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Business Monitor

Report on the Census of Production

Bacon curing, meat and fish products

HMSO



A publication of the Government Statistical Service

PA214

Business Monitor

A publication of the Government Statistical Service

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Report on the Census of Production 1976

Bacon curing, meat and fish products

Presented by the Secretary of State for Industry
to Parliament in pursuance of the Statistics of Trade Act 1947
(10 & 11 Geo.6 Cha.39 sec 7)

Department of Industry
Business Statistics Office

London: Her Majesty's Stationery Office

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(ii)

PA214 BACON CURING, MEAT AND FISH PRODUCTS

PA214

The information in this report relates to establishments classified to the Bacon curing, meat and fish products industry, minimum list heading 214 in the Standard Industrial Classification (revised 1968). The activities of the industry include:—

The quick freezing of meat products including poultry, and fish and fish products; curing bacon and ham, canning and otherwise preserving meat, poultry and fish, preparation of oven ready poultry, and making sausages, meat pasties, pies and puddings, meat extracts and essences, meat and fish pastes and lard. Production at distributive establishments is excluded.

In interpreting the data in the tables it is essential to bear in mind the notes and definitions which commence on page (iii).

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TABLE 1

Output and costs, 1973-1976
All United Kingdom establishments classified to the industry (a)

	Unit	1973	1974	1975	1976
Enterprises (b)	Number	1,282	1,450	1,500	1,592
Establishments (b)	"	1,473	1,657	1,693	1,780
Sales of goods produced	£ thousand	1,180,521	1,451,592	1,632,300	2,087,788
Receipts for work done and industrial services rendered	"	(c)	(c)	(c)	2,279
Capital goods produced for establishments' own use	"	1,534	651	1,103	555
Non-industrial services rendered	"	3,192	4,347	6,851	6,003
Goods merchanted or factored	"	79,177	132,311	137,881	162,735
Total sales and work done (d)	"	1,264,423	1,588,901	1,778,136	2,259,360
Increase during the year, work in progress and goods on hand for sale	"	13,934	8,238	9,041	27,064
Gross output	"	1,278,357	1,597,139	1,787,177	2,286,424
Purchases of materials for use in production, and packaging and fuel	"	880,500	1,072,269	1,163,806	1,489,311
Purchases of goods for merchenting or factoring	"	71,599	116,245	112,720	135,837
Increase during the year, stocks of materials, stores and fuel	"	10,293	6,490	981	12,750
Cost of industrial services received	"	9,170	17,299	18,224	24,155
Levies payable under Bacon curing industry Stabilisation Scheme	"	756	455	357	1,219
Less allowances receivable from Bacon curing industry Stabilisation Scheme and fatstock guarantee scheme	"	3,645	1,059	389	928
Net output	"	330,269	398,422	493,440	649,580
Total employment (e)	Thousands	113.7	121.1	120.2	127.4
Net output per head	£	2,906	3,290	4,104	5,097
Payments for non-industrial services					
Rents, hire of plant and machinery (f)(g)	£ thousand	7,370	7,415	10,776	10,629
Commercial insurance premiums	"	2,756	3,562	4,858	5,493
Bank charges	"	539	885	603	679
Other non-industrial services (h)	"	32,113	43,246	63,247	88,858
Licensing of motor vehicles	"	840	888	1,239	1,322
Rates, excluding water rates	"	2,728	3,994	5,587	6,265
Gross value added at factor cost	"	283,924	338,432	407,132	536,334
Gross value added at factor cost per head	£	2,498	2,795	3,386	4,208

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments exempt because of size. Satisfactory returns accounted for 82 per cent of employment within the industry.
- (b) Increases from 1973-1974 largely attributable to improved estimates of the number of establishments with less than 20 employees - see notes on page (iii).
- (c) Included with sales of goods produced.
- (d) Details of manufacturers' sales of principal products are published regularly in Business Monitor PQ214.
- (e) Average number employed, including full and part-time employees (see table 7) and working proprietors.
- (f) 1973 figures include hire of vehicles.
- (g) For 1973-1975 rents of industrial and commercial buildings were not recorded separately. For 1976 the amount payable was £5,481 thousand.
- (h) 1974-1976 figures include the cost of hiring goods vehicles.

TABLE 2

Capital expenditure, 1973-1976
All United Kingdom establishments classified to the industry (a)(b)

	£ thousand			
	1973	1974	1975	1976
Land and buildings				
New building work	8,616	11,240	12,270	13,596
Land and existing buildings				
Acquisitions	2,504	1,550	2,341	3,073
Disposals	1,394	1,124	769	1,427
Vehicles				
Acquisitions				
Motor cars	2,003	2,751)		
Other vehicles	3,082	4,937)	7,671	10,022
Disposals				
Motor cars	790	1,102)		
Other vehicles	435	1,047)	2,427	2,395
Plant and machinery				
Acquisitions	18,024	23,240	27,469	36,880
Disposals	695	704	1,292	1,292
Total net capital expenditure	30,915	39,741	45,263	58,457

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments exempt because of size. Satisfactory returns accounted for 82 per cent of employment within the industry.
- (b) Capital expenditure in respect of manufacturing establishments where production had not commenced before the end of the year, is included.

TABLE 3

Stocks and work in progress, 1973-1976
All United Kingdom establishments classified to the industry (a)

	£ thousand			
	1973	1974	1975	1976
	Increase			Value at end of year
Materials, stores and fuel	10,293	6,490	981	66,758
Work in progress	3,964	1,334	4,077	47,166
Goods on hand for sale	9,969	6,904	4,964	82,244
Total	24,226	14,728	10,022	196,167

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments exempt because of size. Satisfactory returns accounted for 82 per cent of employment within the industry.

TABLE 4

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Analysis of establishments by size, 1976
All United Kingdom establishments classified to the industry (a)

Size group (b)	Estab-lish-ments (c)	Enter-prises (c)	Employment			Wages and salaries (f)			
			Total (d)	Opera-tives	Others (e)	Operatives		Others (e)	
						Total	per head	Total	per head
Number	Number	Number	Number	Number	Number	£ thousand	£	£ thousand	£
1 - 10	837	815	4,527)						
11 - 19	328	322	4,660)	21,771	3,620	41,988	1,929	10,391	2,870
20 - 49	283	278	8,814)						
50 - 99	122	111	8,242)						
100 - 199	94	80	13,311	11,238	2,038	22,772	2,026	6,142	3,014
200 - 299	37	28	9,009	7,544	1,455	15,491	2,053	4,333	2,978
300 - 399	24	19	8,274	6,773	1,500	15,434	2,279	4,578	3,052
400 - 499	11	9	4,875	4,119	755	8,004	1,943	2,129	2,820
500 - 749	20	20	11,865	9,638	2,227	21,677	2,249	7,000	3,143
750 - 999	9	7	8,033	6,858	1,174	14,834	2,163	3,170	2,700
1,000 - 1,499	4	3	5,505	4,561	944	12,950	2,839	3,584	3,797
1,500 - 1,999	6	6	9,606	7,548	2,058	19,492	2,582	6,248	3,036
2,000 and over	5	5	30,723	23,357	7,366	63,002	2,697	24,638	3,345
Total	1,780	1,592	127,444	103,407	23,137	235,644	2,279	72,214	3,121

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 employees.
 (b) Average number employed, including full and part-time employees (see table 7) and working proprietors.
 (c) The sum of the figures for the size groups may exceed the total for the industry because some enterprises control establishments in more than one size group.
 (d) Including working proprietors.
 (e) Administrative, technical and clerical employees.

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Total sales and work done (g)	Gross output	Net output	Gross value added at factor cost		Net capital expenditure (h)	Total stocks and work in progress at end of year	
			Total	per head			
							Total
£ thousand	£ thousand	£ thousand	£	£ thousand	£	£ thousand	£ thousand
501,855	505,122	116,889	4,454	(j)	(j)	13,836	26,940
265,336	266,397	61,452	4,617	148,583(j)	3,756(j)	6,196	15,793
206,341	207,914	48,495	5,383	39,879	4,427	3,015	12,911
173,139	174,282	39,814	4,812	34,265	4,141	4,084	10,361
60,595	61,493	18,347	3,763	15,116	3,101	1,778	7,113
220,552	222,031	71,039	5,987	63,629	5,363	8,654	15,578
112,440	113,801	34,849	4,338	31,218	3,886	3,203	12,179
110,703	112,265	44,117	8,014	39,674	7,207	3,811	9,294
141,591	142,129	34,147	3,555	28,544	2,971	3,439	9,209
466,808	480,990	180,431	5,873	135,426	4,408	10,439	76,789
2,259,360	2,286,424	649,580	5,097	536,334	4,208	58,457	196,167

- (f) The cost of employers' contributions to national insurance, graduated pensions, other pensions and welfare schemes and the running costs of canteens, is estimated for the industry at £35,968 thousand.
 (g) Sales of goods produced, capital goods manufactured, buildings constructed by establishments for their own use, work done, industrial and non-industrial services rendered and merchanted goods.
 (h) New building work plus acquisitions less disposals of land and existing buildings, vehicles and plant and machinery.
 (j) Gross value added data relate to establishments employing 1-199.

TABLE 5

PA214

Regional distribution of employment, net capital expenditure, net output and gross value added at factor cost, 1976
All United Kingdom establishments classified to the industry

Area	Total employment (a)		Net capital expenditure (b)(c)		Net output, gross value added and employment in the region from returns received from establishments with more than 80 per cent of their employment in the region (d)		
	Thousands	per cent of United Kingdom	£ thousand	per cent of United Kingdom	£ thousand	£ thousand	Employment as a percentage of total regional employment in the industry
Standard regions of England							
North	4.9	3.9	1,658	2.8	7,289	5,900	35.2
Yorkshire and Humberside	19.2	15.0	7,651	13.1	60,560	42,964	61.6
East Midlands	11.3	8.8	4,594	7.8	35,440	30,055	72.7
East Anglia	13.3	10.4	5,245	9.0	35,228	30,207	51.1
South East	20.8	16.4	7,344	12.6	49,950	43,493	38.3
South West	11.3	8.8	4,233	7.2	25,264	21,373	60.1
West Midlands	8.1	6.4	6,322	10.8	23,573	20,461	49.9
North West	12.9	10.1	4,791	8.2	18,547	15,714	33.3
England	101.8	79.8	41,838	71.6	255,852	210,166	50.7
Wales	2.2	1.7	827	1.4	3,250	2,536	36.0
Scotland	19.3	15.1	12,026	20.6	54,465	46,075	70.6
Great Britain	123.2	96.7	54,691	93.6	313,568	258,777	53.6
Northern Ireland	4.3	3.3	3,766	6.4	21,437	18,559	87.1
Unallocated (e)	—	—	—	—	314,575	258,998	—
United Kingdom (b)	127.4	100.0	58,457	100.0	649,580	536,334	—

- (a) Average number employed, including full and part-time employees (see table 7) and working proprietors.
- (b) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 employees.
- (c) New building work plus acquisitions less disposals of land and existing buildings, vehicles and plant and machinery.
- (d) Where a census return covered addresses in two or more regions an estimate was made of the net output and gross value added attributable to the region only where more than 80 per cent of the establishment's employees were located in the region. The estimate was made by assuming that net output and gross value added at each address covered by a return was proportional to employment at the address.
- (e) Unallocated net output and gross value added covering establishments with addresses in two or more regions, plus estimates for unsatisfactory returns, non-response and establishments exempt because of size.

TABLE 6

PA214

Percentage analysis of twelve-month periods covered by returns received from United Kingdom establishments employing 20 or more persons, 1976

Accounting year ended	Percentage of total returns received		Percentage of total number employed	
	per cent	per cent	per cent	per cent
1976 April (a)	4.4		3.2	
May	3.9		5.7	
June	4.4		2.0	
July	2.4		2.0	
August	3.9		1.8	
September	7.1		6.3	
October	6.8		8.9	
November	0.7		0.2	
December	25.7		36.2	
1977 January	17.1		12.7	
February	4.2		2.8	
March (b)	19.3		18.2	

(a) From 6th April.

(b) Including returns made for twelve-month period ended 1st to 5th April 1977.

TABLE 7

Percentage analysis of employees, by full and part-time employment and sex, 1976(a)

Sex	Full-time		Part-time		All employees	
	per cent	per cent	per cent	per cent	per cent	per cent
Male	52		2		54	
Female	30		16		46	

Source: Department of Employment

(a) The percentages relate to the numbers employed (excluding working proprietors) in the United Kingdom at end June, 1976.

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firms produced for their own use in connection with the business covered by the return. The value of plant, etc. acquired is the expenditure charged to capital account during the year of return less any discounts received, but including the cost of transport and installation. Deductible value added tax is excluded but non-deductible value added tax on motor cars acquired is included. No deduction is made for depreciation, amortization or obsolescence. The proceeds of items disposed of during the year exclude amounts written-off for items scrapped.

Cost of industrial services

This includes amounts payable to other firms for work done on materials supplied by the establishment, payments for repairs and maintenance (including those in respect of rented buildings) and amounts paid to other firms for contracts which have been sublet. Payments to outworkers are excluded.

Cost of non-industrial services

This includes rent of industrial and commercial buildings, hire of plant and machinery, commercial insurance premiums, bank charges and amounts paid for professional services, post office services, transport, advertising etc. Amounts payable on royalties for the right to use patents, trademarks, copyrights etc., manufacturing and quarrying rights and technical "know-how" are also included.

Gross output

In the calculation of gross output the value of total sales and work done is increased by the rise (or reduced by the fall) during the year in the value of work in progress and goods on hand for sale.

Net output

Net output, a customary census measure, is calculated by deducting from gross output the cost of purchases (reduced by the rise, or increased by the fall, during the year of stocks of materials etc.) and the cost of industrial services received, and where applicable, duties etc.

Net output per head

The figures of net output per head are derived by dividing the net output by the average number of persons employed (full and part-time) on all activities covered by the returns, including operatives, administrative, technical and clerical employees and working proprietors, but excluding outworkers.

Gross value added at factor cost

Gross value added at factor cost is calculated by deducting from net output the cost of non-industrial services (e.g. rent of buildings, hire of plant and machinery, commercial insurance premiums, bank charges and amounts paid for professional services, post office services, transport and advertising), rates (excluding water rates) and the cost of licensing motor vehicles. This estimate of gross value added approaches more closely than census net output to the definition of net output or value added in national accounts statistics.

Gross value added at factor cost per head

The figures of gross value added at factor cost per head are derived by dividing the gross value added by the average number of persons employed (full and part-time) on all activities covered by the returns, including operatives, administrative, technical and clerical employees and working proprietors, but excluding outworkers.

Purchases

Purchases include the cost of raw materials,

components, semi-manufactured goods and workshop materials; of replacement parts and consumable tools not charged to capital account; of packaging materials of all types; of stationery and printed matter; of fuel, electricity and water; of materials to be used by the establishment or given out to other establishments for the production of machinery or other capital items for the establishment's own use; of materials for use by the establishment when working on goods supplied by customers; and of food, etc. for any canteen covered by the establishment's return. Transfers of goods to the establishment from another department of the same firm not covered by the establishment's return are included at a cost corresponding to the estimated selling value recorded by the other department. Amounts payable to transport firms or credited to the firm's own transport department for delivery of materials are excluded, as are all purchases of machinery and plant charged to capital account. Purchases of goods for merchanting or factoring have been collected separately since 1973. The values shown exclude VAT. They include, in addition to the actual purchase price, the value of packaging material charged to the establishment. The value of returned goods or packaging material returned to suppliers and any trade discounts are excluded. Materials purchased duty-paid are included at their duty-paid value, less any drawback, rebate, etc. The cost of transport is included only if it is included with the purchase price in the firm's accounts. Imported goods are included at their full delivered cost. If in the firm's accounts the transport from docks or airport is not included in the cost of goods purchased, the cost is entered at c.i.f. plus duty (if applicable). Leasing, renting and hire purchase charges are excluded.

Sales of goods produced

Sales for the purposes of the annual censuses means deliveries on sale of goods made by establishments in the United Kingdom covered by the inquiry. Sales of goods made for these establishments by outworkers or by other establishments from materials given out to them and sales of waste products are included. New building work and machinery or other capital items produced by establishments for hiring out or leasing are regarded as sales, the value included in the return being that adopted in the establishments' capital asset accounts. Forward sales and canteen takings are excluded. All sales in the period of the inquiry are included irrespective of when the goods were manufactured. Goods produced in one establishment and transferred either to ancillary departments not engaged in production for which there are separate accounts, or to another establishment of the same firm not covered by the return, are treated as sales by the producing establishment and valued as far as possible as if they had been sold to an independent purchaser. Goods transferred to wholesale or retail selling organisations, for which separate accounts are kept are valued on the same basis. The value shown for sales is the "net selling value" defined as the amount (excluding value added tax) charged to customers whether on an ex-works or delivered basis, after any trade discounts and agents' commissions have been deducted. The cost of packing materials allowance for returnable cases is included. In industries where products attract Excise Duty the value stated is usually inclusive of duty if sold duty-paid and exclusive of duty if sold in bond or exported.

Work done and industrial services rendered

Figures for work done represent the amount charged for work carried out on materials supplied by customer and include repair work. Within certain

industries this heading covers a wide variety of activities, for example, within the food sector - butter packed on commission; within the textile industries - making up of garments, fur dressing and textile finishing; within printing and publishing - preparatory work on type-setting, block making and binding. Work done is also significant in the electrical machinery and heavy engineering industries, covering erection, installation and repair and jobbing work. Other activities within this heading include exploration work, research and development, glass cutting and dressing and planing of timber. Industrial services rendered include repairs and maintenance, installation work, and technical research and studies for other organisations.

Capital goods produced for establishments' own use This includes all work of a capital nature carried out during the year by the establishments' own staff for their own use.

Non-industrial services rendered

This includes rents received for commercial and industrial buildings, amounts charged for hiring out plant, machinery and other goods and amounts charged to other organisations for the provision of transport. It also includes amounts received for the right to use patents, trademarks, copyrights etc., manufacturing and quarrying rights and technical "know-how" and revenue from such staff facilities as canteens.

Goods merchant or factored

Merchant goods are those (excluding canteen sales) sold without having been subjected to any manufacturing process by the seller.

Stocks and work in progress

Values are given of stocks of goods on hand for sale and of materials, stores and fuel, at the end of the year of return and of the change during the year, including any stocks of goods held for merchanting or factoring. Work in progress is defined as materials which have been partially processed by the establishment but which are not usually sold or transferred to another establishment without further processing. The values include the cost of materials consumed and labour used, together with a margin of overhead costs and profits. Progress payments made to sub-contractors are excluded and progress payments received from other organisations are not deducted.

Wages and salaries

These are amounts paid during the year to operatives and to administrative, technical and clerical employees. Payments to working proprietors, whether called salaries or not, are excluded. The values shown include all overtime payments, bonuses and commissions, whether paid regularly or not, and no deduction is made for income tax, insurances, contributory pensions etc. The value of redundancy payments less any amounts reimbursed from Government sources is included. The value of any payments in kind, travelling expenses etc. is excluded.

Remuneration paid to outworkers

The remuneration paid to outworkers (i.e. persons employed by the establishment who do their work in their own homes) is generally on a piece-work basis. Only amounts paid to outworkers whose names appear on the establishment's payroll are included. Amounts paid to outworkers by sub-contractors are excluded.

Employers' insurance and welfare contributions

This item includes employers' contributions to national insurance and graduated pensions (and/or earnings related basic contributions under the

Social Security Act, 1973) as well as commercial insurance premiums to provide pensions, super-annuation or other retirement benefits, sickness benefits, personal accident benefits, disability or death benefits for employees or former employees or their dependants. Contributions to the running costs of canteens, social centres, children's and holiday homes, etc. for employees, former employees and their dependants are also included.

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