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Report on the
Census of Production

Coal mining



A publication of the Government Statistical Service

A publication of the Government Statistical Service

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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Report on the Census of Production 1977

Coal 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

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PA101 COAL MINING

The information in this report relates to undertakings of the National Coal Board and non-nationalised undertakings classified to the Coal mining industry, minimum list heading 101 in the Standard Industrial Classification (revised 1968). The activities of the industry include:—

The extraction of coal from deep mines and quarries and the ancillary activities of cleaning, washing, grading etc., normally carried out at mines. Persons associated with coal production employed by the National Coal Board elsewhere than at the mines (i.e. at area, regional and headquarters offices), and their remuneration are in general included, but certain administrative staff associated mainly with activities other than coal production are excluded from this report. The extraction of coal from open-cast workings is excluded.

This report relates to Great Britain only as there is no coal mining in Northern Ireland.

The figures relate to years ended in March, and those for 1977 relate to the year ended 25 March, 1978.

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

PA101

Output and costs, 1973-1977
All Great Britain undertakings classified to the industry (a)(b)

	Unit	1973	1974	1975	1976	1977
Number of colliery units or mines (c)	Number	409	408	370	370	368
Sales of goods produced (d)	£ thousand	720,554	1,303,615	1,700,576	2,033,341	2,238,091
Receipts for work done and industrial services rendered	" "	(e)	(e)	(e)	21	411
Capital goods produced for undertakings' own use	"	94,058	131,327	204,743	234,755	255,183
Non-industrial services rendered	"	5,630	8,693	11,457	12,507	14,158
Goods merchanted or factored	"	905	—	—	—	—
Total sales and work done (f)	"	821,147	1,443,636	1,916,776	2,280,624	2,507,843
Increase during the year, work in progress and goods on hand for sale	"	-28,131	3,699	86,600	9,300	33,912
Gross output	"	793,015	1,447,335	2,003,375	2,289,924	2,541,755
Purchases of materials for use in production and packaging and fuel (d)	"	269,678	316,202	443,794	473,256	611,358
Purchases of goods for merchenting or factoring	"	822	—	—	—	—
Increase during the year, stocks of materials, stores and fuel	"	17,475	18,997	48,060	6,168	27,471
Cost of industrial services received	"	18,023	26,058	36,927	39,006	42,345
Net output	"	521,967	1,124,071	1,570,713	1,783,831	1,915,523
Net output per head	£	1,715	3,774	5,231	6,053	6,539
Payments for non-industrial services						
Hire of vehicles, plant and machinery	£ thousand	7,235	6,341	6,576	6,261	7,041
Rents of industrial and commercial buildings	"	(g)	(g)	(g)	1,245	1,138
Commercial insurance premiums	"	77	100	117	165	208
Bank charges	"	494	563	702	833	1,051
Other non-industrial services	"	27,209	35,125	46,468	55,507	62,989
Licensing of motor vehicles	"	557	550	700	798	905
Rates, excluding water rates	"	3,971	6,961	7,513	9,124	10,577
Gross value added at factor cost	"	482,425	1,074,431	1,508,637	1,709,898	1,831,614
Gross value added at factor cost per head	£	1,585	3,608	5,024	5,802	6,253
Total employment (h)	Number	304,389	297,832	300,274	294,724	292,921
Operatives	"	277,164	270,837	272,502	267,231	265,577
Others (j)	"	27,225	26,995	27,772	27,493	27,344
Wages and salaries (k)						
Operatives	£ thousand	432,238	659,979	820,665	864,090	946,598
Others (j)	"	63,955	83,097	103,353	112,241	121,557

PA101

(a) National Coal Board undertakings forming part of the Coal mining industry and licensed small mines which for census years 1973-1977 accounted for less than 1 per cent of the aggregate output figures in which they are incorporated. For details of NCB undertakings see table 8.

(b) The following information relates to licensed small mines in the industry:-

	1973	1974	1975	1976	1977
Number of mines	150	162	129	132	137
Number employed (h)					
Working proprietors	111	96	103	99	101
Other persons employed	1,440	1,252	1,338	1,289	1,314

(c) The number of colliery units for administrative and accounting purposes exclusive of any mines not in active production. In some cases, units comprise more than one mine.

(d) Excluding the value of all colliery consumption of coal.

(e) Included in sales of goods produced.

(f) Details of sales of principal products of the National Coal Board are published regularly in Business Monitor PQ101.

(g) For 1973-1975 rents of industrial and commercial buildings were not recorded separately, but included in hire of vehicles, plant and machinery.

(h) Average number employed, including full and part-time employees (see table 7) and working proprietors in licensed small mines.

(j) Administrative, technical and clerical employees, and working proprietors in licensed small mines.

(k) Other imported components of labour costs, employers' national insurance and graduated pensions contributions, contributions to other pensions and welfare schemes, and the running costs of canteens, are estimated for the industry at £368,518 thousand for 1977.

TABLE 2

PA101

Capital expenditure, 1973-1977
All Great Britain undertakings classified to the industry (a)

	£ thousand				
	1973	1974	1975	1976	1977
Land and buildings					
New building work	7,126	18,824	41,879	62,944	90,599
Land and existing buildings					
Acquisitions	255	906	1,598	1,664	2,761
Disposals	199	219	132	72	47
Vehicles					
Acquisitions	157	257	702	601	511
Disposals	71	67	42	73	35
Plant and machinery					
Acquisitions	96,408	138,615	230,075	276,467	231,862
Disposals	1,372	1,306	804	1,417	2,181
Total net capital expenditure	102,304	157,010	273,276	340,113	323,471

(a) Include the value of extensions, reconstructions, improvements and repairs of a capital nature.

TABLE 3

Stocks and work in progress, 1973-1977
All Great Britain undertakings classified to the industry

	£ thousand				
	1973	1974	1975	1976	1977
			Increase		Value at end of year
Materials, stores and fuel	17,475	18,997	48,060	6,168	27,471
Work in progress	105	142	-17	-1	-108
Goods on hand for sale	-28,236	3,557	86,617	9,301	34,020
Total	-10,656	22,695	134,660	15,468	61,383

TABLE 5

PA101

Distribution of employment, net capital expenditure, net output and gross value added at factor cost by country - National Coal Board undertakings, 1977.

Country	Average Number employed	Percentage of Great Britain	Net capital expenditure (a)		Net output	Percentage of Great Britain	Gross value added at factor cost	Percentage of Great Britain
			Total (a)	Percentage of Great Britain				
	Number	per cent	£'000	per cent	£'000	per cent	£'000	per cent
England	230,628	79.1	275,069	85.4	1,584,314	83.1	1,517,891	83.3
Wales	34,528	11.8	36,325	11.3	182,242	9.6	171,746	9.4
Scotland	26,350	9.0	10,516	3.3	139,723	7.3	133,137	7.3
Great Britain	291,506	100.0	321,910	100.0	1,906,279	100.0	1,822,774	100.0

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

TABLE 7

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

Sex	Full-time		Part-time		All employees
	per cent	per cent	per cent	per cent	
Male	96	—	96	—	96
Female	3	1	3	1	4

Source: Department of Employment

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

TABLE 8

Analysis of output and costs. Returns received from National Coal Board undertakings, 1973-1977

Unit	1973	1974	1975	1976	1977
Number of colliery units or mines (a)	259	246	241	238	231
Sales of goods produced (b)	£ 716,898	1,297,646	1,692,452	2,023,769	2,227,289
Receipts for work done and industrial services rendered	(c)	(c)	(c)	21	409
Capital goods produced for establishments' own use	93,581	130,726	203,765	233,650	253,951
Non-industrial services rendered	5,601	8,654	11,402	12,448	14,090
Goods merchanted or factored	900	-	-	-	-
Total sales and work done (d)	816,980	1,437,026	1,907,619	2,269,888	2,495,739
Increase during the year, work in progress and goods on hand for sale	-27,988	3,682	86,186	9,256	33,749
Gross output	788,991	1,440,707	1,993,805	2,279,144	2,529,488
Purchases of materials for use in production, and packaging and fuel (b)	268,310	314,754	441,674	471,028	608,407
Purchases of goods for merchenting or factoring	818	-	-	-	-
Increase during the year, stocks of materials, stores and fuel	17,386	18,910	47,830	6,139	27,339
Cost of industrial services received	17,931	25,939	36,751	38,822	42,141
Net output	519,318	1,118,924	1,563,210	1,775,433	1,906,279
Net output per head	£ 1,715	3,774	5,231	6,053	6,539
Payments for non-industrial services					
Hire of vehicles, plant and machinery	£ 7,199	6,312	6,545	6,232	7,007
Rents of industrial and commercial buildings	(e)	(e)	(e)	1,239	1,133
Commercial insurance premiums	77	99	116	164	207
Bank charges	491	561	699	829	1,046
Other non-industrial services	27,071	34,964	46,246	55,246	62,685
Licensing or motor vehicles	554	547	697	794	901
Rates, excluding water rates	3,951	6,929	7,477	9,081	10,526
Gross value added at factor cost	479,975	1,069,511	1,501,430	1,701,848	1,822,774
Gross value added at factor cost per head	£ 1,585	3,607	5,024	5,802	6,253
Total employment (f)	302,838	296,484	298,833	293,336	291,506
Operatives	275,724	269,585	271,164	265,942	264,263
Others (g)	27,114	26,899	27,669	27,394	27,243
Wages and salaries					
Operatives	£ 430,036	656,928	816,636	859,922	941,915
Others (g)	63,629	82,802	102,970	111,837	121,108
Wages and salaries per head					
Operatives	£ 1,560	2,437	3,012	3,233	3,564
Others (g)	2,347	3,078	3,721	4,083	4,445

- (a) The number of colliery units for administrative and accounting purposes exclusive of any mines not in active production. In some cases, units comprise more than one mine.
- (b) Excluding the value of all colliery consumption of coal.
- (c) Included with sales of goods produced.
- (d) A breakdown of sales of principal products of the National Coal Board is published regularly in Business Monitor PQ101.
- (e) For 1973-1975 rents of industrial and commercial buildings were not recorded separately, but included in hire of vehicles, plant and machinery.
- (f) Average number employed, including full and part-time employees (see table 7).
- (g) Administrative, technical and clerical employees.

The following provisions of the Statistics of Trade Act 1947 apply to the publication of this table:

Section 1(1) of the Act requires the publication of the following information in respect of any report, summary or other statement published under the Act:—
 (a) the name of the person or persons by whom the report, summary or other statement is published;
 (b) the date of publication;
 (c) the title of the report, summary or other statement;
 (d) the nature of the business or industry to which the report, summary or other statement relates;
 (e) the nature of the information contained in the report, summary or other statement.

TABLE 7

The following table shows the average number of employees employed in the coal industry in Great Britain during the period 1973-1977. The figures are shown in thousands and are rounded to the nearest whole number.

The following symbols are used throughout the table:—
 (a) The figures are rounded to the nearest whole number.
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Coverage

A return was required in the 1977 Census from all coal-mining undertakings with 20 or more employees. The return was required to be completed on the basis of the number of employees employed on the premises of the undertaking during the period 1973-1977.

The following table shows the average number of employees employed in the coal industry in Great Britain during the period 1973-1977. The figures are shown in thousands and are rounded to the nearest whole number.

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TABLE 9

Operating ratios, 1977
All Great Britain undertakings classified to the industry (a)

	Unit	1977
Gross output per head	£	8,677
Net output per head	£	6,539
Gross value added per head	£	6,253
Gross value added as a percentage of gross output	%	72.1
Ratio of gross output to stocks		7.7
Wages and salaries as a percentage of gross value added	%	58.3
Ratio of operatives to administrative, technical and clerical employees		9.7
Wages and salaries per operative	£	3,564
Wages and salaries per administrative, technical and clerical employee	£	4,445
Net capital expenditure per head	£	1,104
Net capital expenditure as a percentage of gross value added	%	17.7

(a) National Coal Board undertakings forming part of the Coal mining industry and licensed small mines which for the 1977 census accounted for less than 1 per cent of the aggregate output figures in which they are incorporated. For details of NCB undertakings see table 8.

PA101

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 - PA1001 (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 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 in Business Monitor PQ1000.

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 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. In cases where an establishment/undertaking 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. New additions to the register are obtained from various sources including Companies Registration Office and the Department of Employment. The 1973 Finance Act allows HM Customs and Excise to pass to the Business Statistics Office (BSO) lists of businesses registered for VAT. Information from all these sources is used to improve the register, and where necessary, details are sought directly from new businesses. Units which cease to trade are removed from the live register.

Increasing use of the information obtained from the Department of Employment, HM Customs and Excise and BSO inquiries has led to improvements on the register, which in turn enabled the BSO to produce better estimates, particularly of numbers of smaller establishments/undertakings.

Coverage

A return was required in the 1977 Census 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. Undertakings were also required to state the number of working proprietors where appropriate and these are included in total employment figures. The figures include persons engaged on

merchandising 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 "self-employed" 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 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 canteens, inspectors, maintenance workers and cleaners. Operatives engaged in outside work of erecting, fitting etc are also included.

Capital expenditure

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. 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 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 existing business), and the amounts receivable for 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

This 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

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 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.

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 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 merchandising 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 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 undertakings covered by the return or by other undertakings from materials given out to them and sales of waste products are included. 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 undertakings' 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 produced.

Goods produced in one undertaking and transferred either to ancillary departments not engaged in production 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 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

For work done on commission, sub-contract work, etc, the value shown is the total amount charged for the work, including 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 undertakings' own use

This includes all work of a capital nature carried out during the year by the undertakings' 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

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 merchandising 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. 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 undertakings classified to the industry, including exempted undertakings 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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