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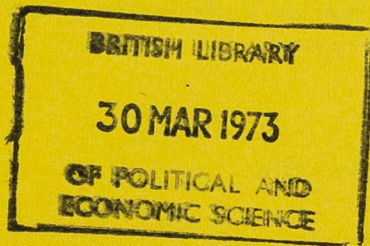
# Business Monitor

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DEPARTMENT OF TRADE AND INDUSTRY  
BUSINESS STATISTICS OFFICE

## Report on the Census of Production 1970

C152 Electricity





Publication of the Government Statistical Service

# Business Monitor

DEPARTMENT OF TRADE AND INDUSTRY  
BUSINESS STATISTICS OFFICE

## Report on the Census of Production 1970

### C152 Electricity

Presented by the Department of Trade and Industry  
to Parliament in pursuance of the Statistics of Trade Act 1947  
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#### Special Note for Purchasers

Commencing with the 1970 Census, the Census of Production reports will in future be published annually as part of the Business Monitor series. They will continue to be available on standing order from HMSO, but they are not included in the global subscription arrangements for the Business Monitor series.

#### Government Statistical Service

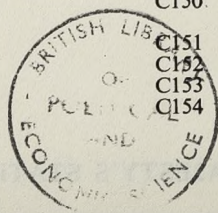
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- C147 Brushes and brooms
- C148 Toys, games and children's carriages
- C149 Sports equipment
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C152 Electricity

This report on the Electricity Industry relates to undertakings engaged wholly or mainly in the production and distribution of electricity for public supply. Construction work carried out by employees of electricity undertakings is included. Establishments producing electricity for railway and trolley-bus operation are also included, as are 'district heating' and electricity showrooms. Establishments (other than those of railway and trolley-bus undertakings) producing electricity primarily for their own use are excluded, being included in the industries covering the major output of the parent works.

The industry corresponds to minimum list heading 602 in the Standard Industrial Classification (revised 1968) which was used for the first time as a basis of classification in the 1968 census, when it was reported as part 153. The definition of the industry is the same for the 1963, 1968 and 1970 censuses.

In this report separate particulars are given for the Electricity Boards and other undertakings which consisted of the generating stations of transport undertakings in Great Britain and electricity undertakings in Northern Ireland.

The figures have been compiled from returns made to the Fuel and Energy Statistics Division of the Department of Trade and Industry. The figures for 1963 relate to the calendar year, for 1968 to the year ending 31 March 1969 and those for 1970 to the year ending 31 March 1971.

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

Table No	Title	Page
Section I - Estimates for all United Kingdom undertakings in the industry		
1	Net output, 1963, 1968 and 1970 - undertakings classified to the industry	C152.3
2	Capital expenditure and stocks, 1963, 1968 and 1970 - undertakings classified to the industry	C152.4
3	Analysis of undertakings by size, 1970 - undertakings classified to the industry	Does not apply
4	Percentage analysis of employees, by age and sex, 1970 - undertakings classified to the industry	C152.5
5	Regional distribution of employment, net capital expenditure and net output, by country, 1970 - undertakings classified to the industry	C152.6
6	Work of new construction and repair and maintenance carried out by employers of electricity undertakings, 1963, 1968 and 1970. United Kingdom undertakings classified to the industry	C152.7
Section II - Analysis of returns received		
7	Analysis of net output of returns received from undertakings employing 25 or more persons, 1963, 1968 and 1970	Does not apply
8	Percentage analysis of twelve-month periods covered by returns from undertakings employing 25 or more persons, 1970	Does not apply

TABLE 1

Net output, 1963, 1968 and 1970  
All United Kingdom undertakings classified to the industry

	Unit	Electricity Boards			Other undertakings (a)			Total		
		1963	1968	1970	1963	1968	1970	1963	1968	1970
Number of generating stations	Number	333	298	289	9	7	6	342	305	295
Electricity, etc. sold and work done (b)	£'000	} 1,037,754	1,570,299	1,709,276	} 25,624	38,160	47,304	1,063,378	1,608,459	{ 1,756,580
Services rendered to other organisations (c)	"			351						
Goods merchanted	"	} 62,623	84,397	109,411	} 10	910	{ 1,432	62,633	110,843	{ 2,298
Canteen takings	"			2,269						
Total sales and work done	"	1,100,377	1,654,696	1,821,307	25,634	39,070	48,766	1,126,010	1,693,767	1,870,072
Change during the year, goods on hand for sale	"	+ 603	+ 1,779	+ 3,741	- 6	+ 72	+ 107	+ 597	+ 1,851	+ 3,848
Change during the year, work in progress	"	+ 457	+ 591	- 16	+ 38	+ 102	+ 141	+ 495	+ 693	+ 125
Gross output	"	1,101,437	1,657,067	1,825,032	25,666	39,244	49,013	1,127,103	1,696,311	1,874,045
Cost of materials and fuel used and of merchanted goods	"	442,922	570,194	743,752	12,527	17,547	21,011	455,450	587,742	764,763
Payments to other organisations (d)	"									
for renovation of appliances by other firms	"	426	1,991	4,647	-	-	35	426	1,991	4,682
for transport by road	"	} 1,296	813	1,539	4	14	19	1,301	827	1,558
for transport by rail, water, air and Post Office parcel services (e)	"									
Total costs	"	444,644	572,998	749,938	12,531	17,561	21,064	457,177	590,560	771,003
Net output	"	656,793	1,084,069	1,075,094	13,135	21,682	27,949	669,928	1,105,751	1,103,042
Net output per head	£	2,888	4,653	5,118	2,021	3,044	3,969	2,864	4,606	5,081
Total employment (f)	Thousands	227.4	233.0	210.1	6.5	7.1	7.0	233.9	240.1	217.1
Operatives	"	150.8	149.1	127.0	5.1	5.2	4.9	115.9	154.3	131.9
Others (g)	"	76.6	83.9	83.1	1.4	1.9	2.1	78.0	85.8	85.2
Wages and salaries	"									
Operatives	£'000	118,801	154,632	166,398	4,164	5,678	6,852	122,965	160,310	173,250
Others (g)	"	77,270	113,973	135,273	1,216	2,302	3,134	78,486	116,275	138,407
Wages and salaries per head	"									
Operatives	£	788	1,037	1,310	815	1,095	1,406	789	1,039	1,316
Others (g)	"	1,009	1,359	1,628	876	1,190	1,445	1,006	1,355	1,624

(a) Including generating stations of transport undertakings in Great Britain and electricity undertakings in Northern Ireland.

(b) Including sales of electricity, by-products and waste products, charges for work done, rents received and work of new construction.

(c) Amounts charged for hiring out plant, machinery or for any technical or other services rendered.

(d) Payments for transport inwards are included in the cost of purchased materials and fuel used and excluded from payments for transport to other organisations.

(e) For 1963 and 1968 payments for postal services are excluded.

(f) Average number employed during year.

(g) Administrative, technical and clerical employees.

TABLE 2

Capital expenditure and stocks, 1963, 1968 and 1970  
All United Kingdom undertakings classified to the industry

	Unit	Electricity Boards			Other Undertakings			Total		
		1963	1968	1970	1963	1968	1970	1963	1968	1970
Capital expenditure (a)	£'000									
New building work	"	87,303	78,130	70,696	853	1,952	2,389	88,155	80,081	73,085
Land and existing buildings										
Acquisitions	"	2,844	2,380	2,651	20	38	44	2,864	2,417	2,695
Disposals	"	572	1,494	2,884	53	84	60	625	1,578	2,944
Plant and Machinery										
Acquisitions (b)	"	390,543	452,120	375,980	8,254	14,559	16,316	398,797	466,678	392,296
Disposals	"	2,700	4,087	3,710	106	288	371	2,806	4,374	4,081
Vehicles										
Acquisitions	"	2,919	3,990	6,216	42	127	287	2,962	4,117	6,503
Disposals	"	342	477	648	12	17	30	354	494	678
Appliances for hire (c)										
Acquisitions	"	499	462	618	95	203	205	594	665	823
Disposals (d)	"	83	75	53	1	1	1	84	76	54
Vessels										
Acquisitions	"	-	80	-	-	-	-	-	80	-
Disposals	"	-	12	38	-	-	-	-	12	38
Nuclear fuel										
Acquisitions	"	29,601	8,543	19,714	-	-	-	29,601	8,543	19,714
Disposals	"	-	1,282	505	-	-	-	-	1,282	505
Total net capital expenditure (e)	"	510,012	538,276	468,037	9,092	16,488	18,779	519,104	554,765	486,816
Stocks and work in progress at end of year										
Materials, stores and fuel	"	81,265	97,986	140,396	2,334	2,787	4,027	83,599	100,773	144,423
Work in progress	"	4,119	6,164	6,976	158	344	545	4,277	6,507	7,521
Goods on hand for sale	"	11,168	12,524	20,162	76	192	292	11,245	12,717	20,454
Total stocks	"	96,551	116,674	167,534	2,569	3,323	4,864	99,120	119,997	172,398

(a) Including expenditure for undertakings in Great Britain not yet in production.

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

(c) Issued during year.

(d) Proceeds from disposals of appliances formerly on hire which were sold or scrapped during the year.

(e) Acquisitions less disposals.



TABLE 5

C152.6

Regional distribution of employment, net capital expenditure and net output, by country, 1970  
All United Kingdom undertakings classified to the industry

Country	Average number employed		Net capital expenditure (a)		Net output	
	Thousands	per cent of United Kingdom	£'000	per cent of United Kingdom	£'000	per cent of United Kingdom
England	180.2	83.0	349,675	71.8	910,588	82.5
Wales	13.0	6.0	40,515	8.3	54,184	4.9
Scotland	18.1	8.3	80,080	16.5	114,468	10.4
Great Britain	211.3	97.3	470,270	96.6	1,079,240	97.8
Northern Ireland	5.8	2.7	16,546	3.4	23,802	2.2
United Kingdom	217.1	100.0	486,816	100.0	1,103,042	100.0

(a) New building work plus acquisitions less disposals of land and existing buildings, plant and machinery and vehicles: including capital expenditure at undertakings not yet in production.



TABLE 6

Work of new construction and repair and maintenance carried out by employees of electricity undertakings, 1963, 1968 and 1970 (a)  
United Kingdom undertakings classified to the industry

	Electricity Boards			Other undertakings			Total		
	1963	1968	1970	1963	1968	1970	1963	1968	1970
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
New construction									
On depots, workshops, offices and other buildings	4,471	4,492	5,138	} 3,030	4,041	5,957	104,117	101,735	103,812
On plant and machinery	31,682	26,786	29,046						
On mains and services	63,264	65,542	62,708						
Work charged to other divisions and Area Boards	1,671	874	963						
Repair and maintenance									
On depots, workshops, offices and other buildings	7,343	10,101	11,023	} 1,295	2,740	3,687	66,237	89,003	104,957
On plant and machinery	42,543	58,332	68,814						
On mains and services	14,616	17,562	17,509						
Work charged to other divisions and Area Boards	439	268	3,924						
Total work of new construction and repair and maintenance	166,028	183,956	199,125	4,325	6,781	9,644	170,354	190,738	208,769
Less work of repair and maintenance	64,941	86,263	101,270	1,295	2,740	3,687	66,237	89,003	104,957
Total new construction	101,087	97,694	97,855	3,030	4,041	5,957	104,117	101,735	103,812

(a) The amount shown for work of new construction represents the sum chargeable to capital account.  
Repairs and maintenance are valued at the cost of labour and materials.  
Work done for other Divisions and Area Boards is valued at the amount charged.

TABLE 7

Analysis of net output of returns received from undertakings employing 25 or more persons, 1963, 1968 and 1970.

This table is not applicable to the industry.

TABLE 8

Percentage analysis of twelve-month periods covered by returns received from United Kingdom undertakings employing 25 or more persons, 1970.

This table is not applicable to the industry.

Notes

These notes give the main information needed for interpreting the figures in the industry reports, (more detailed information about the census is given in a separate booklet—"Introductory Notes", Part C1 of the Report on the Census of Production for 1970).

GENERAL INFORMATION  
Changes compared with 1968

The questions asked in the 1970 census were similar to those in the 1968 census with certain exceptions. In particular the 1970 census returns did not ask for details of:—

- (i) purchases or sales by commodities
- (ii) payments of rates
- (iii) payments for repairs and maintenance
- (iv) costs of operating road goods vehicles.

The amounts payable to other organisations for transport of goods however, did include the cost of the Post Office parcel services.

Other changes concern the treatment of firms employing less than 25 persons and the rules used for classifying establishments to industry. Any such changes are explained in the following paragraphs, or in the introductions to the industry reports, or by footnotes to the tables.

Industrial classification

Establishments were classified to industries on the basis of major activity in conformity with the third edition of the Standard Industrial Classification (Revised 1968). Normally an establishment was classified to an industry if its sales of the principal products of that industry accounted for a greater proportion of its total sales than in its sales of the principal products of any other industry. Classification of an establishment in this census was based on the establishment's return to the Census of Production, 1968.

Establishments added to the register subsequent to the 1968 census were classified on the basis of the description of the business given by the respondent.

Coverage

Detailed census returns were generally sought only from establishments employing on average 25 or more persons, but in industries where firms employing less than 25 persons account for a relatively high proportion of total employment and output the exemption limit was lowered to 11. Census returns were also sent to establishments whose employment was not known to the Business Statistics Office at the time of despatch; if their employment was below the exemption limit for their industry establishments were asked to supply figures only of total employment and total sales.

TERMS USED IN THE CENSUS REPORT

Average number employed

Establishments were required to state the number of persons on the payroll (i.e. whose national insurance cards were held by them) on the average during the year of return, whether full time or part time employees. Separate figures were required for (a) administrative, technical and clerical employees and (b) all other employees (operatives). Averages could be calculated from 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 figures. Outworkers (i.e. persons employed by establishments who worked in their own homes etc. on materials supplied by the establishments) 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 "self employed" for national insurance purposes and members of their families who worked in the business without receiving a fixed 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 managing and other directors in receipt of a definite wage, salary or commission, managers, superintendents and works foremen; research, experimental development, technical and design employees (other than operatives); draughtsmen and

tracers; editorial staff, staff reporters, canvassers, competition and advertising staff; travellers; and office (including works office) employees.

Operatives include all other classes of employees, that is, broadly speaking, all manual wage earners. They include those employed in and about the factory or works; operatives employed in power houses, transport work (including roundsmen), stores, warehouses, shops and canteens; inspectors, viewers and similar workers; maintenance workers, and cleaners. Operators engaged in outside work of erecting, fitting etc. are also included, but outworkers are excluded.

Capital expenditure

(a) New building work

This represents the cost incurred during the year of new building and other constructional work (including office buildings, canteens and the like used in connection with the business covered by the return, but not dwelling houses for employees). The value is that charged to capital account during the year of return; it includes expenditure on new buildings or 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 any legal charges, stamp duties, agents' commissions, etc.

(b) Land and existing buildings

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

(c) Plant, machinery and vehicles

The items shown are the value of plant and machinery and of vehicles acquired, both new and second-hand, and the amount received for items disposed of during 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. 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.

Capital expenditure during the year in respect of manufacturing establishments where production had not started before the end of the year is excluded from the figures for both 1963 and 1968 but is included in the figures for 1970.

Enterprise

The term enterprise is used in this report to mean one or more establishments under common ownership or control. An enterprise normally consists of a single establishment, more than one establishment owned by the same firm, or a number of establishments owned by a parent company and its subsidiary companies. Information about the relationship between constituent companies of enterprises was obtained mainly from published sources such as the Stock Exchange Year Book supplemented by information from company reports and information supplied by establishments. The information available is not complete but covers the largest and most important groups of industrial establishments and is believed sufficient to provide a worthwhile basis for analysis.

Establishment

The definition of the establishment differed between the Censuses for 1963, 1968 and 1970. The definitions used were as follows:—

1963: the establishment was normally the premises under the same ownership or management at a particular address.

1968: the establishment was defined, in accordance with Standard Industrial Classification (Revised 1968), as being the smallest unit which could provide the information normally required for an economic census, for example, employment, expenses, turnover and capital formation. Sometimes activities which are conducted as a single business are carried on at a number of addresses. In 1968 where the activities of such a business were closely integrated and the addresses, termed local units, were in close proximity the establishment was defined to cover the combined activities and a single return was accepted. When the activities were closely integrated but the addresses were not in close proximity a combined return was accepted but the individual addresses were treated—in the count of establishments in an industry, for instance—as separate establishments.

1970: the practice of treating as multi-unit establishments those businesses with closely integrated activities at a number of addresses in close proximity was extended to all those businesses where the local units were at more than one geographical location and detailed census information was not available for each unit. Separate figures were obtained, however, of employment and capital expenditure at each unit. The effect of this change is to reduce somewhat the number of establishments as compared with 1968.

#### Gross output

Gross output measures the total value of production (including work done) by establishments during the year. It is calculated as follows:—

Value of sales and work done  
Plus/Less: Increase/decrease in value of stocks of goods on hand for sale  
Plus/Less: Increase/decrease in value of work in progress  
= Gross output.

#### Net output

Net output represents the value added to materials by the process of production (including the margin on selling any merchanted or factored goods). It is calculated as follows:—

Gross output  
Less: Purchases adjusted for change in value of stocks of fuel and raw materials  
Less: Payments for work given to other establishments  
Less: Payments for transport  
Less: Net amount of any duties, subsidies, allowances and levies payable  
= Net output.

#### Net output per person employed

The figures of net output per person employed are derived by dividing the net output by the average number of persons employed (full time 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 materials and components bought for use in production; of fuel and electricity for all purposes; of packaging materials including the cost of returnable cases and containers when first purchased; of workshop materials, office materials and materials for repairs to establishment's own buildings, plants and vehicles when carried out by their own work people included in the returns; of consumable tools; and of parts for machinery purchased during the year as replacements. Water charges are also included. In general, purchases of goods for merchanding or factoring and canteen supplies are included. Materials supplied by customers for processing are excluded, as are all purchases charged to capital account.

The values shown include any duty paid (less rebate, etc.) but exclude trade discounts allowed. The cost of transport is included only if included in the cost of materials as invoiced; amounts paid to transport organisations, including an establishment's own separate transport organisations for delivery of materials and fuel are, therefore, excluded. Materials purchased overseas are included at the c.i.f. cost plus any duty payable if the cost of transport from the docks was not included in the invoiced price, but at their full delivery cost if invoiced "carriage paid home". Materials and fuel transferred from another department of the establishment not covered by the same return are included at the estimated selling value recorded by the other department.

#### Sales

Sales are in respect of goods made by the business covered by the return, goods made for it by outworkers or by other establishments from materials given out to them (sometimes described as goods made on commission) and waste products. Any machinery or other capital items produced for use in the business covered by the return are included, the value being that adopted in the establishment's asset accounts. Goods sold without being subjected to any manufacturing process (i.e. merchanted or factored) and canteen takings are included.

The value shown for sales is the net selling value, defined as the amount charged to customers whether on an ex-works or delivered basis excluding any trade discounts, agents' commissions, allowances for returnable cases, purchase tax, etc.; the net amount charged for packaging materials is included. Goods charged on a delivered basis to customers overseas are included at the f.o.b. value.

Goods produced in one establishment and transferred to another establishment of the same firm not covered by the return were 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 were kept were valued on the same basis.

To the extent that sales of finished products of one establishment constitute the materials purchased by another, total figures of the value of sales (and of materials and fuel purchased) include an element of duplication. In some industries, e.g. motor vehicle manufacturing, and woollen and worsted, this duplication is substantial; and aggregates of the figures for a number of industries contain significantly greater amounts of duplication. 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.

#### Services rendered

This represents the amounts charged for hiring out plant, machinery and other goods, providing transport, or for any technical or other services rendered to other organisations. It includes amounts credited for similar services rendered to other establishments of the same enterprise not covered by the return.

#### Standard Industrial Classification

Industry classification is based on the Standard Industrial Classification (Revised 1968). It is published by H M Stationery Office together with a separate index in the form of an alphabetical list of industries.

#### Stocks and work in progress

Values are given of stocks of goods on hand for sale, and of materials and fuel, at the end of the year of return, including any stocks of goods held for merchanding or factoring. Values of the change during the year are also shown. The values include duty in the case of dutiable goods held out of bond.

The value of work in progress at the end of, and the change during, the year are also usually shown. This excludes any progress payments made to sub-contractors, and no deduction is made on account of progress payments received.

#### Transport payments

These represent the total amount paid or credited during the year for both outwards transport of finished goods sold and inwards transport of materials and fuel purchased. They include payment to other establishments, and to any separate transport organisation of the same establishment not covered by the return, but exclude the value of transport services provided by the business covered by the return. The items included are payments for hired cartage and for inwards and outwards carriage by all forms of inland transport, i.e. railways, road haulage, canals, coastwise shipping, air, etc. Payments made for sea and air freight on goods sold to customers overseas and on materials and fuel purchased from overseas suppliers are excluded.

#### 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 any payments in kind, travelling expenses, lodging allowances, etc. and employers' contributions to national insurances and pension schemes is excluded.

#### Work given out

The figures shown represent the total amount paid for work done by other establishments (whether part of the same enterprise or not) on materials supplied to them. They do not include payments to individual outworkers or payments for business and other services.

#### SYMBOLS USED

The following symbols are used throughout the report:

- ... not available,
- nil or negligible (less than half the last significant figure)
- \* figures cannot be shown owing to risk of disclosing information about individual enterprises.

#### ROUNDING OF FIGURES

Figures in the tables have, where necessary, been rounded to the nearest final digit; there may, therefore, be apparent slight discrepancies between the sums of the constituent items and the totals shown.

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