# PA279.1

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**Business Statistics Office** 

## **Business Monitor**

Report on the Census of Production

**Polishes** 



### Special Note for Purchasers

Commencing with the 1971 Census, the Census of Production reports are being numbered in a uniform series embracing all industrial inquiries in the Business Monitor series. These Business Monitors have a code P (for production) followed first by A (indicating that it is an annual series) or Q (quarterly) or M (monthly): and then by a number indicating the minimum list heading, or sub-division of a minimum list heading, of the Standard Industrial Classification (revised 1968).

The Census of Production (PA) reports are available on standing order (details on application to Her Majesty's Stationery Office, P.O. Box 569, London SE1 9NH. Telephone 01-928 6977), although they are not included in the global subscription arrangements for the Business Monitor series.

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# PA279.1 Business Monitor

A publication of the Government Statistical Service

Report on the Census of Production 1976

### **Polishes**

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

PA1001 PA101	Introductory notes Coal mining	PA369.1	Electrical equipment for motor vehicles, cycles and aircraft
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PA104 PA109	Petroleum and natural gas Miscellaneous mining and quarrying	PA370	accessories, etc. Shipbuilding and marine engineering
PA211	Grain milling	PA380	Wheeled tractor manufacturing
PA212	Bread and flour confectionery		Motor vehicle manufacturing
PA213 PA214	Biscuits Bacon curing, meat and fish products	PA381.2	Trailers, caravans and freight containers  Motor cycle, tricycle and pedal cycle manufacturing
PA215	Milk and milk products	PA383	Aerospace equipment manufacturing and repairing
PA216 PA217	Sugar Cocoa, chocolate and sugar confectionery	PA384	Locomotives, railway track equipment, railway carriag wagons and trams
PA218	Fruit and vegetable products	PA390	Engineers' small tools and gauges
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PA273	Toilet preparations		Hosiery and other knitted goods
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PA279.7	Photographic chemical materials	PA441	Weatherproof outerwear
PA311 PA312	Iron and steel (general) Steel tubes	PA442 PA443	Men's and boys' tailored outerwear Women's and girls' tailored outerwear
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PA321	Aluminium and aluminium alloys	PA445	Dresses, lingerie, infants' wear, etc.
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PA337 PA338	Mechanical handling equipment Office machinery	PA469.2 PA471	Miscellaneous building materials and mineral products Timber
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PA339.5	Scales and weighing machinery and portable power tools	PA479 PA481	Miscellaneous wood and cork manufactures Paper and board
PA339.7	Food and drink processing machinery and		Cardboard boxes, cartons and fibre-board packing case
	packaging and bottling machinery		Packaging products of paper and associated materials
PA339.9 PA341	Miscellaneous (non-electrical) machinery Industrial (including process) plant and steelwork	PA483 PA484.1	Manufactured stationery Wallcoverings
PA342	Ordnance and small arms	PA484.2	Miscellaneous manufactures of paper and board
PA349.1	Ball, roller, plain and other bearings Precision chains and other mechanical engineering	PA485 PA489	Printing, publishing of newspapers and periodicals General printing and publishing
PA351	Photographic and document copying equipment	PA491	Rubber
PA352 PA353	Watches and clocks	PA492	Linoleum, plastics floor-covering, leathercloth, etc.
PA354	Surgical instruments and appliances Scientific and industrial instruments and systems	PA493 PA494.1	Brushes and brooms Toys, games and children's carriages
PA361	Electrical machinery	PA494.3	Sports equipment
PA362 PA363	Insulated wires and cables . Telegraph and telephone apparatus and	PA495 PA496	Miscellaneous stationers' goods Plastics products
	equipment	PA499.1	Musical instruments
PA364 PA365.1	Radio and electronic components Gramophone records and tape recordings		Miscellaneous manufacturing industries
	Broadcast receiving and sound reproducing	PA500 PA601	Construction Gas •
	equipment	PA602	Electricity
PA366 PA367	Electronic computers Radio, radar and electronic capital goods	PA603 PA1002	Water supply Summary tables
PA368	Electrical appliances primarily for domestic use	7,11002	

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The information in this report relates to establishments classified to the Polishes industry, minimum list heading 279.1 in the Standard Industrial Classification (revised 1968). The activities of the industry include:

Manufacturing wax and other polishes of all types (except french polish) for leather, wood or metal. The manufacture of impregnated polishing cloths and sponges is included.

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, 1973 - 1976

All United Kingdom establishments classified to the industry (a)

	Unit	1973	1974	1975	1976
Enterprises	Number	95	92	87	92
Establishments	.,	98	95	89	93
Sales of goods produced	£ thousand	60,765	70,497	82,121	99,628
Receipts for work done and industrial services rendered	e canonimo dan	(b)	(b)	(b)	9
Capital goods produced for establishments' own use		98	55	79	70
Non-industrial services rendered		465	148	156	161
Goods merchanted or factored	,,	6,207	6,380	6,197	10,144
Total sales and work done (c)		67,534	77,080	88,553	110,012
Increase during the year, work in progress and goods on hand for sale	,,	1,300	2,995	-1,121	2,155
Gross output		68,834	80,075	87,432	112,168
Purchases of materials for use in production, and packaging and fuel		29,009	38,147	45,738	56,772
Purchases of goods for merchanting or factoring	"	4,367	4,613	4,648	7,388
ncrease during the year, stocks of materials, tores and fuel	,,	1,099	3,009	-635	1,538
Cost of industrial services received	"	710	1,468	954	1,234
Net output	"	35,847	38,856	35,457	48,312
otal employment (d)	Thousands	6.1	5.6	5.2	5.3
Net output per head	£	5,831	6,880	6,777	9,093
ayments for non-industrial services					
Rents, hire of plant and machinery (e)(f)	£ thousand	352	169	291	434
Commercial insurance premiums		319	264	365	525
Bank charges	"	27	49	82	160
Other non-industrial services (g)		5,138	5,688	7,598	11,086
icensing of motor vehicles	"	75	109	51	61
ates, excluding water rates		488	542	709	740
Gross value added at factor cost	"	29,448	32,035	26,362	35,306
Gross value added at factor cost per head	£	4,790	5,672	5,039	6,645

(a) Including estimates for establishments not making satisfactory returns, non-response and establishments exempt because of size. Satisfactory returns accounted for 79 per cent of employment within the industry.

(b) Included with Sales of goods produced

(c) Details of manufacturers' sales of principal products are published regularly in Business Monitor PQ279.1.

(d) Average number employed, including full and part time employees (see table 7) and working proprietors.

(e) 1973 figures include hire of vehicles

(f) For 1973-1975 rents of industrial and commercial buildings were not recorded separately. For 1976 the amount payable was £237 thousand.

(g) 1974-1976 figures include the cost of hiring goods vehicles.

Capital expenditure, 1973 - 1976

TABLE 2

All United Kingdom establishments classified to the industry (a)(b)

				same and the same	£ thousand
The second Common Description of the second	1973	1974	1975	TO GRAD	1976
Land and buildings		180307 600	(a)	ments	
New building work	332	-6190(291 l610)	1,504		654
Land and existing buildings					
Acquisitions	72	1,347	104		141
Disposals	1	350	3		10
Vehicles					
Acquisitions					
Motor cars	700	664 )	769		957
Other vehicles	230	65 )	,00		60 69
Disposals					
Motor cars	320	265 )			
Other vehicles	70	12)	293		375
Plant and machinery					
Acquisitions	1,289	2,090	2,549		2,042
Disposals	24	302	226		18
Total net capital expenditure	2,208	3,528	4,405		3,390

(a) Including estimates for establishments not making satisfactory returns, non-response and establishments exempt because of size. Satisfactory returns accounted for 79 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
	res Expe senso	to Victor, amoves V	Increase	Several de les restres de la Serie	Value at end of year
Materials, stores and fuel	1,099	3,009	<b>–635</b>	1,538	9,795
Work in progress	237	440	-731	58	288
Goods on hand for sale	1,063	2,555	-390	2,098	8,218
Total	2,399	6,004	-1,756	3,693	18,301

(a) Including estimates for establishments not making satisfactory returns, non-response and establishments exempt because of size. Satisfactory returns accounted for 79 per cent of employment within the industry.

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

Size group (b)	Estab- lish- ments	Enter- prises (c)	Employment			Wages and sa	Wages and salaries (f)			
			Total	Opera-	Opera- tives (e)	Operatives		Others (e)		
			(d)	tives		Total	per head	Total	per head	
TOTAL TREE	Number	Number	Number	Number	Number	£ thousand	£	£ thousand	£	
1 - 10	41	41	189)							
11 - 19	19	19	264)							
20 - 49	14	14	449)	831	637	1,736	2,089	2,202	3,456	
50 - 99	8	8	629)							
100 - 199	6	6	807	369	438	789	2,139	1,462	3,337	
200 and over	5	4	2,975	1,372	1,603	4,311	3,142	5,403	3,371	

Total	93	92	5,313	2,572	2,678	6,836	2,658	9,066	3,385

<sup>(</sup>a) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 employees.

Total sales and work done (g)	Gross outpu	ut Net output	Gross value added at factor cost		js)	Net capital expenditure (h)	Total stocks and work in progress at end of year
		Total	per head	Total	per head		
£ thousand	£ thousand	£ thousand	derivers of the state of the st	£ thousand	E SAN PART AND	£ thousand	£ thousand
31,628	32,068	10,745	7,019	(j)	(j)	740	4,293
	040.80 040.80	Desper	814	788.	0.02	510	Vorkshire and -
19,095	19,352	6,286	7,789	13,108(j)	5,607(j)	519	3,023
59,289	60,748	31,280	10,514	22,198	7,462	2,131	10,985

110,012	112,168	48,312	9,093	35,306	6,645	3,390	18,301	

<sup>(</sup>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 £2,125 thousand.

<sup>(</sup>b) Average number employed, including full and part-time employees (see table 7) and working proprietors.

<sup>(</sup>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.

<sup>(</sup>d) Including working proprietors.

<sup>(</sup>e) Administrative, technical and clerical employees.

<sup>(</sup>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.

<sup>(</sup>h) New building work plus acquisitions less disposals of land and existing buildings, vehicles and plant and machinery.

<sup>(</sup>j) Gross value added data relate to establishments employing 1-199.

TABLE 6

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 2 500	Total employmen	t (a)	Net capital expenditure	Net capital expenditure (b)(c)		Net output, gross value added and employment in the region from returns received from establish- ments with more than 80 per cent of their employ- ment in the region (d)			
					Net outpu	t Gross val added at factor co	percent	ment as a age of total I employment ndustry	
	Thousands	per cent of United Kingdom	£ thousand	per cent of United Kingdom	£ thousand	£ thousar	nd	Brighton 3	
Standard regions of England									
4,293	746								
North			*	*	*	*	*		
Yorkshire and Humberside	1.7	32.0	1,485	43.8	10.707	14.004	00.0		
			(Januar		19,737	14,661	98.0		
East Midlands	0.2	3.6	76	2.2	*	*	*		
East Anglia	S TELS 4	700.	THE STATE OF THE S	1 * 83 6,01	4.31 * CE	S. 18 3 (S.)	84/100		
South East	1.8	33.3	944	27.8	*	*	*		
South West		*	*		*		*		
West Midlands	0.4	8.3	234	6.9	*	*	*		
North West	0.8	15.0	493	14.5	2,743	2,263	65.1		
England	5.2	98.3	3,351	98.8	36,924	26,560	73.6		
Wales	•			*	*	*	*		
Scotland	•	*	*	*	*	*	*		
Great Britain	5.3	100.0	3,390	100.0	36,924	26,560	72.4		
Northern Ireland	_	_	_	_	_	_	_		
Unallocated (e)	_	_	_	_	11,387	8,746	_		
United Kingdom (b)	5.3	100.0	3,390	100.0	48,312	35,306			

(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.

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

Accoun	ting year ended	Percentage of total re	eturns received	Percentage of	f total number employed
	THE SECTION OF TAXABLE PARTY.	peς cent		per cent	25 Y 2 2 25 Y 2 2 2 2 2 3 2 3 2 3 2 3 2 3 2 3 2 3 2
1976	April (a)	0.0		0.0	
	May	0.0		0.0	
	June	13.6		7.4	
	July	4.6		18.6	
	August	0.0		0.0	
	September	9.1		2.1	
	October	13.6		17.9	
	November	4.6		0.7	
	December	40.9		22.1	
1977	January	9.1		30.4	
	February	0.0		0.0	
	March (b)	4.6		0.7	

(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)
Other chemical industries, minimum list heading 279

Sex	Full-time	Part-time	All employees
Today established to	per cent	per cent	per cent
Male	63	the topol 1 bears to vi	64
Female	28	8	36

Source: Department of Employment

PA279.1

(a) The percentages relate to the numbers employed (excluding working proprietors) in the United Kingdom in minimum list heading 279 at end June, 1976. In the 1976 Census of Production the employment of the Polishes industry represented 8 per cent of the employment of minimum list heading 279 as a whole.

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These notes give the main information needed for Interpreting the figures in the industry Business Monitors: more detailed information about the census is given in a separate Business Monitor -PA1001 (Introductory Notes) of the Report on the Census of Production, 1976.

#### GENERAL INFORMATION

Changes made for 1976

The Census for 1976 is in line with similar inquiries being conducted in other member countries of the European Economic Communities. There was a small number of changes in the scope of the industry reports compared with 1975. These include separate headings for:

Sales of goods produced

Receipts for work done and industrial services rendered

Amounts paid for hire of plant and machinery Amounts paid for rent of industrial and

commercial buildings Specific changes are explained in the introductions to the industry reports or by footnotes to the

Suppression of information relating to individual

Section 9(5)(b) of the Statistics of Trade Act 1947 states - "The following provisions shall have effect with respect to any report, summary or other communication to the public of information obtained under the foregoing provisions of this Act -

in compiling any such report, summary or communication the competent authority shall so arrange it as to prevent any particulars published therein from being identified as being particulars relating to any individual person or undertaking except with the previous consent in writing of that person or the person carrying on that undertaking, as the case may be; but this provision shall not prevent the disclosure of the total quantity or value of any articles produced, sold or delivered; so, however, that before disclosing any such total the competent authority shall have regard to any representations made to them by any person who alleges that the disclosure thereof would enable particulars relating to him or to an undertaking carried on by him to be deduced from the total disclosed."

If a figure involved disclosure the contributor concerned was sometimes asked to give permission for its publication. In the majority of cases permission was given. When it was refused and where contributors were not approached the figure has been suppressed, either by combining it with other figures, or 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 enterprises

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

Industrial classification

The United Kingdom Standard Industrial Classification (SIC) was first issued in 1948 and was subsequently revised in 1958 and 1968. 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 However. and is not a commodity classification. an index of all commodity headings for which sales data are provided in the Quarterly Business Monitors, is published in Business Monitor PQ1000.

The statistical unit for the purpose of the Census is the establishment which is defined in the SIC as the smallest unit which can provide the information normally required for an economic census, for example, employment, expenses, turnover, capital formation. Usually the principal activities carried on in an establishment fall within a single heading of the classification (e.g. steel making or sugar refining). Typically the establishment embraces all the activities carried on at a single address e.g. a farm, a mine or a factory, including those which are ancillary to the principal activities. Frequently distinct activities characteristic of different industries are carried on at one address, but normally these are not classified separately and the whole establishment is classified according to the main activity. If, however, the required range of data can be provided for each activity, each is taken to constitute a separate establishment. Sometimes activities which are conducted as a single business are carried on at a number of addresses. Where this is so, businesses are asked to provide the full range of separate information in respect of each address; whether or not the activities are different. Their activities may, however, be integrated to such an extent that they constitute a single establishment. In the latter case the establishment is defined to cover the combined activities at these addresses (termed local Separate figures are obtained of employment and net capital expenditure at each unit in order to compile regional tables.

Efforts are made by the Business Statistics Office to ensure, by negotiating with respondents, that the return from an establishment does not cover local units or addresses in more than one of the countries of the United Kingdom.

Further information about the statistical unit appeared in an article "The statistical unit in business inquiries" in Statistical News No.13 May

Establishments are asked to exclude from their returns particulars relating to any department not engaged in production e.g. merchanting, transport, warehousing, for which they keep a separate set of Transfers of goods produced to such departments are treated as sales and respondents are asked to value them as far as possible as if sold to an independent purchaser. Where separate accounts are not kept they are asked to include details of all these activities in their return. Particulars relating to head offices mainly engaged in the administration of the production units within the scope of the census were included. Where more than one return was made the information in respect of the head office was apportioned among them. For certain purposes in the annual censuses of

production (especially the enterprise analyses of Business Monitor PA1002) related establishments are combined. For these purposes an enterprise group may be defined as a business consisting of either a single establishment or two or establishments under common ownership or control. Bringing together establishments into enterprise groups is also necessary for the purpose of ensuring that there will be no disclosure of the activities of any one enterprise group.
Information about the relationship of establishments, the changing structure of groups of companies and about common ownership links is obtained from many sources, including the Stock Exchange Year Book, company reports, press reports and information supplied by individual establishments.

The register permits a questionnaire to be sent direct to the reporting establishment 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 on the register making returns to the quarterly inquiries, the industrial classification is derived from an analysis of their sales of commodities and is reviewed annually. Employment data are entered on the register from returns to the annual census of production. cases where an establishment does not make a return to these inquiries the employment data are based on information provided by the Department of Employment from the annual censuses of employment.

stablishments 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 with 25 or more employees provide to the quarterly inquiries. Information about establishments with fewer than 20 employees n most industries is less securely based, ncreasing use has been made of data on these small establishments supplied by the Department of Employment. One benefit of using this information is an improvement in the estimates of the number of smaller establishments and enterprises, but there is little effect on other aggregates (e.g. employment, output, net capital expenditure).

A return was required in the 1976 Census from each establishment with 20 or more employees. Each establishment is classified to an industry, as defined in the SIC, whose principal products form the major part of the establishment's sales.

The regions defined in Table 5 take account of the boundary changes arising out of the Local Government Act 1972 and the Local Government Act (Scotland) 1973. These changes came into effect in April 1974 in England and Wales and May 1975 in Scotland.

TERMS USED IN THE CENSUS REPORT

Average number employed

Establishments 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 emp loyees
- (b) all other employees (operatives)

Averages could be calculated from the figures relating to the last week of each calendar month. Establishments were also required to state the number of working proprietors where appropriate and these are included in total employment Outworkers (i.e. persons employed by establishments who worked in their own homes etc. on materials supplied by the establishment) are excluded. 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.

Working proprietors

These include all persons regarded as "selfemployed" for national insurance purposes and members of their families who worked in the business without receiving a wage or salary; but such persons who worked less than half the normal number of working hours are excluded. Directors working in the business but not in receipt of a definite wage, salary or commission are included under this heading: directors paid by fee only are not included.

**Employees** 

Administrative, technical and clerical employees include directors in receipt of a definite wage, salary or commission, managers, superintendents and works foremen; research and 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 maintenance workers and inspectors. cleaners. Operatives engaged in outside work of erecting, fitting etc. are also included, but outworkers are excluded.

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. Establishments 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 Establishments 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 establishment's own staff and the cost of any newly constructed buildings purchased. Figures shown include 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 assets acquired in taking over an business), and the amounts receivable for freeholds or leaseholds disposed of. The value is that charged to capital account during the year of

(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

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 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

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. 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 a
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

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.

maintenance, installation work, and technical

esearch and studies for other organisations.

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

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