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Report on the Census of Production

Stone and slate quarrying and mining



A publication of the Government Statistical Service

PA 102 Business Monitor

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Report on the Census of Production 1977

Stone and slate quarrying and mining

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

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.

Government Statistical Service

A service of statistical information and advice is provided to the Government by specialist staffs employed in the statistics division of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Departments concerned.

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PA102 STONE AND SLATE QUARRYING AND MINING

The information in this report relates to establishments classified to the Stone and slate quarrying and mining industry, minimum list heading 102 in the Standard Industrial Classification (revised 1968). The activities of the industry include:—

Extracting granite, limestone, marble, sandstone, etc. from mines, pits or quarries and slate quarrying and mining, and such ancillary activities as cleaning, washing, grading, etc. normally carried out at pits and quarries. Processing activities, for example, the production of roofing slates, coating of roadstone, etc., are also included when carried on at the site of the mine or quarry.

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, 1973-1977
All United Kingdom establishments classified to the industry (a)

	Unit	1973	1974	1975	1976	1977
Enterprises	Number	410	450	454	444	445
Establishments	"	697	734	761	726	727
Sales of goods produced (b)	£ thousand	174,910	222,291	271,625	307,300	337,967
Receipts for work done and industrial services rendered	"	(c)	(c)	(c)	1,223	2,851
Capital goods produced for establishments' own use	"	324	1,102	117	168	147
Non-industrial services rendered	"	267	553	582	296	420
Goods merchanted or factored	"	2,989	3,621	8,300	7,226	6,114
Total sales and work done (d)	"	178,491	227,567	280,624	316,213	347,498
Value of outward transport on goods sold						
by establishments' own staff	"	13,353	16,696	21,079	19,347	22,278
by other organisations	"	45,667	54,391	54,905	64,330	70,465
Increase during the year, goods on hand for sale	"	-413	1,396	1,509	1,408	898
Gross output	"	237,098	300,051	358,116	401,298	441,139
Purchases of materials for use in production, and packaging and fuel	"	67,290	95,635	117,170	139,183	155,789
Purchases of goods for merchenting or factoring	"	2,490	3,164	7,612	6,698	5,297
Increase during the year, stocks of materials, stores and fuel	"	861	2,234	2,123	1,751	1,173
Cost of industrial services received	"	11,401	7,749	10,787	13,015	15,407
Net output	"	156,778	195,736	224,670	244,154	265,820
Total employment (e)	Thousands	19.7	19.7	19.3	17.4	16.6
Net output per head	£	7,965	9,961	11,635	14,067	16,001
Payments for non-industrial services						
Hire of vehicles, plant and machinery	£ thousand	1,471	2,140	3,338	4,507	7,651
Rents of industrial and commercial buildings	"	(f)	(f)	(f)	82	60
Commercial insurance premiums	"	1,056	1,305	1,657	1,762	2,065
Bank charges	"	36	51	72	83	106
Other non-industrial services	"	48,910	61,396	60,485	68,914	80,266
Licensing of motor vehicles	"	760	721	811	530	721
Rates, excluding water rates	"	986	1,776	2,141	2,168	2,727
Gross value added at factor cost	"	103,560	128,347	156,166	166,107	172,225
Gross value added at factor cost per head	£	5,261	6,531	8,088	9,571	10,367

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 persons. Satisfactory returns accounted for 62 per cent of employment within the industry.
- (b) Sales of products are valued at ex-quarry or ex-works prices, the cost of transport being shown separately.
- (c) Included in sales of goods produced.
- (d) Details of manufactures' quarterly sales of principal products are published regularly in Business Monitor PQ102.
- (e) Average number employed, including full and part-time employees (see table 7) and working proprietors.
- (f) For 1973-1975 rents of industrial and commercial buildings were not recorded separately, but included in hire of vehicles, plant and machinery.

TABLE 2

Capital expenditure, 1973-1977
All United Kingdom establishments classified to the industry (a)(b)

	£ thousand				
	1973	1974	1975	1976	1977
Land and buildings					
New building work	921	914	762	796	1,091
Land and existing buildings					
Acquisitions	2,373	1,838	2,610	1,579	903
Disposals	140	311	322	380	722
Vehicles					
Acquisitions	3,399	2,928	3,023	2,841	4,774
Disposals	470	515	634	444	973
Plant and machinery					
Acquisitions	21,529	24,527	18,067	25,161	27,024
Disposals	935	1,162	898	1,587	3,418
Total net capital expenditure	26,675	28,219	22,606	27,965	28,679

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 persons.
- (b) Capital expenditure in respect of manufacturing establishments where production had not commenced before the end of the year, is included.

TABLE 3

Stocks, 1973-1977
All United Kingdom establishments classified to the industry (a)

	£ thousand				
	1973	1974	1975	1976	1977
			Increase		Value at end of year
Materials, stores and fuel	861	2,234	2,123	1,751	1,173
Work in progress					
Goods on hand for sale	-413	1,396	1,509	1,408	898
Total	448	3,630	3,632	3,160	2,071
					21,126

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 persons.

TABLE 4

Analysis of establishments by size, 1977
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	
										£ thousand
1-10	395	302	2,019							
11-19	112	80	1,671							
20-49	141	80	4,351	9,089	2,085	30,799	3,389	7,584	3,638	
50-99	51	38	3,420							
100-199	19	17	2,400	1,906	494	6,471	3,395	1,703	3,448	
200-299	6	5	1,442	1,109	333	4,271	3,851	1,339	4,021	
300 and over	3	3	1,310	927	383	3,806	4,106	1,651	4,311	
Total	727	445	16,613	13,031	3,295	45,347	3,480	12,278	3,726	

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 persons.
- (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.

Total sales and work done (g)	Gross output (h)	Net output (i)	Gross value added at factor cost		Net capital expenditure (h)	Total stocks at end of year		
			Total	per head				
							Total	per head
232,752	289,861	174,274	15,206	(j)	(j)	19,131	14,759	
41,108	55,157	32,304	13,460	141,744(j)	10,226(j)	3,564	2,901	
37,982	47,584	28,084	19,476	14,123	9,794	2,569	1,730	
35,656	48,537	31,158	23,785	16,358	12,487	3,415	1,737	
347,498	441,139	265,820	16,001	172,225	10,367	28,679	21,126	

- (f) The cost of employers' contributions to national insurance, pensions and welfare schemes and the running costs of canteens, is estimated for the industry at £7,819 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 merchant goods.
- (h) New building work plus acquisitions less disposals of land and existing buildings, vehicles and plant and machinery.
- (i) Gross value added data relate to establishments employing 1-199.

TABLE 5

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Regional distribution of employment, net capital expenditure, net output and gross value added at factor cost, 1977
All United Kingdom establishments classified to the industry (a)

Area	Total employment (b)		Net capital expenditure (c)		Net output (d)	Gross value added at factor cost (d)	Gross value added at factor cost returned by establishments with 80 per cent or more of their employment in the region as a proportion of total gross value added at factor cost in the region
	Thousands	per cent of United Kingdom	£ thousand	per cent of United Kingdom	£ thousand	£ thousand	percentage
Standard regions of England							
North	1.7	10.4	2,271	7.9	30,627	19,480	59.7
Yorkshire and Humberside	1.4	8.2	3,028	10.6	23,134	14,855	43.5
East Midlands	2.0	12.3	3,672	12.8	38,614	23,194	61.4
East Anglia	0.1	0.8	164	0.6	2,050	1,428	43.2
South East	0.3	2.0	557	1.9	5,225	3,094	16.4
South West	2.3	14.0	4,966	17.3	44,222	26,211	61.5
West Midlands	1.0	6.3	1,374	4.8	17,827	10,617	59.2
North West	0.8	4.8	1,208	4.2	12,271	7,689	47.8
England	9.8	58.7	17,240	60.1	173,969	106,570	
Wales	3.1	18.4	5,129	17.9	39,311	26,332	46.0
Scotland	2.4	14.4	2,992	10.4	35,083	25,789	49.8
Great Britain	15.2	91.6	25,361	88.4	248,362	158,691	
Northern Ireland	1.4	8.4	3,318	11.6	17,457	13,534	55.5
United Kingdom	16.6	100.0	28,679	100.0	265,820	172,225	

- (a) Including estimates for establishments not making satisfactory returns, non-response and establishments with fewer than 20 persons.
- (b) Average number employed, including full and part-time employees (see table 7) and working proprietors.
- (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 of the net output attributable to each address was made by assuming that net output was proportionate to employment. An estimate for each region was obtained by aggregating estimates of net output for addresses located in that region. Gross value added at factor cost is treated similarly.

TABLE 6

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Percentage analysis of twelve-month periods covered by returns received from United Kingdom establishments employing 20 or more persons, 1977

Accounting year ended		Percentage of total returns received	Percentage of total number employed
		per cent	per cent
1977	April (a)	0.6	0.8
	May	0.6	0.2
	June	9.3	7.3
	July	0.0	0.0
	August	0.0	0.0
	September	13.0	8.8
	October	4.3	5.8
	November	2.5	1.8
	December	42.0	51.0
1978	January	2.5	2.0
	February	1.8	1.3
	March (b)	23.5	21.2

(a) From 6th April.

(b) Including returns made for twelve-month period ended 1st to 5th April 1978.

TABLE 7

Percentage analysis of employees, by full and part-time employment and sex, 1977(a)

Sex	Full-time	Part-time	All employees
	per cent	per cent	per cent
Male	97	—	97
Female	2	1	3

Source: Department of Employment

- (a) The percentages relate to the numbers employed (excluding working proprietors) in the United Kingdom at mid-June, 1976, because 1977 information is not yet available.

TABLE 8

PA102

Operating ratios, 1977
All United Kingdom establishments classified to the industry (a)

	Unit	1977
Gross output per head	£	26,554
Net output per head	£	16,001
Gross value added per head	£	10,367
Gross value added as a percentage of gross output	%	39
Ratio of gross output to stocks		20.9
Wages and salaries as a percentage of gross value added	%	33
Ratio of operatives to administrative, technical and clerical employees		4.0
Wages and salaries per operative	£	3,480
Wages and salaries per administrative, technical and clerical employee	£	3,726
Net capital expenditure per head	£	1,726
Net capital expenditure as a percentage of gross value added	%	17

(a) Including estimates for establishments not making satisfactory returns, non-response and establishments employing fewer than 20 persons.

Notes

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 - PA 1001 (Introductory Notes) of the Report on the Census of Production, 1977.

GENERAL INFORMATION

Changes made for 1977

The Census for 1977 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 1976.

For the first time in the industry monitors a table has been included on operating ratios, calculated from census measures of output, investment, manpower and labour costs.

Specific changes are explained in the introductions to the industry reports or by footnotes to the tables.

Suppression of information relating to individual undertakings

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 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 in Business Monitor PQ 1000.

Statistical units

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 (eg steel making or sugar refining). Typically the establishment embraces all the activities carried on at a single address eg 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 units). 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 (BSO) 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 1971.

Establishments are asked to exclude from their returns particulars relating to any department not engaged in production eg merchandising, transport, warehousing, for which they keep a separate set of accounts. 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 PA 1002) 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 more

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.

Cost of non-industrial services

This includes rents of industrial and commercial buildings, hire of plant, machinery and vehicles (excluding vehicles hired with drivers), commercial insurance premiums, bank charges and amounts paid for professional services, post office services, transport (within the United Kingdom), advertising etc. Amounts payable on royalties for the right to use patents, trademarks, copyrights etc, manufacturing, mining 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 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.

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 eg rent of buildings, hire of plant, machinery and vehicles (excluding vehicles hired with drivers), commercial insurance premiums, bank charges and amounts paid for professional services, post office services, transport (within the United Kingdom) 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.

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 cif 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 minerals raised or goods made by establishments in the United Kingdom covered by the inquiry. Sales of goods made for these establishments 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 VAT) 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.

Receipts for 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 the value of any materials bought and used in such work. Activities within this heading include repair and jobbing work, erection and installation of plant and machinery, exploration work, and research and development. 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 vehicles 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, mining and quarrying rights and technical "know-how" and revenue from such staff facilities as canteens.

Goods merchanted 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, commissions and holiday pay, 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/or earnings related basic contributions under the Social Security Pensions Act, 1975) and 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.

Operating ratios

The operating ratios shown were obtained by dividing the estimate of the industry total for the quantity shown in the numerator by the corresponding estimate for the quantity shown in the denominator. These estimates cover all establishments classified to the industry, including exempted establishments and non-respondents. Within an industry, it is possible to compare ratios for an individual firm with the ratios shown for the relevant industry. However, it is important to bear in mind that various factors may affect the results - for example, differences in

definitions, treatment of depreciation (which is not identified in the census data) and varying practice with regard to stock valuation, may affect comparability in some respects.

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