Business Statistics Office

# Business Monitor

## 1974 & 75

## Report on the Censuses of Production

## Electricity



HMSO

A publication of the Government Statistical Service

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Enquiries:
Business Statistics Office
Newport, Gwent
NPT 1XG
Newport 56111 (STD code 0633) ext 2455
Telex 497121
Answer Back BSONPT G

# PA602

# Business Monitor

**A publication of the Government Statistical Service**

# Report on the Censuses of Production 1974 & 75

# Electricity

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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The information in this report relates to undertakings classified to the Electricity industry, minimum list heading 602 in the Standard Industrial Classification (revised 1968). The activities of the industry include:-

***The production and distribution of electricity for public supply. Construction work carried out by employees of electricity undertakings is included. Establishments producing electricity for railway and trolley-bus operation are also included, as are 'district heating' and electricity showrooms. Establishments (other than those of railway and trolley-bus undertakings) producing electricity primarily for their own use are excluded, and are included in the industries covering the major output of the parent works.***

The tables for 1971-1973 have been compiled from returns made to the Department of Energy. One generating station of a transport undertaking submitted figures for the calendar years 1972, 1973, 1974 and 1975 otherwise all figures 1971, 1972, 1973, 1974 and 1975 relate to the year ended 31 March, 1972, 1973, 1974, 1975 and 1976 respectively.

**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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Output and costs, 1971-1975
All United Kingdom undertakings classified to the industry

| | Unit | 1971 | 1972 | 1973 | 1974 | 1975 |
|---|---|---|---|---|---|---|
| Number of generating stations | Number | 285 | 280 | 273 | 266 | 266 |
| Electricity etc., sold and work done (a) | £ thousand | 1,752,886 | 1,917,371 | 2,132,168 | 2,931,833 | 3,893,170 |
| Capital goods produced for establishments' own use | " | 218,733 | 242,051 | 99,538 | 112,294 | 127,994 |
| Non-industrial services rendered (b) | " | 2,876 | 3,098 | 5,773 | 7,968 | 10,869 |
| Goods merchanted or factored | " | 132,033 | 161,108 | 134,573 | 143,105 | 146,903 |
| **Total sales and work done (a)(b)** | " | **2,106,528** | **2,323,628** | **2,372,053** | **3,195,200** | **4,178,936** |
| Increase during the year, work in progress and goods on hand for sale | " | 929 | –209 | 6,304 | 7,386 | –2,061 |
| **Gross output (a)(b)** | " | **2,107,457** | **2,323,419** | **2,378,357** | **3,202,586** | **4,176,875** |
| Purchases of materials for use in production, and packaging and fuel (c) | " | 881,541 | 1,003,703 | 969,474 | 1,788,676 | 2,158,413 |
| Purchases of goods for merchanting or factoring (d) | " | | | 94,087 | (e) | 102,047 |
| Increase during the year, stocks of materials, stores and fuel | " | 19,181 | 63,879 | –2,691 | 153,099 | 161,399 |
| Cost of industrial services received (f) | " | 5,043 | 4,660 | 104,898 | 158,995 | 166,782 |
| **Net output** | " | **1,240,054** | **1,378,935** | **1,207,207** | **1,408,014** | **1,911,032** |
| **Net output per head** | £ | **6,023** | **6,916** | **6,158** | **7,158** | **9,780** |
| Payments for non-industrial services (g) | | | | | | |
| Rents, hire of plant, and machinery (h) | £ thousand | | | 6,648 | 8,642 | 10,631 |
| Commercial insurance premiums | " | | | 9,806 | 11,749 | 14,852 |
| Bank charges | " | | | 1,130 | 1,146 | 1,512 |
| Other non-industrial services | " | | | 27,909 | 37,132 | 45,771 |
| Licensing of motor vehicles (j) | " | .. | .. | 2,686 | 1,773 | 2,236 |
| Rates, excluding water rates (j) | " | | | 72,754 | 106,663 | 128,738 |
| **Gross value added at factor cost** | " | | | **1,086,274** | **1,240,909** | **1,707,292** |
| **Gross value added at factor cost per head** | £ | | | **5,541** | **6,309** | **8,737** |
| Total employment (k) | Number | 205,897 | 199,380 | 196,055 | 196,913 | 195,421 |
| Operatives | " | 120,042 | 113,440 | 109,438 | 110,220 | 107,911 |
| Others (l) | " | 85,855 | 85,940 | 86,617 | 86,693 | 87,510 |
| Wages and salaries (m) | " | | | | | |
| Operatives | £ thousand | 191,460 | 206,202 | 218,592 | 269,818 | 335,963 |
| Others (l) | " | 157,646 | 175,457 | 189,061 | 252,631 | 327,030 |
| Wages and salaries per head | | | | | | |
| Operatives | £ | 1,595 | 1,818 | 1,997 | 2,448 | 3,113 |
| Others (l) | " | 1,836 | 2,042 | 2,183 | 2,914 | 3,737 |



(a) Including sales of electricity, by-products and waste products, charges for work done and meter rents received.

(b) The figures for 1971-1972 do not include revenue from rents for industrial buildings.

(c) For 1971 and 1972 payments for transport inwards are included in the cost of purchases of materials and fuel used and excluded from payments for transport to other organisations - see also footnote (g).

(d) Not recorded separately for 1971-1972.

(e) Included with Purchases of Materials for use in production, and packaging and fuel.

(f) The figures for 1971-1972 exclude the amounts payable for repairs and maintenance.

(g) Not collected for 1971-1972 except for the amounts payable to other organisations for transport of goods within the United Kingdom.

(h) For 1973, the figures include hire of vehicles.

(j) Not collected for 1971-1972.

(k) Average number employed (full and part-time; see table 7) during the year.

(l) Administrative, technical and clerical employees.

(m) Another important component of labour costs, employers' national insurance contributions, graduated pensions, contributions to other pensions and welfare schemes and the running costs of canteens, is estimated for the industry at £83,609 thousand for 1974 and £110,835 thousand for 1975.

**TABLE 2**

Capital expenditure 1971-1975
All United Kingdom undertakings classified to the industry (a)

£ thousand

| | 1971 | 1972 | 1973 | 1974 | 1975 |
|---|---|---|---|---|---|
| Land and buildings | | | | | |
| New building work | 76,579 | 87,611 | 91,707 | 125,852 | 188,568 |
| Land and existing buildings | | | | | |
| Acquisitions | 5,329 | 2,642 | 4,572 | 7,523 | 4,621 |
| Disposals | 3,254 | 5,713 | 8,599 | 5,483 | 5,348 |
| Vehicles | | | | | |
| Acquisitions | | | | | |
| Motor cars (b) | 7,280 | 6,624 | 921 | 1,696 | 12,252 |
| Other vehicles (b) | | | 5,036 | 11,250 | |
| Disposals | | | | | |
| Motor cars (b) | 1,148 | 1,131 | 249 | 312 | 1,572 |
| Other vehicles (b) | | | 607 | 754 | |
| Plant and machinery | | | | | |
| Acquisitions (c) | 386,053 | 417,065 | 403,538 | 477,285 | 613,363 |
| Disposals | 3,478 | 3,028 | 4,807 | 3,369 | 3,823 |
| Nuclear fuel | | | | | |
| Acquisitions | 21,044 | 15,365 | 10,265 | 15,492 | 19,704 |
| Disposals | 21 | – | – | – | – |
| **Total net capital expenditure (d)** | **488,384** | **519,435** | **501,779** | **629,180** | **827,765** |

(a) Capital expenditure in respect of units where production had not commenced before the end of the year, is included.

(b) Not recorded separately for 1971, 1972 and 1975.

(c) Including meters, mains and services and railway sidings owned by electricity undertakings.

(d) Acquisitions less disposals.

**TABLE 3**

Stocks and work in progress, 1971-1975
All United Kingdom undertakings classified to the industry

£ thousand

| | 1971 | 1972 | 1973 | 1974 | 1975 | |
|---|---|---|---|---|---|---|
| | Increase | | | | | Value at end of year |
| Materials, stores and fuel | 19,181 | 63,879 | –2,691 | 153,100 | 161,399 | 543,597 |
| Work in progress | 879 | 558 | 1,753 | 3,497 | –1,455 | 16,652 |
| Goods on hand for sale | 50 | –767 | 4,551 | 3,889 | –606 | 27,022 |
| **Total** | **20,110** | **63,670** | **3,613** | **160,486** | **159,338** | **587,271** |



**TABLE 4**

Analysis of undertakings by size, 1975

All United Kingdom undertakings classified to the industry

**This table is not applicable to the industry**

**TABLE 5**

Distribution of employment, net capital expenditure, and net output, by country, 1975

All United Kingdom undertakings classified to the industry

| Country | Average number employed (a) | | Net capital expenditure (b) Total (b) | | Net output | |
|---|---|---|---|---|---|---|
| | Number | Per cent of United Kingdom | £'000 | Per cent of United Kingdom | £'000 | Per cent of United Kingdom |
| England | 159,010 | 81.4 | 582,688 | 70.4 | 1,563,955 | 81.9 |
| Wales | 11,731 | 6.0 | 40,693 | 4.9 | 75,239 | 3.9 |
| Scotland | 17,797 | 9.1 | 139,304 | 16.8 | 233,293 | 12.2 |
| Great Britain | 188,538 | 96.5 | 762,685 | 92.1 | 1,872,487 | 98.0 |
| Northern Ireland | 6,883 | 3.5 | 65,080 | 7.9 | 38,545 | 2.0 |
| United Kingdom | 195,421 | 100.0 | 827,765 | 100.0 | 1,911,032 | 100.0 |

(a) Average number employed (full and part-time; see table 7) during the year.

(b) New building work plus acquisitions less disposals of land and existing buildings, plant and machinery, vehicles and nuclear fuel.



**TABLE 6**

Percentage analysis of twelve-month periods covered by returns received, 1975.

**This table is not applicable to the industry**

**TABLE 7**

Percentage analysis of employees, by full and part-time employment and sex, 1975(a)

| Sex | Full-time | Part-time | All employees |
|---|---|---|---|
| | per cent | per cent | per cent |
| Male | 82 | – | 82 |
| Female | 14 | 4 | 18 |
| | **96** | **4** | **100** |

Source: Department of Employment

(a) The percentages relate to the numbers employed in the United Kingdom at June, 1975.



**TABLE 8**

Sales of principal products of the industry by undertakings in Great Britain, 1974-1975

Information on sales of the principal products of the Electricity industry in Great Britain is published regularly in Business Monitor PQ602. Details of sales for 1974 will be found in the monitor for third quarter 1976 published January 1977 and for 1975 in the third quarter 1977 issue published January 1978.

**Quarterly Business Monitors are available from HMSO by annual subscription.**

**TABLE 9**

Purchases by undertakings classified to the industry, 1974
Analysis of returns received, Great Britain

| | Quantity | Value |
|---|---|---|
| | | £ thousand |
| Materials for use in production | | |
| Iron and steel in all forms except finished parts, wire and scrap | | |
| Iron castings | .. | 457 |
| Steel products e.g. tubes and fittings, welded and seamless tubes, conduits, etc. | .. | 4,069 |
| Light metals and non-ferrous metals (excluding aluminium) and their alloys in all forms, e.g. copper, cadmium copper, brass, lead, solder, plumbers' metal, zinc, tin, nickel, etc. but excluding finished goods, wire and scrap | .. | 3,653 |
| Insulated wires, cables, strips and strands | .. | 21,264 |
| Uninsulated wire | .. | 1,619 |
| Timber (excluding furniture and packaging materials) | | |
| Round or unsawn | .. | 1,155 |
| Sawn or planed or further manufactured | .. | 1,228 |
| Switchgear, fuses and fuse gear | .. | 7,097 |
| Contracting materials | .. | 22,609 |
| Engineering materials | .. | 21,881 |
| Public lighting lamps, fittings and maintenance materials | .. | 2,864 |
| Cable ducts and covers | .. | 919 |
| Lubricating oils and greases (i.e. mineral, animal and vegetable) | .. | 1,808 |
| Protective clothing and footwear | .. | 1,900 |
| Stationery and printed matter | | |
| Stationery | .. | 7,000 |
| Catalogues, price lists, etc. | .. | 621 |
| Packaging materials (including materials for the manufacture of the undertakings' own packaging) | .. | 52 |
| Fuel and electricity | | |
| | Th tons | |
| Coal | 76,797 | 869,355 |
| Coke (including breeze and manufactured fuel) | 66.4 | 839 |
| | Th gal | |
| Derv fuel and motor spirit | 13,505 | 6,779 |
| Fuel oil | 907 | 279 |
| | Th tons | |
| | 15,060 | 481,169 |
| Liquefied petroleum gases (e.g. propane, butane, etc.) | 2.7 | 269 |
| | Th therms | |
| Gas | 838,351 | 38,299 |
| | Th kWh | |
| Electricity (a) | 4,344,674 | 22,180 |
| All other fuels | .. | 24,573 |
| Replacement parts and consumable tools | | |
| Tyres and other spare parts for the undertakings' own road vehicles | .. | 2,867 |
| Replacement parts for the undertakings' own machinery, plant and equipment | .. | 49,827 |
| Consumable tools (including gauges) | .. | 2,878 |
| Other purchases | .. | 32,811 |
| **TOTAL VALUE OF PURCHASES (other than for merchanting or factoring)** | | **1,632,321** |

(a) Excluding purchases by Electricity Boards from the public supply



**TABLE 10**

Payments to other organisations for certain services received by returns received in respect of undertakings in the industry, 1974

| | £ thousand |
|---|---|
| **Industrial services received** | **158,995** |
| Repairs and maintenance to | |
| Buildings | 14,656 |
| Road goods vehicles | 1,272 |
| Plant and machinery | 95,379 |
| Work done on materials given out | 27,585 |
| Other | 20,103 |
| **Non-industrial services received** | **58,669** |
| Rent of buildings, hire of plant and machinery | 8,642 |
| Commercial insurance premiums | 11,749 |
| Bank charges | 1,146 |
| Postage, telephone, telegrams, cables and telex | 10,878 |
| Transport | |
| Road | 1,265 |
| Rail and other means (excluding postal services) | 116 |
| Other | 24,873 |

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# Notes

These notes give the main information needed for interpreting the figures in the industry Business Monitors: more detailed information about the censuses is given in a separate Business Monitor — PA 1001 (Introductory Notes) of the Report on the Censuses of Production, 1974 and 1975.

## GENERAL INFORMATION

*Changes made for 1974 and 1975*

The Censuses for 1974 and 1975 are in line with similar inquiries being conducted in other member countries of the European Economic Communities. From 1974, the Census has been extended to include the construction industry. For 1974, establishments/undertakings with 300 or more employees were asked to provide additional information relating to industrial and non-industrial services. These include amounts paid:

- to other organisations for repairs and maintenance to buildings (including those in respect of rented buildings), road goods vehicles, plant, machinery and other capital equipment
- for postage, telephones, telegrams, cables and telex
- to other organisations for transport by road, rail or other means (excluding postal services)

In a separate inquiry for 1974, larger firms in each industry were also asked to provide a breakdown of the figure of total purchases (other than purchases of goods for merchanting or factoring). See paragraph on "Purchases".

*Suppression of information relating to individual undertakings*

The Statistics of Trade Act 1947 provides that—"No individual estimates or returns, and no information relating to an individual undertaking, obtained under the foregoing provisions of this Act, shall, without the previous consent in writing of the person carrying on the undertaking which is the subject of the estimates, returns or information, be disclosed except—

(a) in accordance with directions given by the Minister in charge of the government department in possession of the estimates, returns or information to a government department or to the Import Duties Advisory Committee for the purposes of the exercise by that department or committee of any of their functions; or

(b) for the purposes of any proceedings for an offence under this Act or any report of these proceedings."

If a figure involved disclosure the contributor concerned was sometimes asked to give permission for its publication. In the majority of cases this permission was given but when it was refused and in cases where the contributors were not approached the figure has been suppressed, sometimes by combining it in some way with other figures, but sometimes—as in the regional tables by omitting the figure altogether.

*Symbols used*

The following symbols are used throughout the PA series of Business Monitors:

. . not available
— nil or less than half the final digit shown
* figures cannot be shown owing to the risk of disclosing information about individual undertakings
R revised

*Rounding of figures*

Figures in the tables have, where necessary, been rounded to the nearest final digit. Where figures have been so rounded, the sum of the constituent items may not always agree exactly with the total shown.

*Industrial classification*

The United Kingdom Standard Industrial Classification (SIC) was first issued in 1948 and was subsequently revised in 1958 and 1968. It exists to promote uniformity and comparability in the official statistics of the United Kingdom. The general principles followed are those of the International Standard Industrial Classification of all Economic Activities of the United Nations Statistical Office but the United Kingdom SIC reflects the organisation and structure of industry and trade as it exists in the United Kingdom. The SIC is a classification by activity and is not a commodity classification. However, an index of all commodity headings for which sales data are provided in the Quarterly Business Monitors, is published as PQ 1000 in the Business Monitor Series.

## THE REGISTER

The register permits a questionnaire to be sent direct to the reporting establishment/undertaking on which the latter can include information relating to all the manufacturing (or local) units which it comprises.

The inquiries provide a major source of information for keeping the register continuously up-to-date and act as a check on its detail and structure. For the establishments/undertakings on the register which make returns to the quarterly inquiries, the industrial classification is derived from an analysis of their sales of commodities and is reviewed annually. Employment data is entered on the register from returns to the annual censuses of production. In cases where an establishment/undertaking does not make a return to these inquiries the employment data is based on information provided by the Department of Employment from the annual censuses of employment.

Establishments/undertakings with 20 or more employees are included in the censuses each year and the information they supply to the census is supplemented by the returns that those of them with 25 or more employees provide to the quarterly inquiries. Information about establishments/undertakings with less than 20 employees in most industries is less securely based, but increasing use has been made of data on these small establishments/undertakings supplied by the Department of Employment. One benefit of using this information is an improvement in the estimates of the number of smaller establishments/undertakings, but there is little effect on other aggregates (e.g. employment output, net capital expenditure).

*Coverage*

A return was required in the 1974 and 1975 Censuses from each establishment/undertaking with 20 or more employees. Each establishment/undertaking is classified to an industry, as defined in the SIC, whose principal products form the major part of the establishment's/undertaking's sales.

## TERMS USED IN THE CENSUS REPORT

*Average number employed*

Undertakings were required to state the number of persons on the payroll on average during the year of return, whether full-time or part-time employees. Separate figures were required for:

(a) administrative, technical and clerical employees
(b) all other employees (operatives)

Averages could be calculated from the figures relating to the last week of each calendar month. The figures include persons engaged on merchanting or factoring and canteen workers where particulars in respect of these activities could not be excluded from the return.

*Employees*

Administrative, technical and clerical employees include directors in receipt of a definite wage, salary or commission, managers, superintendents and works foremen; research, design employees (other than operatives); draughtsmen, editorial staff, advertising staff, travellers and all office employees.

Operatives include all other classes of employees, that is, broadly speaking, all manual wage earners. They include operatives employed in power stations, transport (including roundsmen), warehouses, stores, shops and canteens, inspectors, maintenance workers and cleaners. Operatives engaged in outside work of erecting, fitting etc. are also included.

*Capital expenditure*

Capital expenditure during the year in respect of manufacturing units where production had not started before the end of the year is included in the figures for 1971 to 1975. Undertakings were asked not to deduct from the value of capital expenditure amounts received or expected to be received in grants or allowances from the Government or any statutory body or local authority. From 1973, undertakings with 100 or more employees were asked to include a total net capital expenditure figure for each calendar year.

(a) New building work

This represents the cost incurred during the year of new building and other constructional work to be used in connection with the business covered by the return. The value is that charged to capital account during the year of return; it

includes expenditure on new buildings and on the extension or reconstruction of old buildings, the value of works of a capital nature carried out by the undertaking's own staff and the cost of any newly constructed buildings purchased. Figures shown include any legal charges, stamp duties, agents' commissions, etc.

(b) Land and existing buildings
The items shown are the capital cost of freeholds purchased and the capital cost or premium payable for leaseholds acquired (excluding the value of any assets acquired in taking over an existing business), and the amounts receivable for any freeholds or leaseholds disposed of. The value is that charged to capital account during the year of return.

(c) Plant, machinery and vehicles
The items shown are the value of plant and machinery and of vehicles acquired, both new and second-hand, and the amount received for items disposed of during the year. The value of plant and machinery acquired includes plant, etc., which 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*
Includes amounts payable to other firms for work done on materials supplied by the undertaking, payments for repairs and maintenance (including those in respect of rented buildings) and amounts paid to other firms for contracts which have been sublet.

*Cost of non-industrial services*
Includes rent of industrial buildings and capital equipment, commercial insurance premiums, bank charges and amounts paid for professional services, postal etc. 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.

*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 and capital equipment, 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.

*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 undertaking or given out to other establishments/undertakings for the production of machinery or other capital items for the undertaking's own use; of materials for use by the undertaking when working on goods supplied by customers; and of food, etc. for any canteen covered by the undertaking's return. Transfers of goods to the undertaking from another department of the same firm not covered by the undertaking'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 undertaking. 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.
The information shown in Table 9 was obtained in an inquiry carried out as a supplement to the Census of Production for 1974, in which the larger firms in each industry were asked to provide a breakdown of the figure of total purchases (other than purchases of goods for merchanting or factoring) that they contributed to the Census. No establishment/undertaking with fewer than 25 employees was asked to contribute to the inquiry; and this exemption limit was raised to exclude establishments/undertakings with fewer than 50 or 100 employees, in those industries in which exempted establishments/undertakings were estimated to account for less than 15 per cent of the industry's total purchases. A breakdown of purchases similar to that sought in the 1974 inquiry was previously obtained as part of the Censuses of Production for 1963 and 1968, and results were published in Table 10 of the Industry Reports of those Censuses.

*Sales of goods produced, work done and industrial services rendered*
Sales for the purposes of the annual censuses means deliveries on sale of goods made by undertakings in the United Kingdom covered by the inquiry. Sales of goods made for these undertakings by other undertakings from materials given out to them are included; as also are sales of waste products. Any new building work and machinery or other capital items produced by undertakings for hiring out or leasing are regarded as sales, the value included in the return being that adopted in the undertaking's 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 undertaking and transferred either to ancillary departments not engaged in production and for which there are separate accounts, or to another undertaking of the same firm not covered by the return, are treated as sales by the producing undertaking 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 less allowance for returnable cases is included.

Figures for work done represent the amount charged for work carried out on materials supplied by a customer and include repair and jobbing work, erection and installation of plant and machinery, exploration work, and research and development.

Industrial services rendered includes repairs and maintenance, installation work, and technical research and studies rendered to other organisations.

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

*Non-industrial services rendered*
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. Also includes amounts received for the right to use patents, trademarks, copyrights etc., manufacturing and quarrying rights and technical "know-how"; revenue from such staff facilities as canteens is also included.

*Goods merchanted or factored*
Merchanted 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 undertaking but which are not usually sold or transferred to another undertaking 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. 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.

*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, superannuation 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 holiday homes, etc. for employees, former employees, and their dependants are also included.

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