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Northern Ireland Annual Business Inquiry (NIABI) 2004 Revised, 2005 Provisional Results

Published 5/12/2006

The 2005 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 2004 is also made available in the report.

- In 2005 the total value of sales and work completed (Turnover) by Northern Ireland based companies and organisations was £47,907 million, an increase of 4.9% on the figure for 2004 at basic prices¹.
- The total value of businesses' income once expenditure on external goods and services has been accounted for was £14,529 million at basic prices (approximate Gross Value Added (GVA)), an increase of 6.5% on the figure for 2004.
- Net Capital Expenditure by Businesses and other organisations covered in the survey was £2,377 million in 2005, up 29.5% from £1,836 million in 2004.
- The Service sector accounted for some 56.3% of GVA in organisations covered by the survey and business income from the sector was worth £8,179 million in 2005, up £454 million (5.9%) on 2004.
- GVA in the Construction sector increased by £468 million (29.3%) compared to the previous year and accounted for £2,068 million in 2005 (14.2% of GVA).
- Manufacturing GVA decreased by £99 million (2.6%) compared to the previous year and was worth £3,677 million in 2005 (25.3% of GVA).

Department of Enterprise,
Trade and Investment

Northern Ireland Annual Business Inquiry (NIABI) 2004 Revised, 2005 Provisional Results

December 2006

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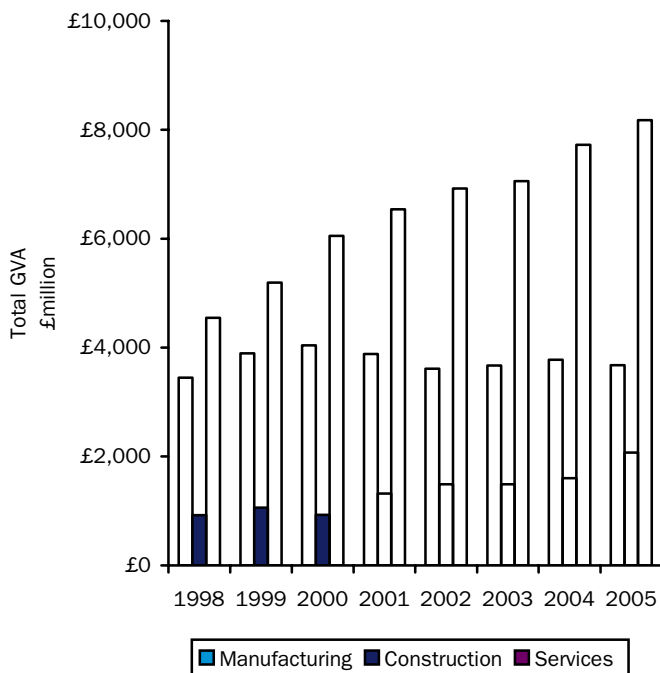
Executive Summary

1

EXECUTIVE SUMMARY

The 2005 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 industries² 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 2005 results are scheduled for release in Autumn 2007.

Figure 1 – Total GVA At Basic Prices 1998-2005 £ million



Turnover and Gross Value Added

Turnover³ by businesses in Northern Ireland was estimated to be worth £47,907 million in 2005 (excluding VAT); an increase of 4.9% compared to 2004. After expenditure on goods and services was accounted for this represented a total figure of £14,529 million in terms of approximate Gross Value Added (GVA), a measure of the value of economic activity generated by businesses, an increase of 6.5% (£892 million) over the year. The annual increase in GVA between 2004 and 2005 was broadly similar to the previous years growth rate (7.0%) for 2003 – 2004.

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 56.2% of businesses' turnover and 56.3% of GVA in 2005 reflecting its continuing importance to the Northern Ireland economy. Manufacturing also continued to play a key role with the sector being responsible for 28.6% of turnover and 25.3% of GVA - broadly similar to the situation in 2004.

The Service sector accounted for 56.3% of GVA (£8,179m) in 2005 compared to 52.6% (£6,054m) 5 years ago.

Manufacturing accounted for 25.3% of GVA (£3,677m) in 2005 Compared to 35.2% (£4,042m) in 2000.

14.2% (£2,068m) of total GVA was accounted for by the Construction sector in 2005 compared to 8.1% (£928m) in 2000.

Changes in GVA 2004 – 2005

The £892 million increase in GVA was due for the most part to a 29.3% (£468m) increase in Construction GVA from £1,600 million to £2,068 million, and a 5.9% (£454m) increase in Service Sector GVA from £7,725 million to £8,179 million. Between 2004 and 2005 manufacturing GVA decreased by 2.6% (£99m).

Annual Changes Within Sector

The largest percentage increase within the service sector was in the Real Estate, Renting and Business Activities sector with an increase of £444m (25.6%). This sector now accounts for 15.0% of total business GVA.

In Manufacturing the largest percentage increase in GVA was in the Manufacture of Furniture, Manufacturing Not Elsewhere Classified and Recycling up £41m (30.7%) to £175m.

The largest percentage decrease in Manufacturing GVA was recorded in the Manufacture of Textiles and Textile Products, down £52m (-40.6%) to an estimated £76m.

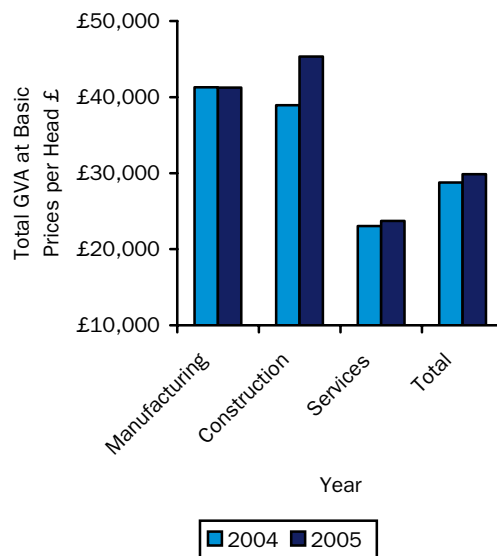
Employment levels

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 person⁴ 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 3.9% from £28,746 in 2004 to £29,853 in 2005 in Northern Ireland. Manufacturing GVA per head (£41,240) has fallen by 0.1% over the same period while that in the Service Sector (£23,724) rose by 2.9%.

Figure 2 – GVA per Head by Section 2004-2005



GVA per head within main Sectors

In the three largest sub sections by GVA value within Manufacturing, GVA per head rose by 3.5% in the Food Products, Beverages and Tobacco sector, rose by 1.7% in the Transport Equipment sector and fell by 4.0% in the Rubber and Plastic Products sector in the period 2004-2005.

In the three largest sectors within Services, GVA per head decreased in the Wholesale and Retail sector by 1.3%, increased by 19.1% in Real Estate, Renting and Business Activities and rose by 0.3% in the Transport, Storage and Communication Sector 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.

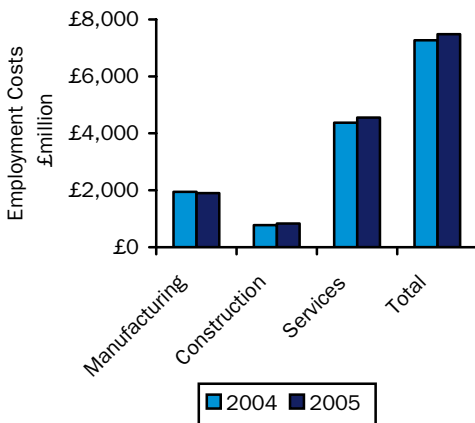
Service Sector GVA per head was highest in the Transport, Storage and Communication sector (£45,333) in 2005.

Employment Costs

While GVA increased over the year by 6.5%, wages and salary costs and payments on behalf of employees have increased by some 2.9% from £7,269 million in 2004 to £7,479 million in 2005 - figure 3. Sixty-one percent of such payments for employees were accounted for by the Service Sector and were worth £4,553m in 2005, up 4.2% on 2004.

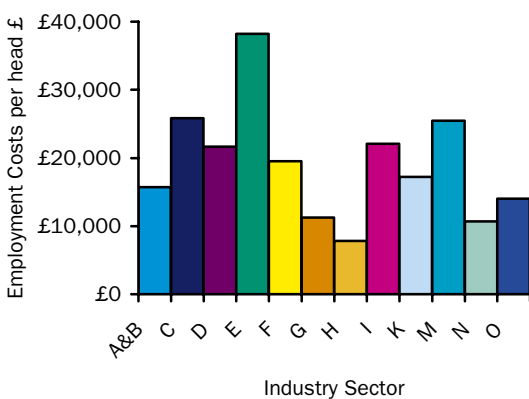
The value of Manufacturing salaries and employee payments decreased by £42m (2.2%) over the year to be worth £1,901 million to the NI economy in 2005.

Figure 3 – Total Employment Costs 2004-2005



Employment costs per head vary considerably by section from £38,196 in the Electricity, Gas and Water supply industry, £21,667 in Manufacturing to £7,844 in the Hotels and Restaurants sector – figure 4.

Figure 4 - Employment Costs per Head by Section 2005



See page 4 for Industry classifications.

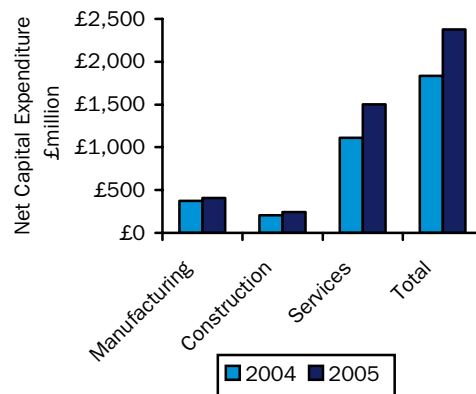
Purchases

Total Purchases represent the value of all goods, materials and services purchased during the year. In 2005 total purchases were £31,366 million an increase of 5.7% from 2004. Purchases per head have also increased in the period 2004 to 2005 by 3.0% from £62,576 to £64,449.

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 investment⁵ in the Northern Ireland economy.

Figure 5 – Net Capital Expenditure 2004-2005



Overall net capital expenditure was £2,377 million in 2005 up 29.5% from £1,836 million in 2004. During 2005 net capital expenditure was greatest in Real Estate, Renting and Business Activities (£659 million) representing an increase of 207.7% since 2004. The next largest share of net capital expenditure was in manufacturing at £407 million, which was up 8.6% from the previous year.

Further NIABI Results

More detailed sectoral analysis for 2005 will be placed on the DETI web site and revised results for 2005 will be published in December 2007.

NOTES

¹. 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

². Full details regarding ABI sectoral coverage can be found on page 16.

³. Turnover is defined as the value of total sales and work done.

⁴. 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.

⁵. 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 establishments¹ based in Northern Ireland. This report provides provisional results for the 2005 survey and revised information for the year 2004. It includes financial information at basic prices² for the most recent accounting year (2005) and reports employment levels at a fixed point in time (December 2005) 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 in Autumn 2007, 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.

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

² 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 £45,676 million in 2004 to £47,907 million in 2005, which equates to 4.9%. This comprises a 0.5% increase in Manufacturing turnover from £13,653 million to £13,718 million, an 18.2% increase in Construction (£4,660 million to £5,510 million) coupled with a 4.4% increase in Services from £25,802 million to £26,938 million.

Figure 1 – Total Turnover 1998-2005 £ million

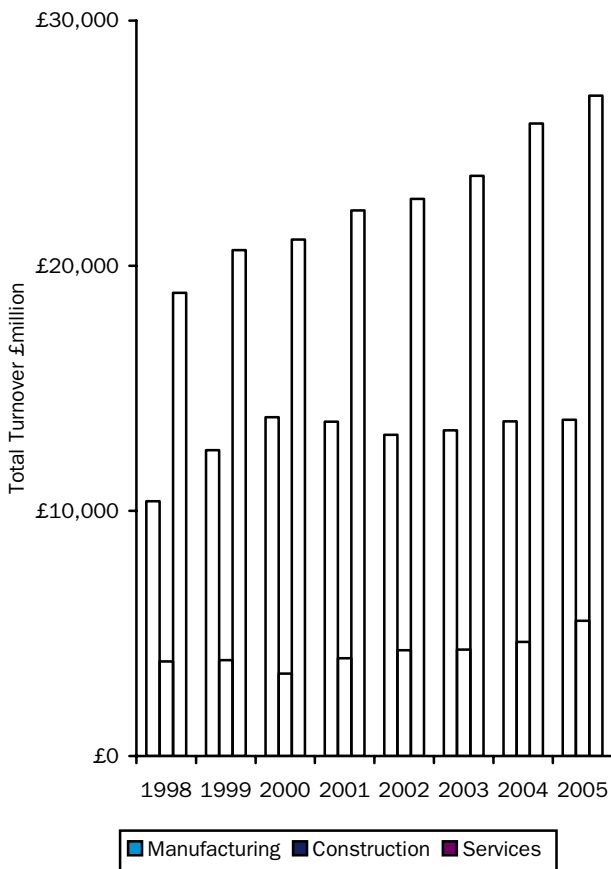
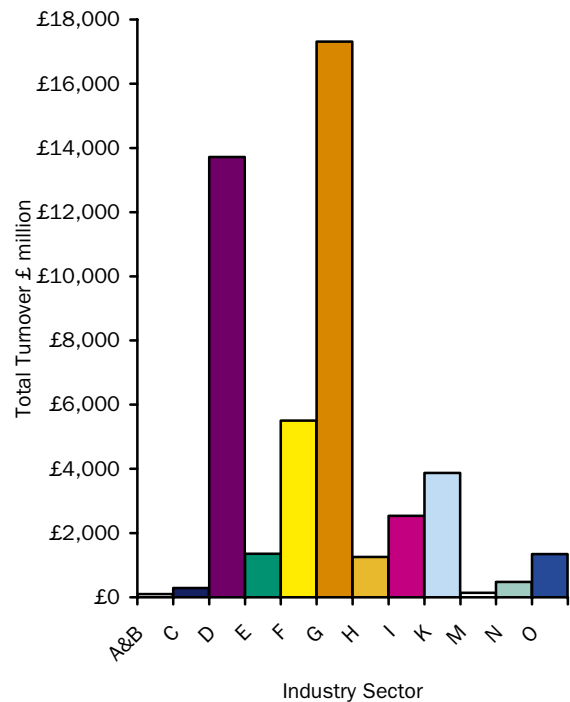


Figure 2 demonstrates the variation of turnover by industry sector in 2005, from the highest turnover in the Wholesale and retail trade worth £17,312 million (section G) followed by Manufacturing £13,718 million (section D), to just £103 million in Agriculture, forestry and fishing (sections A&B).

Overall the Service sector accounted for 56.2% of the total Northern Ireland turnover in 2005 a decrease from 56.5% in 2004. The Manufacturing sector fell marginally from 29.9% in 2004 to 28.6% in 2005.

Figure 2 – Total Turnover by Section 2005 £ million

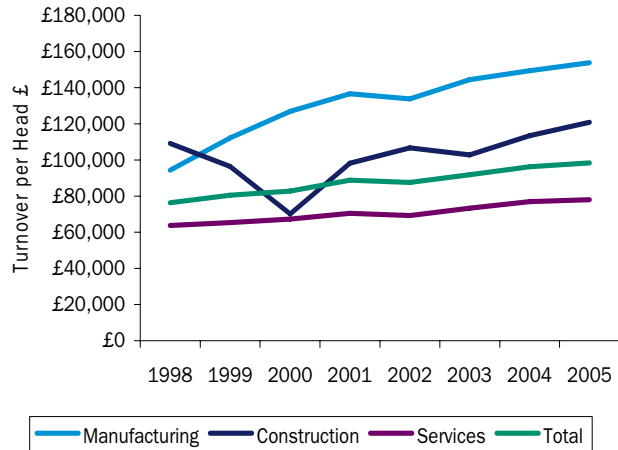


See page 7 for Industry classifications.

Turnover per head

Total turnover per head (figure 3) is significantly lower within the Service sector (£78,133) than within Manufacturing (£153,853) for 2005.

Figure 3 – Turnover per Head by Section 1998-2005



Overall turnover per head has increased by 2.2% over the period 2004 to 2005, from £96,279 to £98,436 – figure 3.

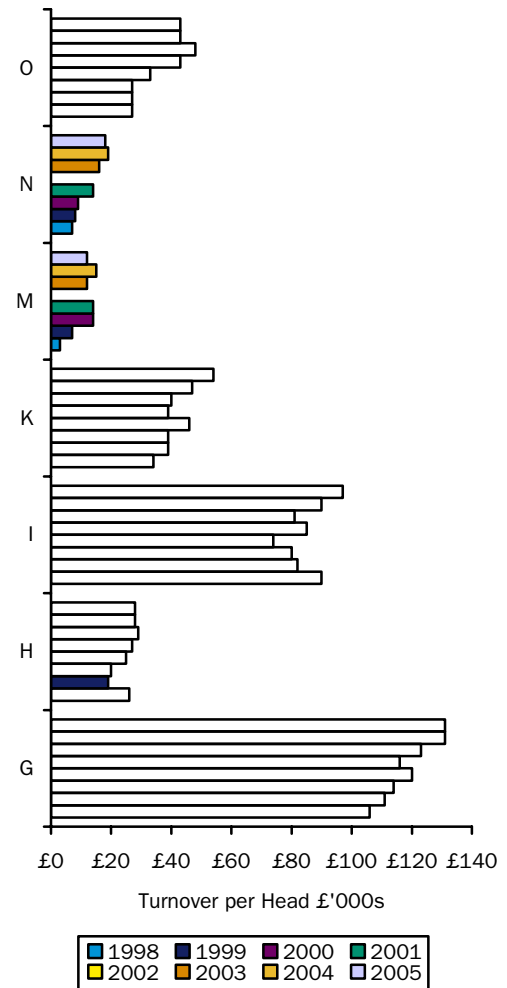
Within the Service sector, Wholesale and Retail trades had the highest turnover per head in 2005 (£130,708), followed by Transport Storage and Communication (£97,194) – figure 4.

Lowest turnover per head was experienced within Education (£12,088), Health (£17,541) and Hotels and Restaurants (£28,447).

Within the Wholesale and Retail sector turnover per head fell from 2004 to 2005 by 0.1%.

The greatest percentage increase in turnover per head within the Service sector was in Real Estate, Renting and Business Activities at 14.7% from 2004 to 2005 and the lowest was a fall of 19.1% within the Education sector.

Figure 4 – Turnover per Head within Services 1998-2005



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

Gross Value Added at Basic Prices

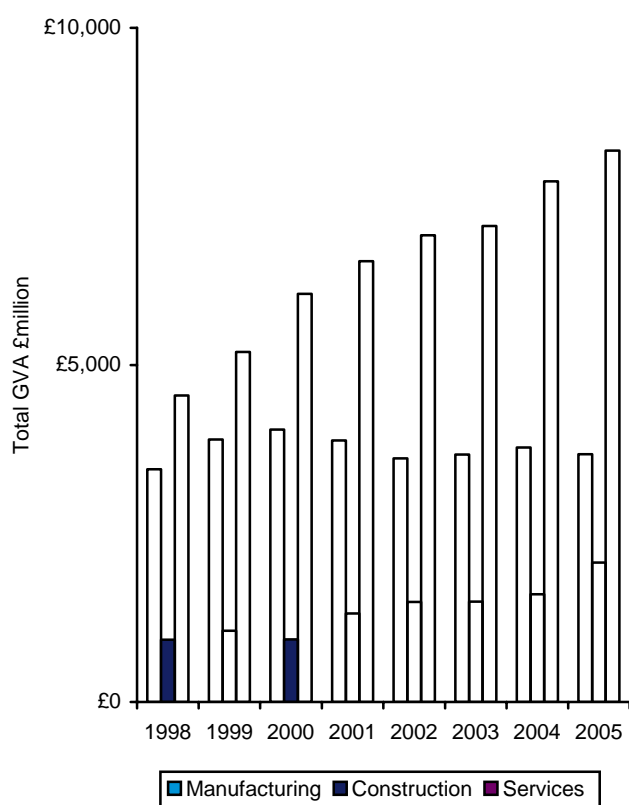
4

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.

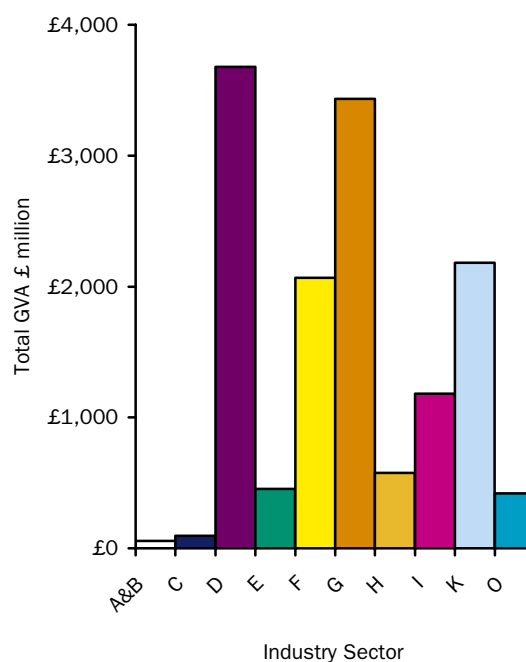
In 2005 total GVA at basic prices was £14,529 million, an increase of 6.5% on the figure for 2004 (£13,637 million) - figure 5. This comprises a 29.3% increase in Construction (£1,600 million to £2,068 million) coupled with a 5.9% increase in Services from £7,725 million to £8,179 million.

Overall the Service sector accounts for 56.3% of GVA in 2005 down slightly from 56.6% in 2004 while Manufacturing accounts for 25.3% in 2005 down from 27.7% in 2004.

**Figure 5 – Total GVA At Basic Prices 1998-2005
£ million**



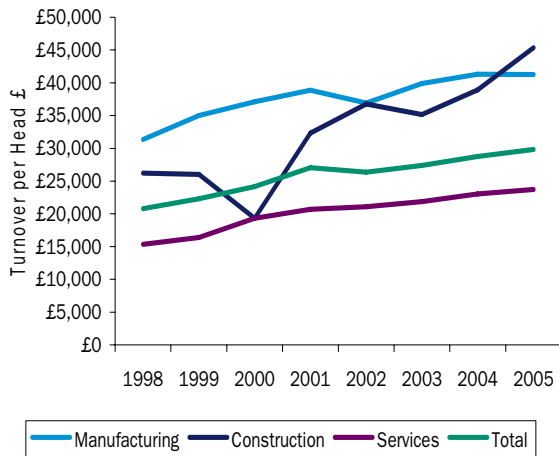
**Figure 6 – Total GVA at Basic Prices 2005
£ million**



See page 9 for Industry classifications.

Within the Service sector Wholesale and Retail (£3,434 million) accounts for the greatest proportion of GVA – 23.6% of the total for NI in 2005, followed by Real Estate Renting and Business Activity (£2,181) at 15.0% - figure 6.

Figure 7 – GVA at Basic Prices per Head by Section 1998-2005



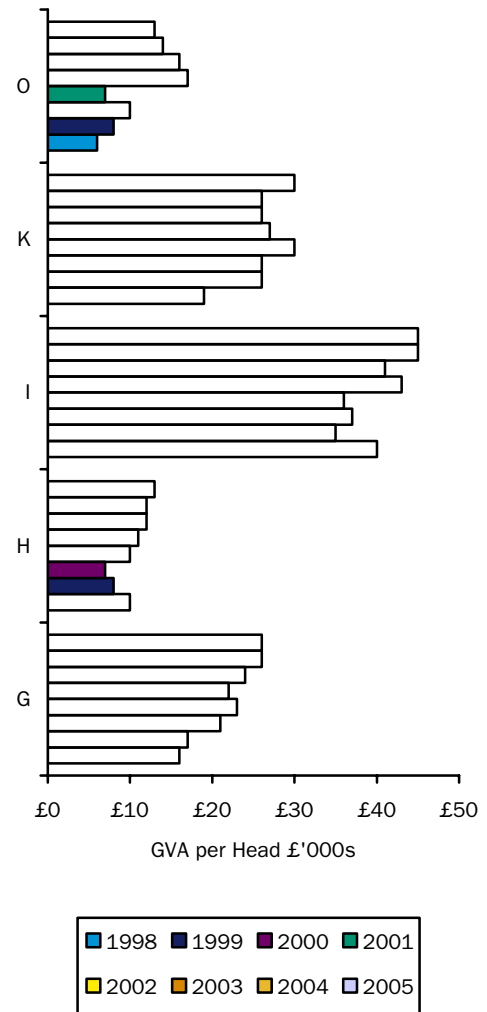
GVA at basic prices per head stood at £29,853 in 2005, an increase of 3.9% from £28,746 in 2004 – figure 7.

Construction has the highest GVA per head within NI at £45,350 and services the lowest at £23,724 in 2005. Over the period 2004 to 2005 Construction and Services saw increases in GVA per head, while Manufacturing saw a decrease of 0.1%.

Within the Service sector GVA per head remains highest in the Transport Storage and Communication sector at £45,333 in 2005 and lowest in Hotels and Restaurants at £13,070 – 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 1998-2005



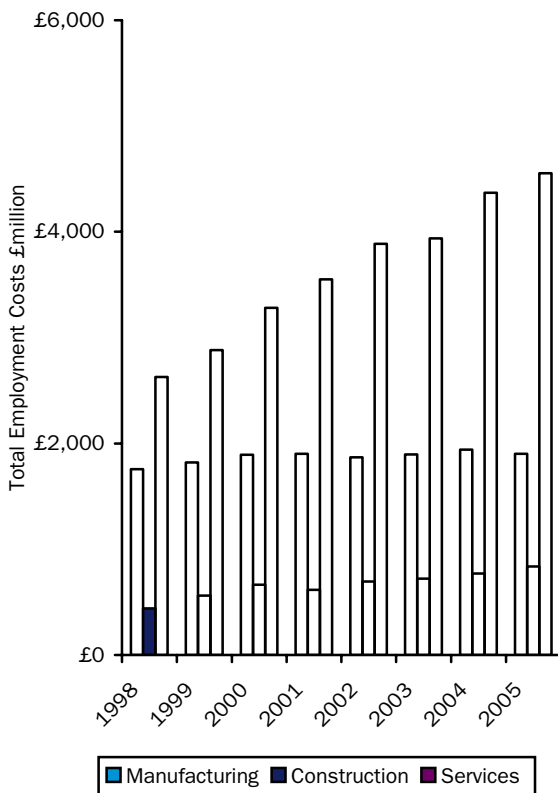
- A&B** – Agriculture (Part), Hunting and Forestry, Fishing
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Employment Costs

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.

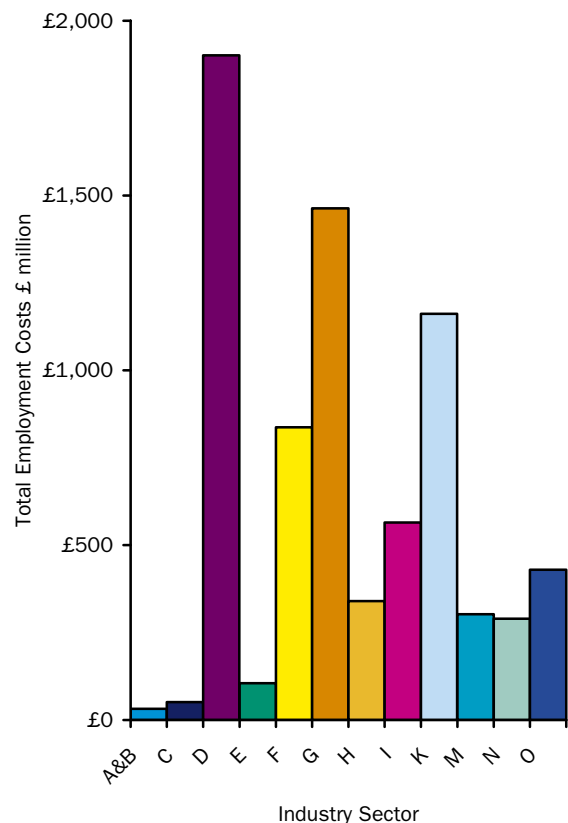
**Figure 9 – Total Employment Costs 1998-2005
£ million**



From 2004 to 2005 overall employment costs have increased by 2.9% from £7,269 million in 2004 to £7,479 million in 2005. This is reflected in construction and services with an increase of 8.4% in Construction and 4.2% in Services, while Manufacturing showed a decrease of 2.2% – figure 9.

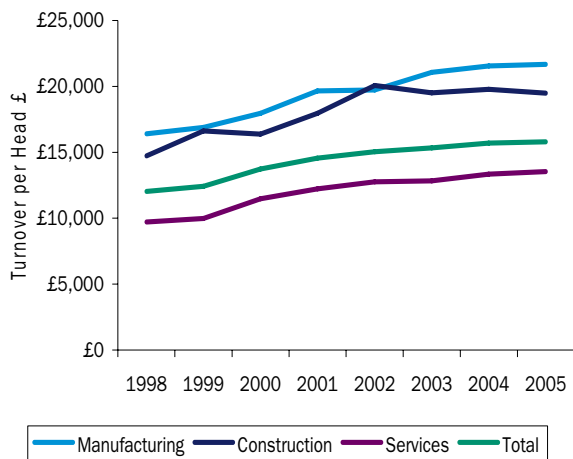
Within the Service sector employment costs are highest in the Wholesale and Retail sector at £1,463 million in 2005 – figure 10. Employment costs accounted for 51.5% of total GVA in 2005, down from 53.3% in 2004.

**Figure 10 – Total Employment Costs 2005
£ million**



See page 11 for Industry classifications.

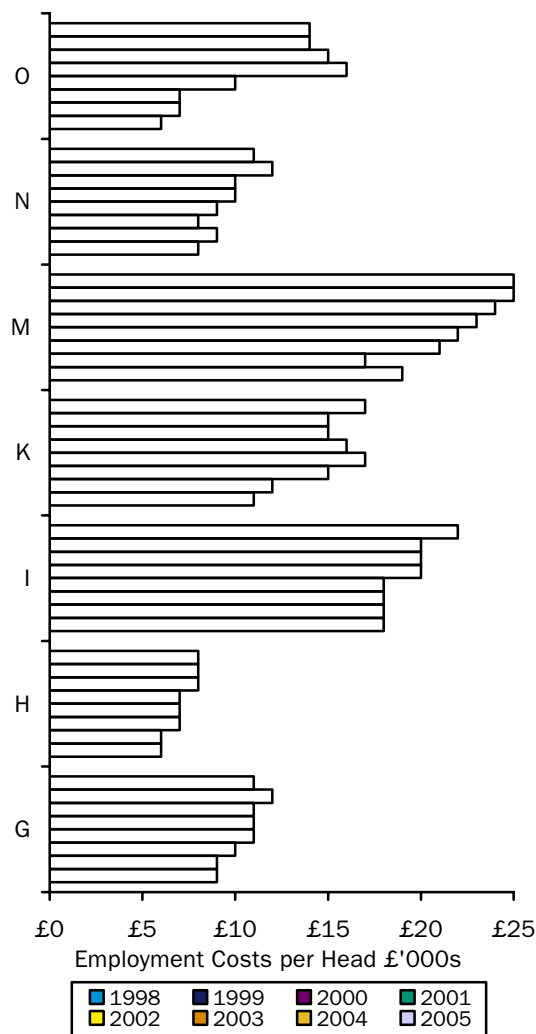
Figure – 11 Employment Costs per Head by Section 1998-2005



Employment costs per head continue to be lowest in the Service sector (£13,544) 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 £25,461 in Education and £22,081 in Transport Storage and Communication to just £7,844 in Hotels and Restaurants.

Figure 12 – Employment Costs per Head within Services 1998-2005



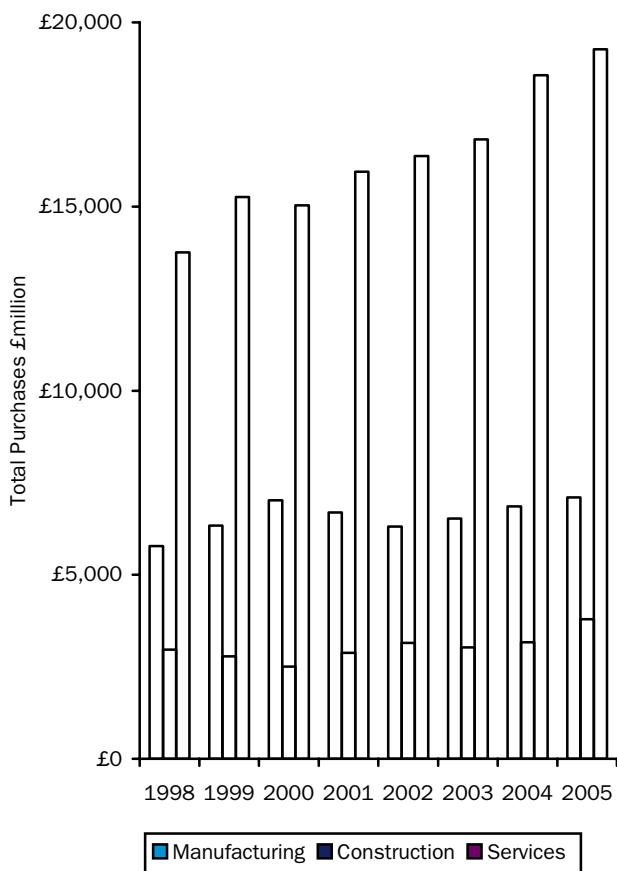
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- N** - Health and Social Work
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Purchases

6

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

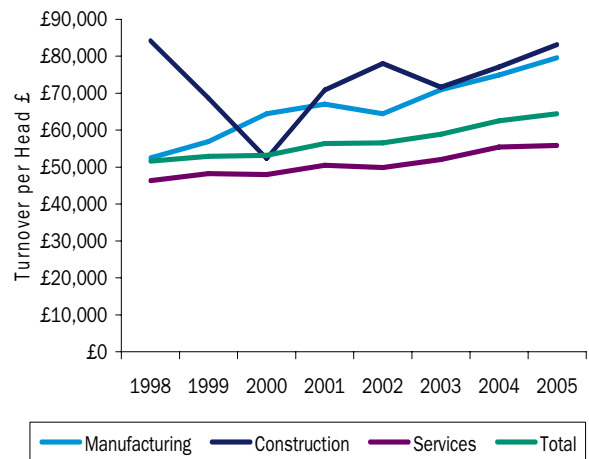
**Figure 13 – Total Purchases 1998-2005
£ million**



Total purchases have increased by 5.7% over the year 2004 to 2005 from £29,687 to £31,366 – figure 13.

61.4% of the total is accounted for by the Service sector (£19,266) and a further 22.6% by the Manufacturing sector (£7,099).

Figure 14 – Purchases per Head by Section 1998-2005



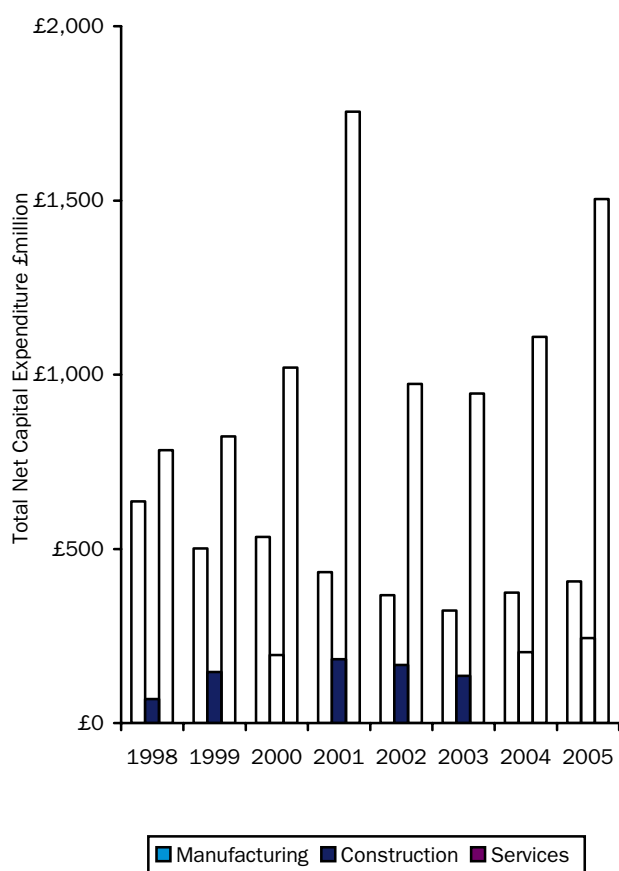
Purchases per head have increased in the Construction sector by 7.8% from £77,134 in 2004 to £83,120 in 2005, over the same period the purchases per head have increased by 6.2% and 0.9% in the Manufacturing and Service sectors respectively.

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 1998-2005
£ million**

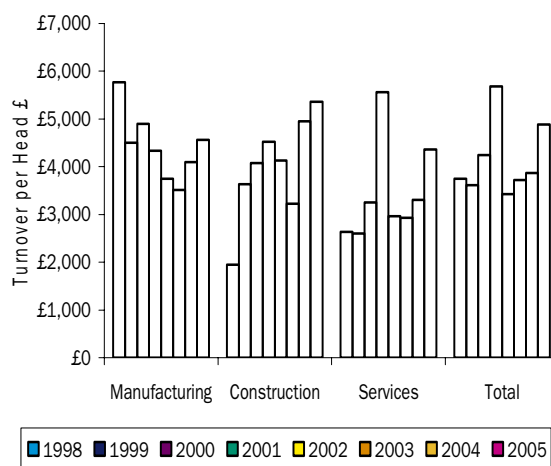


Net capital expenditure increased from £1,836 million in 2004 to £2,377 in 2005 representing a 29.5% increase – figure 15.

Net capital expenditure continues to be highest in the Service sector at £1,504 million, followed by Manufacturing £407 million and Construction £244 million.

During 2005 the Service sector accounted for 63.3% of total net capital expenditure.

Figure 16 – Net Capital Expenditure per Head by Section 1998-2005



Net capital expenditure per head was £4,885 in 2005 up by 26.2% from £3,871 in 2004 – figure 16.

Results by Manufacturing Sub-Sector

8

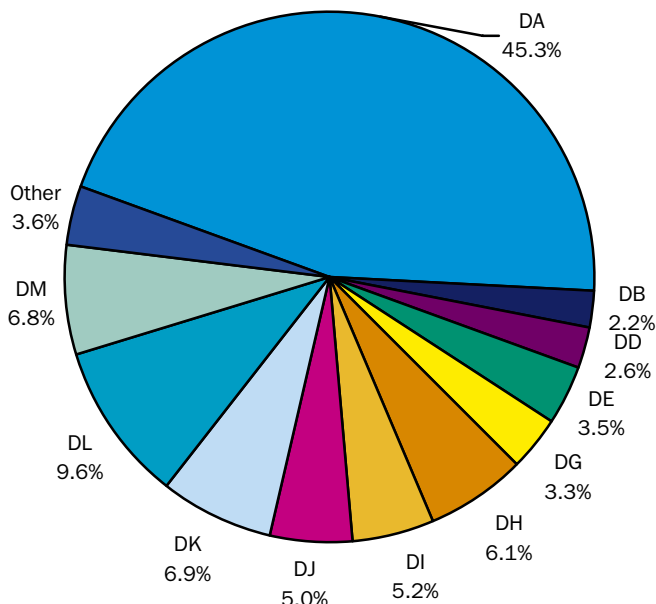
TURNOVER

Just under half of Manufacturing turnover is accounted for by DA – Manufacture of Food Products; Beverages and Tobacco at £6,211 million in 2005, 45.3% of total Manufacturing turnover – figure 17.

The next largest sector was DL – Manufacture of Electrical and Optical Equipment, which had a turnover in 2005 of £1,310 million.

Over the period 2004 to 2005 total turnover has decreased significantly in the following sectors, DB Manufacture of Textiles and Textile Products (-20.8%) and DG Manufacture of Chemicals, Chemical Products and Man-made fibres (-5.3%).

Figure – 17 Total Turnover by Manufacturing Sub-Sector 2005



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

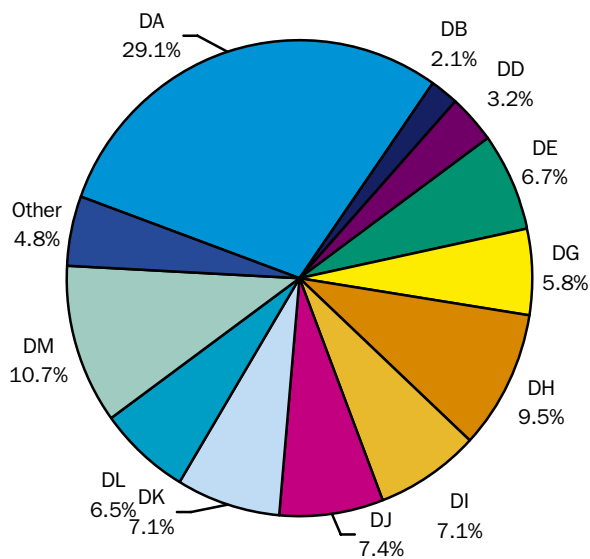
Other – All Other Manufacturing

There have also been decreases in DA Manufacture of Food Products; Beverages and Tobacco (-3.4%) and DM Manufacture of Transport Equipment (-1.4%).

The largest increases in turnover were seen in DK Manufacture of Machinery and Equipment Not Elsewhere Classified (18.8%), DN Manufacture Not Elsewhere Classified (14.5%) and DJ of Basic Metals and Fabricated Metal Products (11.4%).

In 2005 turnover per head in the Manufacturing sector was highest in DA, Manufacture of Food, Drink and Tobacco (£330,026).

Figure 18 Total GVA by Manufacturing Sub Sector 2005



See page 14 for Manufacturing sub-section classifications.

GVA

Almost half of Manufacturing GVA in 2005 was accounted for by 3 sub-sectors, DA – Manufacture of Food Products; Beverages and Tobacco (29.1%), DM – Manufacture of Transport Equipment (10.7%) and DH – Manufacture of Rubber and Plastic Products (9.5%).

GVA fell by £52 million or -40.6% within DB, Manufacture of Textiles and Textile Products over the period 2004 to 2005. On the other hand the largest increase was experienced by DN Manufacture Not Elsewhere Classified up £41 million or 30.7% over the year.

In 2005 GVA per head in the Manufacturing sector was highest in DG, Manufacture of Chemicals, Chemical Products and Man-made Fibres (£65,245).

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 2005 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 2005 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 2005 survey was 83%.

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 2005 ABI, businesses were asked to make returns for the calendar year 2005, but where this was not possible, returns for business years ending between 6 April 2005 and 5 April 2006 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) also published in December 2006, 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 will relate to 2004 and are scheduled for release in December 2006. 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 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.

TABLE 1 NIABI RESULTS BY SECTION 2000-2005

	Standard Industrial Classification ¹	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 ²	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			103	43550	57	23936	32	15700	46	19409	5	2131	2374
2000	C	Mining and	158	82106	54	27803	32	17007	108	56171	18	9421	1928
2001		Quarrying	221	122829	75	41595	33	18860	139	77164	17	9638	1800
2002			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			284	140305	95	46732	51	25854	186	92039	23	11485	2023
2000	D	Manufacturing	13825	126946	4042	37114	1893	17958	7017	64436	534	4901	108904
2001			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			13718	153853	3677	41240	1901	21667	7099	79622	407	4565	89162
2000	E	Electricity, Gas	1021	270267	421	111398	144	38043	631	167036	252	66670	3778
2001		and Water Supply	976	420778	661	285118	87	37444	415	178974	241	104057	2319
2002			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	492924	453	165050	105	38196	979	356298	194	70522	2747

	Standard Industrial Classification ¹	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	£	
2000	F	Construction	3365	70144	928	19346	664	16376	2509	52288	196	4075	47975
2001			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			5510	120819	2068	45350	837	19486	3790	83120	244	5357	45602
2000	G	Wholesale and	14417	114108	2653	20998	1173	10351	11704	92641	185	1464	126341
2001		Retail	14972	119713	2833	22650	1229	10884	12326	98554	248	1981	125070
2002			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			17312	130708	3434	25923	1463	11262	13982	105565	294	2223	132449
2000	H	Hotels and	814	19547	298	7157	256	6699	511	12275	180	4326	41667
2001		Restaurants	943	24923	372	9826	257	7302	564	14919	100	2652	37822
2002			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			1251	28447	575	13070	340	7844	681	15492	106	2408	43984
2000	I	Transport,	2410	80075	1113	36982	503	17842	1349	44824	295	9812	30093
2001		Storage and	2161	74192	1063	36496	492	17963	1128	38712	261	8962	29133
2002		Communication	2468	84531	1262	43216	539	19580	1259	43114	222	7604	29195
2003			2185	80930	1110	41097	525	20033	1106	40964	157	5798	27000
2004			2498	89656	1259	45191	557	20335	1320	47389	192	6906	27861
2005			2534	97194	1182	45333	565	22081	1481	56799	235	9028	26074

	Standard Industrial Classification ¹	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	£	
2000	K	Real Estate	2340	38578	1603	26425	837	15423	768	12670	223	3674	60653
2001		Renting and	2710	46457	1771	30364	857	16572	962	16492	934	16014	58338
2002		Business Activities	2251	38644	1566	26887	828	15833	797	13683	139	2386	58240
2003			2478	39734	1594	25567	871	15488	896	14373	161	2585	62363
2004			3198	47089	1736	25563	994	15375	1591	23426	214	3153	67921
2005			3871	54030	2181	30434	1162	17195	1678	23420	659	9196	71654
2000	M ³	Education	135	13544	*	*	207	21072	108	10814	*	*	9976
2001			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			144	12088	*	*	303	25461	136	11411	63	5316	11931
2000	N ⁴	Health and Social	128	8903	*	*	104	7540	73	5095	*	*	14373
2001		Work	364	14006	*	*	220	8713	131	5028	141	5428	25966
2002			*	*	*	*	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			480	17541	*	*	290	10677	131	4786	86	3127	27376
2000	O	Other	824	27310	291	9642	200	7082	519	17189	23	753	30190
2001		Community,	952	32902	209	7211	263	9698	711	24555	34	1178	28947
2002		Social and	1366	42872	553	17359	474	15801	1167	36644	105	3287	31860
2003		Personal service	1388	48373	451	15708	401	14613	1155	40229	83	2884	28702
2004		Activities	1266	42779	400	13526	427	14487	1089	36791	128	4335	29588
2005			1345	42950	419	13394	430	14020	1176	37559	60	1928	31306

	Standard Industrial Classification ¹	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	£	
2000	NI	Total of Above	39438	82873	11498	24162	6012	13744	25298	53162	2019	4243	475878
2001			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			47907	98436	14529	29853	7479	15791	31366	64449	2377	4885	486681
2000	Services	Services -	21068	67247	6054	19323	3280	11474	15033	47985	1020	3255	313293
2001		G,H,I,K,M,N,O	22252	70480	6540	20714	3549	12237	15947	50509	1755	5558	315719
2002			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			26938	78133	8179	23724	4553	13544	19266	55879	1504	4362	344774

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

² 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.

³ Excludes local authority and central government bodies.

⁴ 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 2004-2005

	Standard Industrial Classification ¹	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	£	
2004	DA	Manufacture of Food Products; Beverages and Tobacco	6428	323913	1089	54898	366	18663	2272	114471	67	3399	19844
2005			6211	330026	1069	56799	343	18336	2097	111434	62	3318	18819
2004	DB	Manufacture of Textiles and Textile Products	380	65363	129	22113	97	16970	251	43169	9	1584	5821
2005			301	66350	76	16839	71	15838	212	46653	*	*	4542
2004	DC	Manufacture of Leather and Leather Products	*	*	*	*	*	*	*	*	*	*	*
2005			*	*	*	*	*	*	*	*	*	*	*
2004	DD	Manufacture of Wood and Wood Products	327	94628	104	30104	60	17860	227	65746	23	6575	3458
2005			356	95961	119	32127	62	17444	241	65113	17	4660	3707
2004	DE	Manufacture of Pulp, Paper and Paper Products; Publishing and Printing	475	76663	256	41366	138	22553	217	34980	16	2647	6192
2005			483	72714	245	36958	143	21940	234	35308	30	4521	6641

	Standard Industrial Classification ¹	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	£	
2004	DF	Manufacture of Coke, Refined Petroleum Products and Nuclear Fuel	*	*	*	*	*	*	*	*	*	*	*
2005			*	*	*	*	*	*	*	*	*	*	*
2004	DG	Manufacture of Chemicals, Chemical Products and Man-Made Fibres	473	155996	219	72417	84	27875	256	84501	35	11584	3030
2005			447	136794	213	65245	79	24203	237	72508	49	14911	3271
2004	DH	Manufacture of Rubber and Plastics Products	806	105435	354	46237	158	21104	467	61066	19	2507	7646
2005			834	105517	351	44410	158	20270	477	60345	33	4193	7905
2004	DI	Manufacture of Other Non-Metallic Mineral Products	686	107610	265	41525	140	22200	425	66773	54	8516	6371
2005			716	118008	261	43058	133	22203	468	77212	54	8966	6065
2004	DJ	Manufacture of Basic Metals and Fabricated Metal Products	618	81593	251	33175	143	19472	378	49903	63	8272	7577
2005			689	88771	273	35191	154	20639	414	53315	39	5088	7758

	Standard Industrial Classification ¹	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	£	
2004	DK	Manufacture of Machinery and Equipment Not Elsewhere Classified	793	117955	275	40934	165	24552	531	79029	18	2642	6721
2005			942	154420	261	42751	172	28621	696	114176	23	3808	6098
2004	DL	Manufacture of electrical and Optical Equipment	1287	130494	315	31930	225	22926	974	98750	42	4253	9864
2005			1310	144025	239	26237	208	23024	1115	122611	57	6257	9098
2004	DM	Manufacture of Transport Equipment	945	93104	383	37670	284	28181	554	54548	11	1095	10154
2005			932	91119	392	38322	290	28572	583	56953	21	2046	10230
2004	DN	Manufacture Not Elsewhere Classified	419	89452	134	28514	82	18210	289	61698	17	3560	4687
2005			480	96520	175	35144	85	18164	309	62208	26	5226	4972

¹ 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.