**Figure 7 – GVA at Basic Prices per Head by Section 1998-2006**



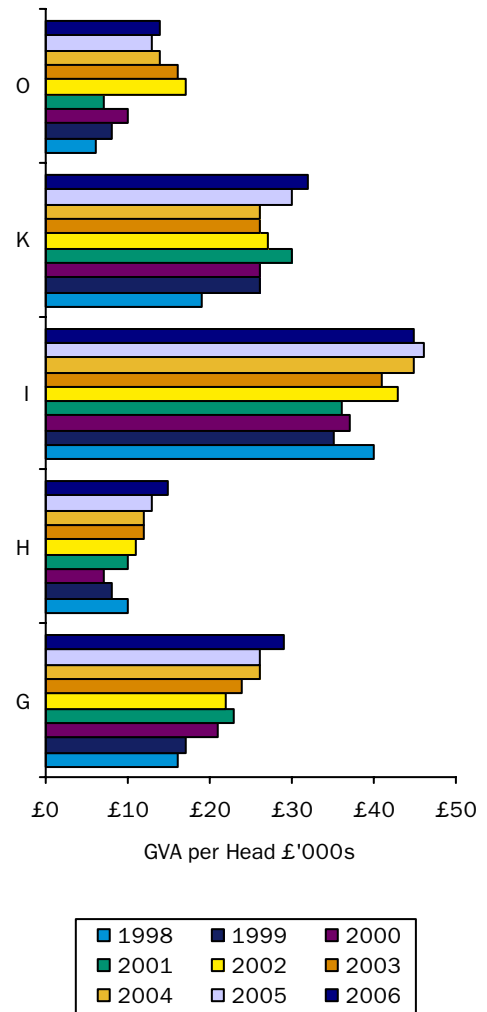
GVA at basic prices per head stood at £32,279 in 2006, an increase of 8.2% from £29,824 in 2005 – figure 7.

Within the three main industry sectors Construction has the highest GVA per head within NI at £49,932 and Services the lowest at £25,510 in 2006. Over the period 2005 to 2006 Construction, Services and Manufacturing all recorded increases in GVA per head.

Within the Service sector GVA per head remains highest in the Transport Storage and Communication sector at £44,540 in 2006 – figure 8.

As with all the per head measures in this report, no account is taken of variation in full and part-time working patterns across sectors, and this should be borne in mind when interpreting differences.

**Figure 8 – GVA at Basic Prices per Head within Services 1998-2006**



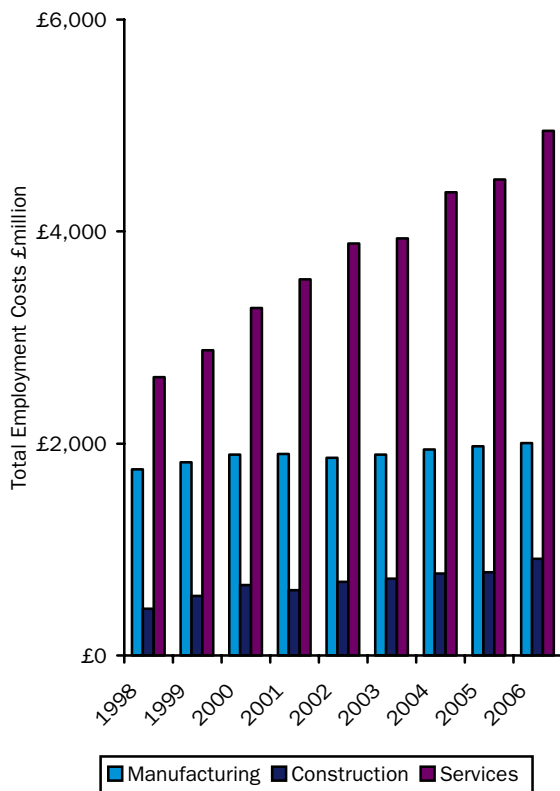
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# Employment Costs

## 5

Employment costs represent the amounts paid during the year to, or on behalf of employees. This includes all overtime payments, bonuses, commissions, payments in kind, benefits in kind, holiday pay, employer's national insurance contributions, payments into pension funds by employers and redundancy payments less any amounts reimbursed for this purpose from government sources. No deduction is made for income tax or employee's national insurance contributions etc. Payment to working proprietors, travelling expenses, lodgings allowances etc. are excluded. These employment costs are not adjusted to take account of full and part-time working and are also calculated at a point in time rather than annual averages.

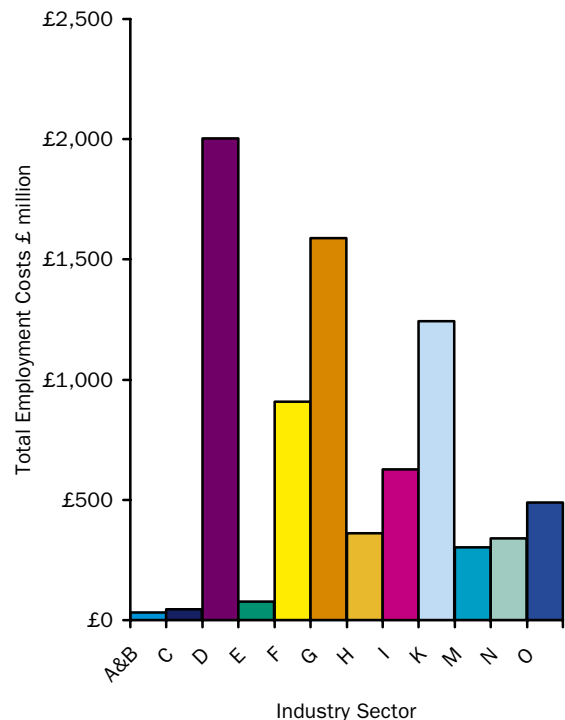
**Figure 9 – Total Employment Costs 1998-2006  
£ million**



From 2005 to 2006 overall employment costs have increased by 8.1% from £7,419 million in 2005 to £8,017 million in 2006. This is reflected with increases of 15.8% in Construction, 10.2% in Services and 1.5% in Manufacturing – figure 9.

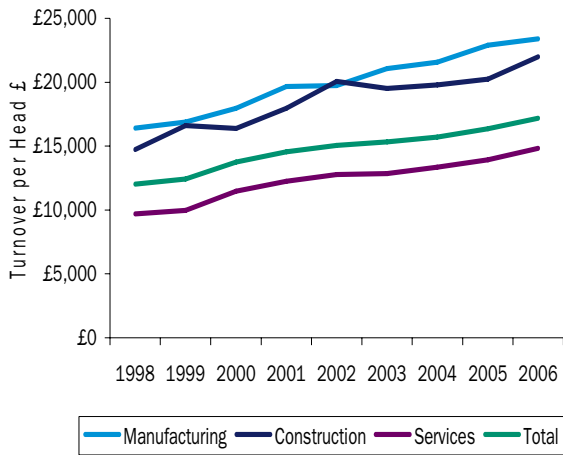
Within the Service sector employment costs are highest in the Wholesale and Retail sector at £1,589 million in 2006 – figure 10. Employment costs accounted for 50.1% of total GVA in 2006, similar to that for 2005 (50.8%).

**Figure 10 – Total Employment Costs 2006  
£ million**



See page 11 for Industry classifications.

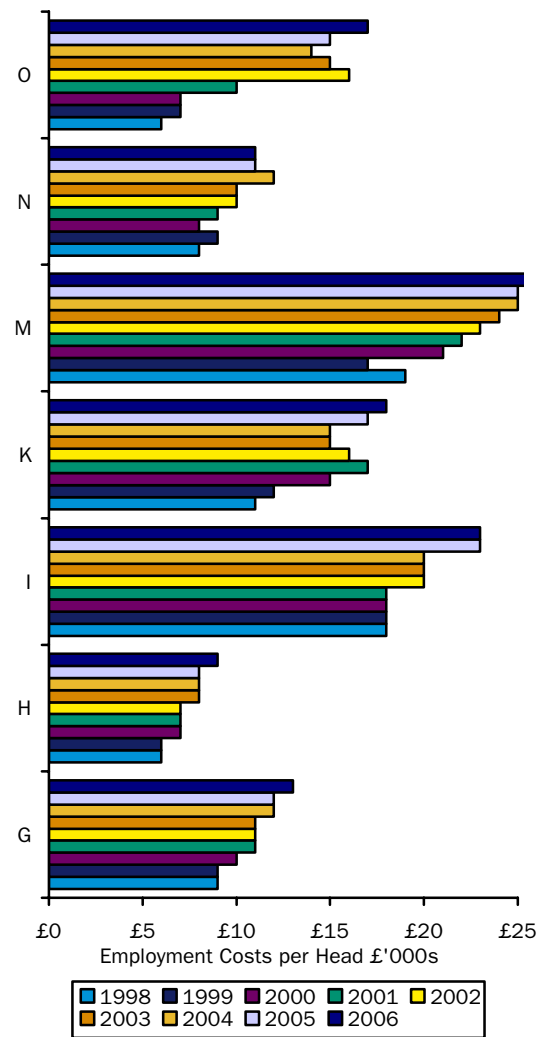
**Figure – 11 Employment Costs per Head by Section 1998-2006**



Employment costs per head continue to be lowest in the Service sector (£14,837) however it should be noted that the ABI does not take into account the greater number of part-time jobs within the Service sector – figure 11.

Within the Service sector employment costs per head vary from £26,385 in Education and £23,100 in Transport Storage and Communication to just £8,804 in Hotels and Restaurants.

**Figure 12 – Employment Costs per Head within Services 1998-2006**



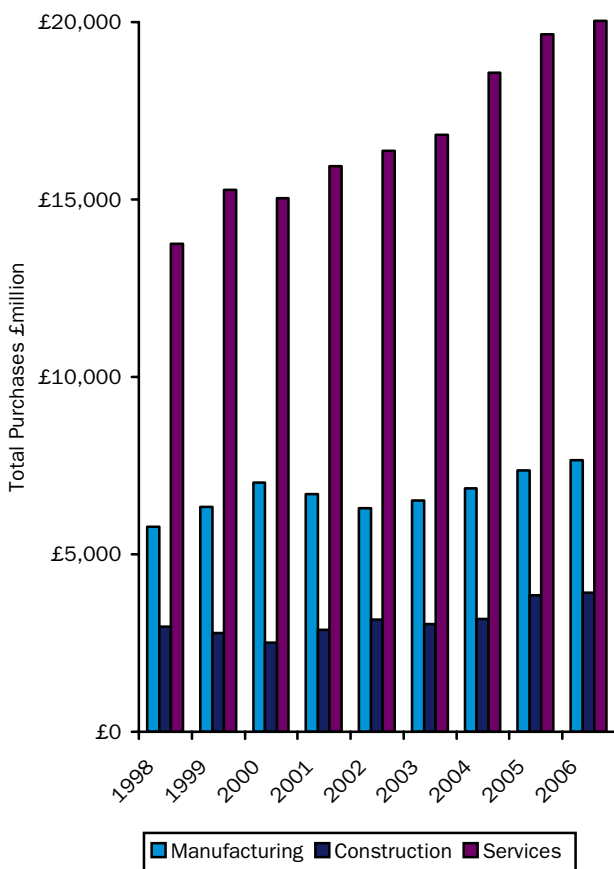
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# Purchases

## 6

Total Purchases represents the value of all goods, materials and services purchased during the year.

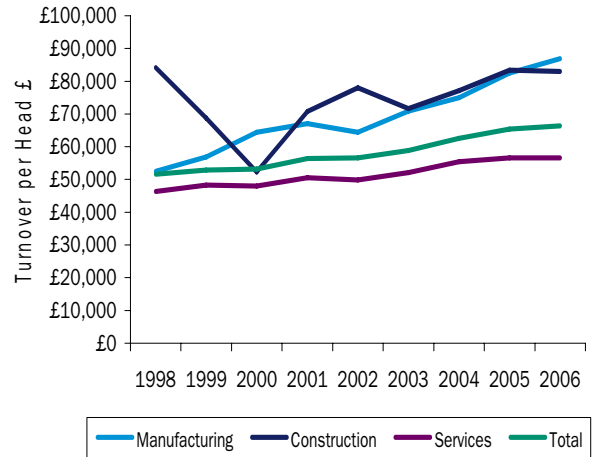
**Figure 13 – Total Purchases 1998-2006  
£ million**



Total purchases have increased by 2.7% over the year 2005 to 2006 from £32,040 to £32,905 – figure 13.

60.9% of the total is accounted for by the Service sector (£20,030) and a further 23.3% by the Manufacturing sector (£7,657).

**Figure 14 – Purchases per Head by Section 1998-2006**



Purchases per head have increased in the the Manufacturing sector by 5.2% from £82,549 in 2005 to £86,853 in 2006.

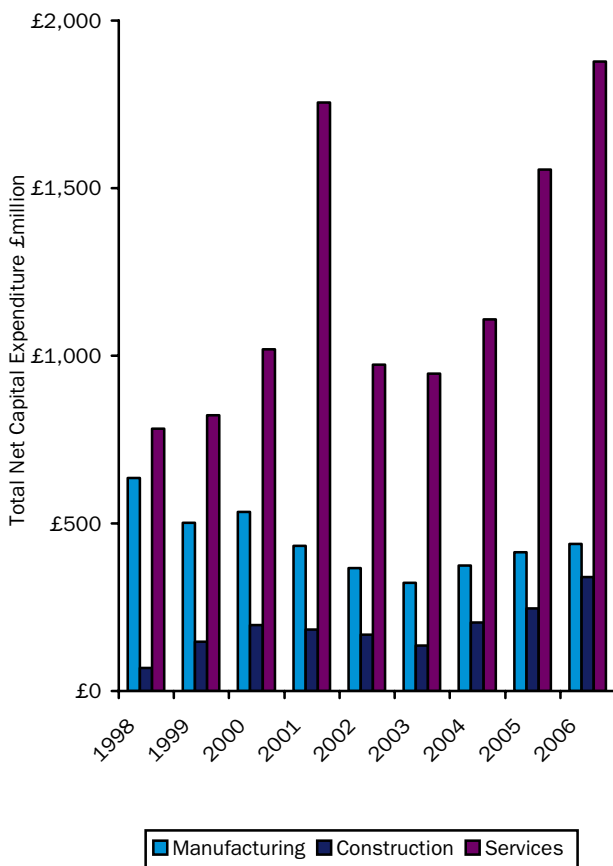
Construction sector purchases per head decreased by 0.4% from £83,353 in 2005 to £83,021 in 2006. Over the same period purchases per head also decreased in the Service sector by 0.1% from £56,584 to £56,552.

# Net Capital Expenditure

## 7

Net Capital Expenditure is calculated by adding to the value of new building work, acquisitions less disposals of land and existing buildings, vehicles and plant and machinery.

**Figure 15 – Net Capital Expenditure 1998-2006  
£ million**

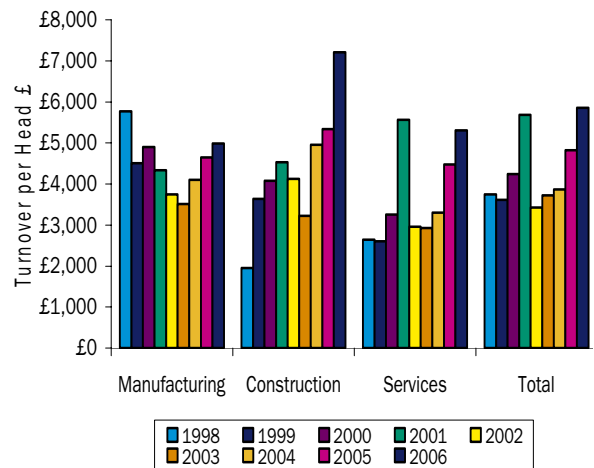


Net capital expenditure increased from £2,360 million in 2005 to £2,906 in 2006 representing a 23.1% increase – figure 15.

Net capital expenditure continues to be highest in the Service sector at £1,878 million, followed by Manufacturing £439 million and Construction £340 million.

During 2006 the Service sector accounted for 64.6% of total net capital expenditure.

**Figure 16 – Net Capital Expenditure per Head by Section 1998-2006**



Net capital expenditure per head was £5,858 in 2006 up by 21.5% from £4,821 in 2005 – figure 16.

# Results by Manufacturing Sub-Sector

## 8

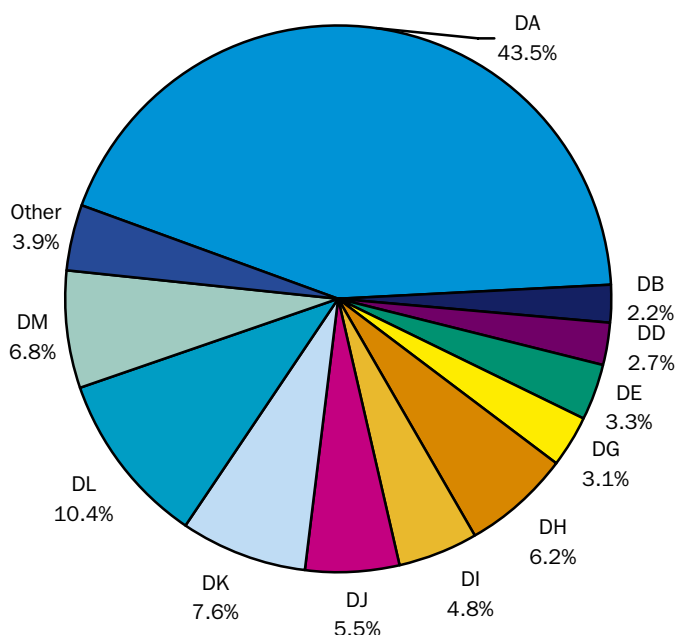
### TURNOVER

Just under half of Manufacturing turnover is accounted for by DA – Manufacture of Food Products; Beverages and Tobacco at £6,334 million in 2006, 43.5% of total Manufacturing turnover – figure 17.

The next largest sector was DL – Manufacture of Electrical and Optical Equipment, which had a turnover in 2006 of £1,522 million.

Over the period 2005 to 2006 total turnover has increased significantly in the following sectors, DJ - Manufacture of Basic Metals and Fabricated Metal Products (14.5%), DK - Manufacture of Machinery and Equipment not elsewhere classified (14.4%), and DL - Manufacture of Electrical and Optical Equipment (12.3%).

**Figure – 17 Total Turnover by Manufacturing Sub-Sector 2006**



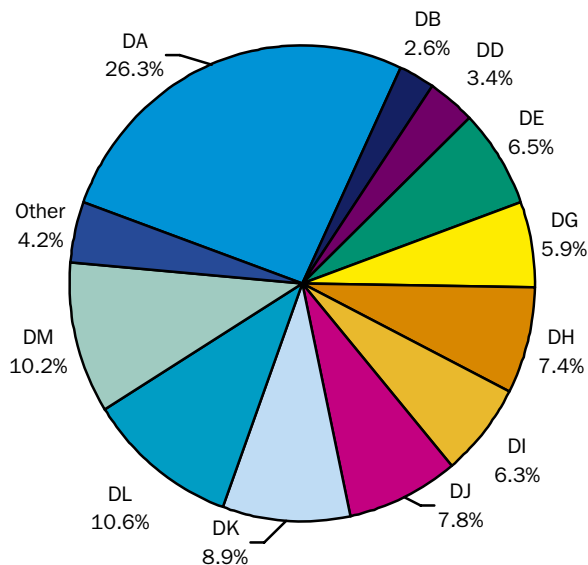
- DA – Manufacture of Food Products; Beverages and Tobacco
- DB – Manufacture of Textiles and Textile Products
- DD – Manufacture of Wood
- DE – Manufacture of Pulp; Paper and Paper Products; Publishing and Printing
- DG – Manufacture of Chemicals and Man-made Fibres
- DH – Manufacture of Rubber and Plastic Products
- DI – Manufacture of other Non-metallic Mineral Products
- DJ – Manufacture of Basic Metals and Fabricated Metal Products
- DK – Manufacture of Machinery and Equipment not elsewhere classified
- DL – Manufacture of Electrical and Optical Equipment
- DM – Manufacture of Transport Equipment
- Other – All Other Manufacturing

There have been decreases in DE - Manufacture of Pulp; Paper and Paper Products; Publishing and Printing (15.1%), DB – Manufacture of Textiles and Textile Products (3.7%) and in DI - Manufacture of other Non-metallic Mineral Products (2.5%).

The largest increases in turnover in value terms were seen in DL - Manufacture of Electrical and Optical Equipment up £167 million from £1,355 million in 2005 to £1,522 million in 2006 (12.3%) and DK - Manufacture of Machinery and Equipment Not Elsewhere Classified was up £140 million from £971 million in 2005 to £1,111 million in 2006 (14.4%).

In 2006 turnover per head in the Manufacturing sector was highest in DA - Manufacture of Food, Drink and Tobacco (£339,080).

**Figure 18 Total GVA by Manufacturing Sub Sector 2006**



See page 14 for Manufacturing sub-section classifications.

## GVA

Just over half of Manufacturing GVA in 2006 was accounted for by 4 sub-sectors (55.8%), DA – Manufacture of Food Products; Beverages and Tobacco (26.3%), DL – Manufacture of Electrical and Optical Equipment (10.6%), DM – Manufacture of Transport Equipment (10.2%) and DK - Manufacture of Machinery and Equipment Not Elsewhere Classified (8.9%).

GVA fell by £69 million (19.0%) DH – Manufacture of Rubber and Plastic Products over the period 2005 to 2006. On the other hand the largest increase was experienced by DL – Manufacture of Electrical and Optical Equipment up £165 million (63.8) over the year.

In 2006 GVA per head in the Manufacturing sector was highest in DG – Manufacture of Chemicals, Chemical Products and Man-made Fibres (£70,293).

# Background Notes and Contact Details

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The NIABI is a statutory survey and data is collected from Northern Ireland based companies by the Statistics Research Branch (Department of Enterprise, Trade and Investment) under the Statistics of Trade and Employment (Northern Ireland) Order 1988.

### Coverage

The results for 2006 cover most sectors within the NI economy. The main area excluded is Public Administration and Defence (SIC 75). Local authority and central Government bodies in Health and Social Work and Education, Public Sector Hospitals in NHS trusts (8511/1), medical and dental practices (8512 and 8513) and Charitable Social activities (8531/1 and 8532/1), and Financial Intermediation have also been excluded from this publication. The agriculture, forestry and fishing sector covers 01.4 (Agricultural and animal husbandry service activities, except veterinary activities) and Group 01.5 (Hunting, trapping and game propagation including related service activities), 02 (forestry, logging and related service activities) and 05 (fishing) – but does not include farming. In Production, (which includes Mining and Quarrying, Manufacturing and Electricity, Gas and Water Supply), all businesses employing twenty or more employees are selected to contribute to the survey, within the Construction sector all businesses employing fifty or more employees are selected and within Services, an employment threshold of one hundred employees is applied. Businesses falling below the threshold of complete enumeration are selected on a random stratified basis.

The Standard Industrial Classification sections covered by the 2006 NIABI data are as follows;

**A & B** – Agriculture (Part), Hunting and Forestry, Fishing

**C** – Mining and Quarrying

**D** – Manufacturing

**E** – Electricity, Gas and Water Supply

**F** – Construction

**G** – Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods

**H** – Hotels and Restaurants

**I** – Transport Storage and Communication

**K** – Real Estate, Renting and Business Activity

**M** - Education (Excludes local authority and central government bodies)

**N** - Health and Social Work (Excludes all local authority and central government bodies in 8511/2, 8511/3, 8514, 8520, 8531/2 and 8532/2. The following classes and subclasses are also excluded from the financial variables: Public Sector Hospitals in NHS trusts (8511/1), medical and dental practices (8512 and 8513), Charitable Social Work activities with accommodation (8531/1) and without accommodation (8532/1)

**O** – Other Community, Social and Personal Service Activities

**G, H, I, K, M, N, O** – Service Sector

### Response Rate

The response rate for the 2006 survey was 82%.

### Method

The Inter Departmental Business Register (IDBR) is the sampling frame used for the NIABI. The register consists of companies, partnerships, sole proprietors, public authorities, central government departments, local

authorities and non-profit making bodies in the UK. The reporting units on IDBR hold the addresses to which the NIABI form is sent and may cover one or more local units. A local unit is an individual site (factory, shop, office etc) at which business is conducted. The forms were issued by and returned to Statistics Research Branch. Data validation was carried out on the returned forms ensuring internal consistency within the form, checking data fell within expected limits or by contacting the company for clarification where appropriate. For non-returns above the selected employment threshold, data was imputed using methodology, which takes account of previous returned data and the performance of other similar businesses. The returned and imputed data is at reporting unit level, which may cover a number of local units. This data is then apportioned to each local unit according to its industrial classification and sizeband. The local unit data is used to gross all local units in the population by industrial classification and employment sizeband.

### **Period covered**

For the 2006 ABI, businesses were asked to make returns for the calendar year 2006, but where this was not possible, returns for business years ending between 6 April 2006 and 5 April 2007 were accepted. Similar procedures operated in previous years. Returns covering fewer than twelve months were accepted for businesses, which had started or ceased trading during the year.

### **Disclosure**

The inquiry is conducted under the Statistics of Trade and Employment (Northern Ireland) Order 1988 and great care is taken to avoid disclosing information about individual enterprises (in line with the stipulations in Article 7 of the order). Figures which would be likely to disclose particulars relating to an enterprise are not published (i.e. they are suppressed) unless prior written consent for their publication has been obtained directly from the business.

## **DEFINITIONS**

### **Approximate Gross Value Added at Basic prices**

Approximate gross value added at basic prices 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 (e.g. business rates), net of subsidies but excludes subsidies and taxes on products (e.g. VAT and excise duty). This is an output-based measure of GVA. All published GVA is given at basic prices.

### **Turnover**

Turnover is defined as total sales and work done. This is calculated by adding to the value of sales of goods produced, goods purchased and resold without further processing, work done and industrial and non-industrial services rendered.

### **Employment Costs**

Other useful information contained within the ABI includes employment costs. This represents amounts paid during the year to employees without any deduction for income tax or employee's national insurance contributions etc. This includes all overtime payments, bonuses, commissions, payments in kind, benefits in kind, holiday pay, employer's national insurance contributions, payments into pension funds by employers and redundancy payments, less any amounts reimbursed for this purpose from government sources. No deduction is made for income tax or employee's national insurance contributions etc. Payment to working proprietors, travelling expenses, lodgings allowances etc. are excluded.

## **Purchases and Capital Expenditure**

Purchases represent the value of all goods, materials and services purchased during the year and net capital expenditure is calculated by adding to the value of new building work, acquisitions less disposals of land and existing buildings, vehicles and plant and machinery.

## **Northern Ireland ABI, UK National Estimates and the ONS Regional ABI**

The current Northern Ireland Annual Business Inquiry report has been produced using separate business sites ("Local Units") as the unit of analysis for key variables whereas the UK National estimates (including the Northern Ireland component) published on the 16<sup>th</sup> November 2007, treats multi-site organisations as single entities (i.e. based on "Reporting Units"). NIABI information is included into the UK National (and later Regional) ABI estimates and since 2002 is constrained to NI Reporting Unit totals.

## **ABI "Approximate Gross Value Added" and "Regional Gross Value Added"**

The financial information from the Regional ABI provides a measure of approximate GVA, which is ultimately used to contribute to the picture of the whole economy to be built up for National Accounts purposes at the United Kingdom level. When regional economic accounts are subsequently derived the resulting measure of Regional Gross Value Added (GVA) is a much broader based measure relating to the whole economy in a region taking into account information from a series of economic and labour market surveys. The results of the ABI only comprise one element of the regional economic account figures and a number of adjustments are made in line with National Accounts methodologies before estimates of Regional GVA are produced. The most recent Regional GVA estimates for Northern Ireland at industry level by ONS relate to 2006 were released on 14<sup>th</sup> December 2007. The ABI provides more detailed industry information than is possible in Regional Accounts measures.

## **Further Information**

The data released in the summary results in the current report cover the basic variables by standard industrial classification at section level. There are further variables and more detailed industrial breakdowns available (subject to confidentiality constraints). There is also a facility to provide bespoke analysis relating to employment or turnover sizebands, on request.

If you wish to receive further NIABI information or to register your interest for some further analysis please e-mail [abihelp@detini.gov.uk](mailto:abihelp@detini.gov.uk) telephone 028 90529656, Fax 028 90529658, Textphone 028 90529304, write to Statistics Research Branch, Netherleigh, Massey Avenue, BELFAST BT4 2JP or look up our website [www.statistics.detini.gov.uk](http://www.statistics.detini.gov.uk).

TABLE 1 NIABI RESULTS BY SECTION 2001-2006

	Standard Industrial Classification <sup>1</sup>	Description	Turnover	Turnover per Head	Gross Value Added (GVA) At Basic Prices	Gross Value Added (GVA) At Basic Prices Per head	Employment Costs	Employment Costs per Head	Purchases	Purchases per Head	Net Capital Expenditure	Net Capital Expenditure Per Head	Employment
			£Million	£	£Million	£	£Million	£	£Million	£	£Million	£	
2002	A/B <sup>2</sup>	Agriculture	153	53478	58	20316	23	13725	92	32029	14	4744	2858
2003		Hunting, Forestry	96	40088	55	22802	22	12570	35	14674	8	3460	2400
2004		and Fishing	90	47301	42	21931	22	15660	44	23442	7	3735	1897
2005			105	44431	58	24550	23	15738	47	19687	5	2173	2374
2006			141	54471	62	23923	33	15871	79	30615	*	*	2588
2001	C	Mining and	221	122829	75	41595	33	18860	139	77164	17	9638	1800
2002		Quarrying	224	111597	70	34739	40	20845	151	75083	21	10590	2009
2003			269	133184	77	37965	43	22125	194	96154	24	11726	2021
2004			249	124814	78	38883	43	21949	159	79879	12	6099	1995
2005			242	129347	82	43862	40	22451	155	83026	23	12329	1872
2006			266	137137	97	50050	44	23590	175	90421	*	*	1938
2001	D	Manufacturing	13635	136683	3880	38890	1902	19666	6690	67060	433	4337	99756
2002			13100	133864	3612	36913	1868	19733	6304	64413	367	3746	97862
2003			13287	144460	3670	39903	1896	21078	6522	70911	323	3511	91976
2004			13653	149318	3776	41296	1943	21565	6854	74963	375	4098	91435
2005			14116	158267	3786	42451	1973	22900	7363	82549	414	4647	89194
2006			14576	165340	4009	45475	2003	23390	7657	86853	439	4985	88156
2001	E	Electricity, Gas	976	420778	661	285118	87	37444	415	178974	241	104057	2319
2002		and Water Supply	1080	359061	369	122741	113	37762	783	260069	85	28388	3009
2003			1059	330152	392	122198	131	40849	765	238463	291	90848	3206
2004			1222	432137	417	147618	118	41984	890	314961	131	46391	2827
2005			1354	492472	455	165591	105	38079	979	356028	117	42583	2750
2006			1413	746033	449	237031	77	40554	1044	551040	241	127342	1894

	Standard Industrial Classification <sup>1</sup>	Description	Turnover	Turnover per Head	Gross Value Added (GVA) At Basic Prices	Gross Value Added (GVA) At Basic Prices Per head	Employment Costs	Employment Costs per Head	Purchases	Purchases per Head	Net Capital Expenditure	Net Capital Expenditure Per Head	Employment
			£Million	£	£Million	£	£Million	£	£Million	£	£Million	£	
2001	F	Construction	3995	98270	1315	32339	616	17966	2879	70816	184	4525	40658
2002			4315	106797	1486	36789	695	20072	3152	78013	167	4126	40401
2003			4348	102875	1487	35178	722	19518	3029	71674	136	3225	42268
2004			4660	113384	1600	38927	772	19792	3170	77134	204	4953	41103
2005			5474	118764	1996	43310	785	20243	3842	83353	246	5337	46091
2006			6003	127110	2358	49932	909	21993	3921	83021	340	7204	47227
2001	G	Wholesale and	14972	119713	2833	22650	1229	10884	12326	98554	248	1981	125070
2002		Retail	15062	116144	2838	21885	1268	10645	12276	94657	280	2159	129684
2003			15965	122902	3151	24254	1331	10806	12780	98380	346	2660	129900
2004			17013	130888	3413	26260	1476	11623	13626	104829	393	3023	129982
2005			17966	134412	3462	25898	1464	11816	14570	109007	307	2296	133662
2006			17906	136437	3826	29152	1589	12863	14211	108284	236	1798	131237
2001	H	Hotels and	943	24923	372	9826	257	7302	564	14919	100	2652	37822
2002		Restaurants	1125	26684	461	10923	283	7252	643	15235	113	2689	42178
2003			1146	28640	475	11863	307	7927	662	16544	117	2927	40012
2004			1167	27641	525	12433	314	7569	654	15501	57	1349	42203
2005			1269	28837	575	13074	328	8036	693	15757	109	2473	43995
2006			1307	29816	646	14742	362	8804	684	15616	195	4447	43833
2001	I	Transport,	2161	74192	1063	36496	492	17963	1128	38712	261	8962	29133
2002		Storage and	2468	84531	1262	43216	539	19580	1259	43114	222	7604	29195
2003		Communication	2185	80930	1110	41097	525	20033	1106	40964	157	5798	27000
2004			2498	89656	1259	45191	557	20335	1320	47389	192	6906	27861
2005			2544	98083	1196	46119	564	22828	1467	56548	235	9062	25940
2006			2735	97930	1244	44540	626	23100	1608	57577	184	6589	27925

	Standard Industrial Classification <sup>1</sup>	Description	Turnover	Turnover per Head	Gross Value Added (GVA) At Basic Prices	Gross Value Added (GVA) At Basic Prices Per head	Employment Costs	Employment Costs per Head	Purchases	Purchases per Head	Net Capital Expenditure	Net Capital Expenditure Per Head	Employment	
			£Million	£	£Million	£	£Million	£	£Million	£	£Million	£		
2001	K	Real Estate	2710	46457	1771	30364	857	16572	962	16492	934	16014	58338	
2002		Renting and	2251	38644	1566	26887	828	15833	797	13683	139	2386	58240	
2003		Business Activities	2478	39734	1594	25567	871	15488	896	14373	161	2585	62363	
2004				3198	47089	1736	25563	994	15375	1591	23426	214	3153	67921
2005				3889	53534	2185	30075	1110	17032	1725	23745	680	9365	72641
2006				4565	59129	2475	32066	1244	17511	2164	28034	990	12882	77198
2001		M <sup>3</sup>	Education	149	14270	*	*	230	22293	125	11975	36	3476	10444
2002				*	*	*	*	249	22997	*	*	40	3696	10921
2003				124	11621	*	*	256	24108	129	12103	45	4235	10645
2004				165	14945	*	*	277	25043	137	12398	67	6091	11061
2005				149	12477	*	*	296	24997	136	11370	63	5308	11945
2006				183	15774	*	*	303	26385	160	13763	77	6652	11622
2001	N <sup>4</sup>		Health and Social	364	14006	*	*	220	8713	131	5028	141	5428	25966
2002		Work	*	*	*	*	247	9659	*	*	74	2800	26296	
2003				381	15615	*	*	246	10271	102	4170	38	1569	24430
2004				495	18657	*	*	325	12378	150	5669	55	2088	26537
2005				496	18054	*	*	303	11339	135	4919	87	3153	27450
2006				553	17719	*	*	339	11198	161	5149	109	3509	31199
2001		O	Other	952	32902	209	7211	263	9698	711	24555	34	1178	28947
2002	Community,		1366	42872	553	17359	474	15801	1167	36644	105	3287	31860	
2003	Social and		1388	48373	451	15708	401	14613	1155	40229	83	2884	28702	
2004	Personal service		1266	42779	400	13526	427	14487	1089	36791	128	4335	29588	
2005	Activities		1064	33563	409	12892	427	14657	928	29271	74	2323	31707	
2006				1178	37781	423	13580	489	16739	1042	33421	86	2769	31169

	Standard Industrial Classification <sup>1</sup>	Description	Turnover	Turnover per Head	Gross Value Added (GVA) At Basic Prices	Gross Value Added (GVA) At Basic Prices Per head	Employment Costs	Employment Costs per Head	Purchases	Purchases per Head	Net Capital Expenditure	Net Capital Expenditure Per Head	Employment
			£Million	£	£Million	£	£Million	£	£Million	£	£Million	£	
2001	NI	Total of Above	41223	88898	12547	27057	6219	14566	26134	56358	2635	5683	463708
2002			41602	87673	12519	26382	6625	15053	26857	56598	1627	3428	474515
2003			42727	91901	12740	27402	6750	15336	27375	58881	1729	3719	464923
2004			45676	96279	13637	28746	7269	15711	29687	62576	1836	3871	474410
2005			48669	99400	14602	29824	7419	16366	32040	65438	2360	4821	489621
2006			50824	102471	16010	32279	8017	17185	32905	66343	2906	5858	495986
2001	Services	Services -	22252	70480	6540	20714	3549	12237	15947	50509	1755	5558	315719
2002		G,H,I,K,M,N,O	22730	69219	6923	21082	3886	12773	16376	49871	973	2963	328375
2003			23667	73262	7059	21853	3936	12851	16829	52095	946	2930	323052
2004			25802	76986	7725	23049	4370	13350	18568	55400	1108	3304	335153
2005			27376	78817	8224	23677	4493	13938	19654	56584	1555	4476	347341
2006			28426	80257	9035	25510	4951	14837	20030	56552	1878	5302	354183

<sup>1</sup> Data for 1999-2002 are available on SIC 1992 basis, data for 2003 and after are available on SIC 2003 basis.

<sup>2</sup> In 2001 coverage was increased to include Group 01.4 (Agricultural and animal husbandry service activities, except veterinary activities) and Group 01.5 (Hunting, trapping and game propagation including related service activities). 02 (forestry, logging and related service activities) and 05 (fishing) are also included.

<sup>3</sup> Excludes local authority and central government bodies.

<sup>4</sup> Excludes local authority and central government bodies in 8511/2, 8511/3, 8514, 8520, 8531/2 and 8532/2, as well as Public Sector Hospitals in NHS trusts (8511/1), medical and dental practices (8512 and 8513) and Charitable Social activities (8531/1 and 8532/1).

\* Data suppressed to avoid disclosure

TABLE 2 NIABI RESULTS BY MANUFACTURING SUB-SECTION 2005-2006

	Standard Industrial Classification <sup>1</sup>	Description	Turnover	Turnover per Head	Gross Value Added (GVA) At Basic Prices	Gross Value Added (GVA) At Basic Prices Per head	Employment Costs	Employment Costs per Head	Purchases	Purchases per Head	Net Capital Expenditure	Net Capital Expenditure Per Head	Employment
			£Million	£	£Million	£	£Million	£	£Million	£	£Million	£	
2005	DA	Manufacture of Food Products; Beverages and Tobacco	6331	336833	1070	56942	362	19503	2212	117698	65	3463	18796
2006			6334	339080	1053	56359	374	20355	2262	121096	79	4255	18681
2005	DB	Manufacture of Textiles and Textile Products	334	75269	82	18391	82	18998	238	53491	*	*	4441
2006			322	93413	105	30597	65	19501	209	60794	4	1223	3446
2005	DC	Manufacture of Leather and Leather Products	*	*	*	*	*	*	*	*	*	*	*
2006			3	57539	2	35460	1	11957	1	24022	*	*	54
2005	DD	Manufacture of Wood and Wood Products	380	102105	129	34514	66	19208	257	68884	19	5220	3725
2006			396	95712	138	33216	72	18770	269	65023	13	3190	4140
2005	DE	Manufacture of Pulp, Paper and Paper Products; Publishing and Printing	565	85147	290	43708	154	23954	273	41086	31	4631	6641
2006			480	85200	262	46475	123	22452	221	39189	24	4209	5635

	Standard Industrial Classification <sup>1</sup>	Description	Turnover	Turnover per Head	Gross Value Added (GVA) At Basic Prices	Gross Value Added (GVA) At Basic Prices Per head	Employment Costs	Employment Costs per Head	Purchases	Purchases per Head	Net Capital Expenditure	Net Capital Expenditure Per Head	Employment
			£Million	£	£Million	£	£Million	£	£Million	£	£Million	£	
2005	DF	Manufacture of Coke, Refined Petroleum Products and Nuclear Fuel	*	*	*	*	*	*	*	*	*	*	*
2006			17	335185	4	76515	1	25955	12	228185	*	*	51
2005	DG	Manufacture of Chemicals, Chemical Products and Man-Made Fibres	447	136550	214	65357	78	24119	236	72296	49	14909	3271
2006			453	135058	236	70293	83	25040	222	66127	33	9907	3352
2005	DH	Manufacture of Rubber and Plastics Products	862	109116	365	46238	163	21378	491	62169	34	4279	7902
2006			903	118728	296	38954	179	24187	613	80624	32	4181	7608
2005	DI	Manufacture of Other Non-Metallic Mineral Products	722	113261	266	41730	146	23591	456	71552	59	9314	6377
2006			704	117885	252	42229	136	23522	452	75727	45	7499	5968
2005	DJ	Manufacture of Basic Metals and Fabricated Metal Products	697	89405	277	35459	153	21324	419	53733	39	5062	7798
2006			798	93750	311	36535	164	20749	523	61433	60	6997	8514

	Standard Industrial Classification <sup>1</sup>	Description	Turnover	Turnover per Head	Gross Value Added (GVA) At Basic Prices	Gross Value Added (GVA) At Basic Prices Per head	Employment Costs	Employment Costs per Head	Purchases	Purchases per Head	Net Capital Expenditure	Net Capital Expenditure Per Head	Employment
			£Million	£	£Million	£	£Million	£	£Million	£	£Million	£	
2005	DK	Manufacture of Machinery and Equipment Not Elsewhere Classified	971	157687	258	41875	173	29089	721	117034	*	*	6156
2006			1111	163665	355	52340	186	28032	769	113263	26	3815	6787
2005	DL	Manufacture of electrical and Optical Equipment	1355	148293	259	28342	219	24294	1137	124514	62	6810	9135
2006			1522	166914	424	46540	236	26191	1098	120422	67	7343	9120
2005	DM	Manufacture of Transport Equipment	949	95760	397	40100	292	29909	596	60138	21	2132	9911
2006			990	100732	407	41434	293	30023	621	63166	23	2339	9831
2005	DN	Manufacture Not Elsewhere Classified	485	97375	177	35591	84	18818	312	62596	26	5220	4983
2006			542	109064	163	32862	89	19147	384	77292	33	6639	4968

<sup>1</sup> Data for 1999-2002 are available on SIC 1992 basis, data for 2003 and after are available on SIC 2003 basis.

\* Data suppressed to avoid disclosure.