

Statistical bulletin

Non-financial business economy, UK (Annual Business Survey): 2012 revised results

Size and growth within the UK's non-financial business sectors: non-financial services, distribution, production, construction and agriculture.



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1 . Key points

- In 2012, the income generated by businesses in the UK, less the cost of goods and services used to create this income was estimated to be £936.3 billion. This amount represents the approximate Gross Value Added at basic prices (aGVA) of the UK Non-Financial Business Economy
- Between 2011 and 2012, aGVA increased by 2.3% (£20.6 billion). This increase is a continuation of the recovery seen between 2009 and 2011 and takes aGVA to a level 2.9% (£26.6 billion) above that seen in 2008, at the start of the recession
- The Non-Financial Service sector, which accounts for over half of aGVA in the UK Non-Financial Business Economy, contributed most to the increase in aGVA of 5.8% (£27.5 billion) between 2011 and 2012. This is the third consecutive annual increase, taking it to £62.2 billion above the level seen in 2008
- The Production sector, which accounts for just under a quarter of aGVA in the UK Non-Financial Business Economy, saw a fall in aGVA between 2011 and 2012, for the first time since 2009
- The Distribution sector, which accounts for just over a seventh of aGVA in the UK Non-Financial Business Economy, also saw a fall in aGVA between 2011 and 2012. This is the second consecutive annual decrease, and keeps it below the level seen in 2008
- When compared to the provisional results published on 14 November 2013, these revised 2012 results show minimal revision for the UK Non-Financial Business Economy. There were downward revisions of 0.8% (£27.7 billion) in turnover, 0.7% (£16.1 billion) in purchases and 1.2% (£11.4 billion) in aGVA. The direction of movements of aGVA for the broad industry groups remains unchanged, due to a 2.2% (£20.8 billion) downward revision in aGVA for 2011
- Data for the Insurance and reinsurance industries continue to be excluded from this release following discussions with key users. This experimental series was previously included in the results for reference years 2008 to 2011 and covered a small part of the Financial & insurance sector. Since November 2013 it has been removed from the Annual Business Survey (ABS) release due to ongoing volatility while a more detailed quality assessment is undertaken. As such results in this release cover the UK Non-Financial Business Economy rather than the UK Business Economy. This does not affect other industries

2 . Overview

Estimate of the size and growth of the UK Non-Financial Business Economy for 2012 as measured by the Annual Business Survey (ABS), are presented in this release. It is the key resource for understanding the detailed structure, conduct and performance of businesses across the UK. The release covers:

- non-financial services (includes professional, scientific, communication, administrative, transport, accommodation and food, private health and education, entertainment services)
- distribution (includes retail, wholesale and motor trades)
- production (includes manufacturing, oil and gas extraction, energy generation and supply)
- construction
- parts of agriculture (includes agricultural support services, forestry and fishing)

Together these industries represent the UK Non-Financial Business Economy and account for around two thirds of the whole economy of the UK in terms of Gross Value Added. Public administration and defence, public sector health and education, finance and farming make up the difference between the UK Non-Financial Business Economy and the whole economy.

The ABS has included estimates for the Insurance & reinsurance industries (SIC 2007 Groups 65.1 and 65.2 respectively) in its UK National releases since 2008. This is the only part of Financial and insurance activities (Section K) covered by the survey. As with any new time-series, estimates for these industries have remained experimental while ongoing quality assurance has taken place. This quality assurance has led the figures to be revised substantially in recent years with a resulting break in the series between 2009 and 2010. The estimates for this series have been removed from releases since November 2013 to allow for a more detailed quality assessment to be undertaken. The removal of these series does not affect other industries published as part of this release and has no impact on any other financial statistics published by ONS.

Estimates published in this release include turnover, purchases, approximate Gross Value Added at basic prices (aGVA) and employment costs. All data are reported at current prices (effect of price changes included).

Where the recession is mentioned it refers to the contraction of Gross Domestic Product (GDP) that started in 2008, the year from which a consistent ABS time series is available. For more information about the survey see the background notes.

The ABS has a wide range of uses: for example, ABS statistics are essential contributors to the [UK National Accounts](#), including the measurement of [GDP](#), they are supplied to Eurostat to meet the requirements of the European Structural Business Statistics (SBS) Regulation, and are used by the devolved administrations and central and local government to monitor and inform policy development. For other uses see background note 3.

Questions often asked of the ABS release are 'What is aGVA?' and 'How does the measure of aGVA differ from the GVA measure in the National Accounts?'. For an overview of aGVA please see our new infographic '[What is aGVA?](#)'. National Accounts carry out coverage adjustments, conceptual adjustments and coherence adjustments. The National Accounts estimate of GVA uses input from a number of sources, and covers the whole UK economy, whereas ABS does not include farming, financial or public sectors. ABS total aGVA is around two thirds of the National Accounts whole economy GVA because of these differences. For further information on aGVA, see background note 8. There is also a recently published article '[A Comparison between ABS and National Accounts Measures of Value Added](#)' ([462.3 Kb Pdf](#)) which provides more detail.

ONS makes every effort to provide informative commentary on the data in this release. Where possible, the commentary draws on evidence from businesses or other sources of information to help explain possible reasons behind the observed changes. However, in some places it can prove difficult to elicit detailed reasons for movements, for example, businesses may state a 'change in the nature of business activity'. Consequently, it is not possible for all data movements to be fully explained.

3 . Your views matter

We constantly aim to improve this release and its associated commentary. We would welcome any feedback you might have, and would be particularly interested in knowing how you make use of these data to inform your work. Please contact us via email: abs@ons.gov.uk or telephone Heather Bovill on +44 (0)1633 455107.

4 . Interactive wheel for the UK non-financial business economy

Use the [Interactive Wheel](#) to investigate which sectors contribute most to the UK Non-Financial Business Economy. Focus on the Business Economy as a whole or each sector and switch between aGVA, Turnover and Purchases.

UK Non-Financial Business Economy

Details of aGVA, Turnover and Purchases by Sector
Annual Business Survey, 2012 Revised Results

Total

Non-Financial Services

Production

Distribution

Construction

Agriculture

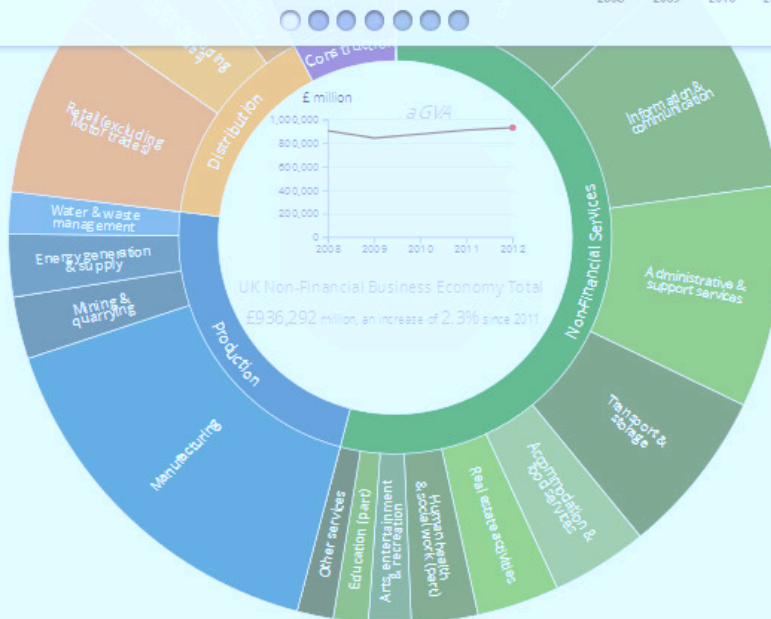
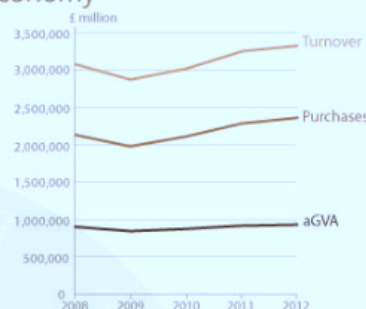
UK Non-Financial Business Economy

In **2012** the income generated by businesses in the UK, less the cost of goods and services used to create this income was estimated to be **£936.3 billion**.

This amount represents the approximate Gross Value Added at basic prices (aGVA) of the UK Non-Financial Business Economy.

Between 2011 and 2012 aGVA **increased** by **2.3%** (£20.6 billion); a continuation of the recovery seen between 2009 and 2011 and resulting in aGVA being above the level seen at the start of the recession in 2008, for the second consecutive year.

The consecutive annual increases seen in aGVA are a result of similar consecutive increases in both turnover and purchases. Turnover increased by **2.4%** (£77.5 billion) between 2011 and 2012, while purchases of goods, materials and services increased at a lower rate of **2.0%** (£46.3 billion).



See more from the ONS Data Visualisation Centre
Source: Annual Business Survey - 2012 Revised



5 . UK non-financial business economy, sections A-S (part)

In 2012, the income generated by businesses in the UK, less the cost of goods and services used to create this income was estimated to be £936.3 billion. This amount represents the approximate Gross Value Added at basic prices (aGVA) of the UK Non-Financial Business Economy. Between 2011 and 2012 aGVA increased by 2.3% (£20.6 billion); a continuation of the recovery seen between 2009 and 2011 although at a slower rate. This increase resulted in aGVA being above the level seen at the start of the recession, in 2008, for the second consecutive year.

The main drivers of aGVA are:

1. turnover (the main component of income)
2. purchases (the main component of the consumed goods and services)

The consecutive annual increases seen in aGVA are a result of similar consecutive increases in both turnover and purchases. Turnover increased by 2.4% (£77.5 billion) between 2011 and 2012, while purchases of goods, materials and services increased at a lower rate of 2.0% (£46.3 billion), resulting in an aGVA growth rate that was slightly lower than that for turnover. As with aGVA, turnover and purchases were above levels seen in 2008 at the start of the recession for the second consecutive year (see Figure 1).

The recession and recovery described by the ABS between 2008 and 2012 is broadly in line with Gross Domestic Product (GDP) figures published in the National Accounts. Both the ABS aGVA estimates and the National Accounts GDP estimates show a fall between 2008 and 2009 and then three consecutive annual increases from 2009 to 2012.

Due to the need to balance timeliness of the data with the accuracy, in-line with the ABS Revisions Policy, provisional ABS results are published in November with further quality assurance then leading to planned revisions to the data in subsequent releases.

These revisions usually arise from the receipt of additional data and further validation of existing data by businesses responding to the ABS, which may include restructures that can result in data being reallocated to a different industry.

When compared to the ABS Provisional results published on 14 November 2013, the revised 2012 results show minimal revision for the UK Non-Financial Business Economy. There were downward revisions to the 2012 estimates of 0.8% (£27.7 billion) in turnover, 0.7% (£16.1 billion) in purchases and 1.2% (£11.4 billion) in aGVA. The revisions to aGVA were driven by downward revisions within Distribution and Non-financial services.

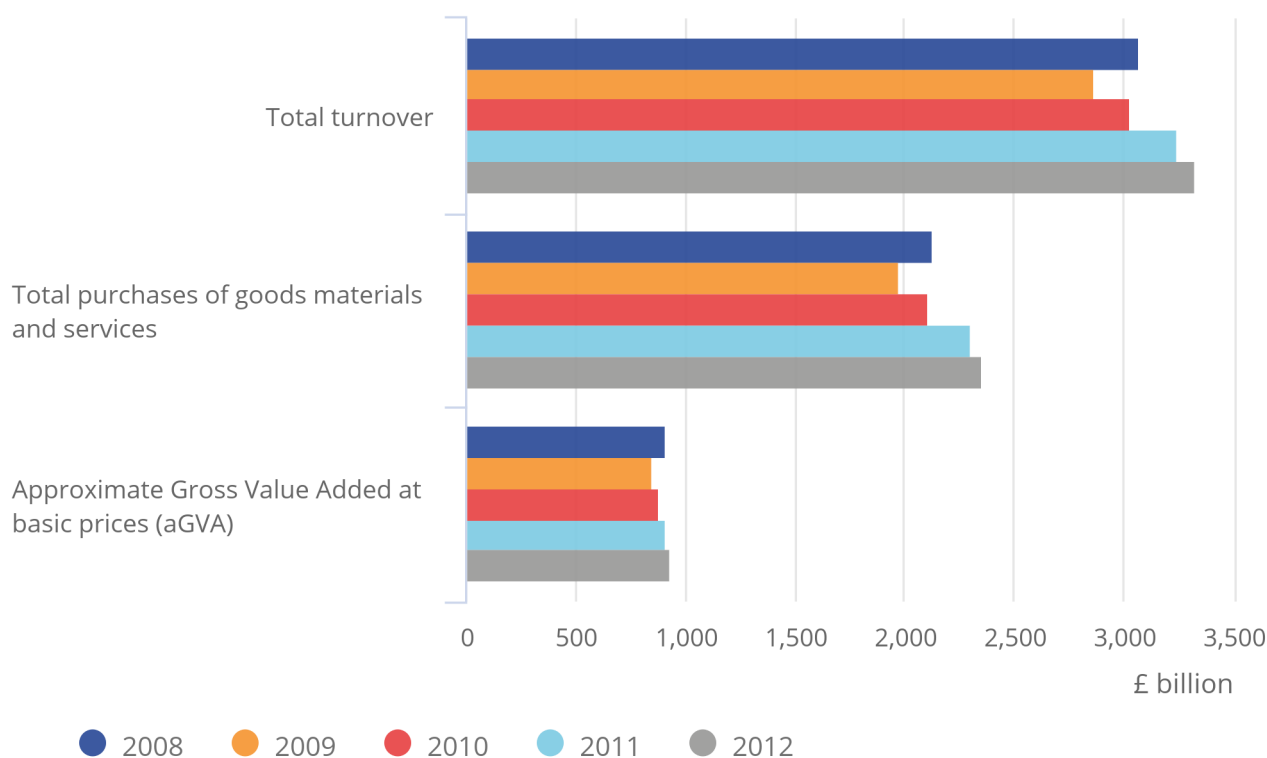
However, growth in aGVA between 2011 and 2012 is above the level estimated in the ABS Provisional release due to larger downward revisions to the 2011 estimates. Estimates of aGVA in 2011 have been revised down by 2.2% (£20.8 billion), driven by downward revisions within Distribution and Production industries.

Despite the revisions the direction of movements of aGVA between 2011 and 2012 for the broad industry groups remains unchanged.

A list of industries which are included in the ABS measure of the UK Non-Financial Business Economy, can be found in background note 8.

Figure 1: UK Non-Financial Business Economy details of income and expenditure and resulting aGVA, 2008-2012

Figure 1: UK Non-Financial Business Economy details of income and expenditure and resulting aGVA, 2008-2012



Source: Office for National Statistics

Notes:

1. A list of industries which are included in the ABS measure of the UK Non-Financial Business Economy, can be found in background note 8

Both the Non-Financial Services and the Construction sectors saw increases in aGVA between 2011 and 2012, while aGVA in the Production, Distribution and Agriculture (part) sectors experienced decreases.

Non-Financial Services, the largest industry sector of the UK Non-Financial Business Economy contributed most to the increase in aGVA. Non-Financial Service sector aGVA rose by 5.8% (£27.5 billion) between 2011 and 2012, the third consecutive annual increase, taking aGVA to £505.0 billion. The Non-Financial Service sector is the only sector where aGVA is above the level seen in 2008, at the start of the recession.

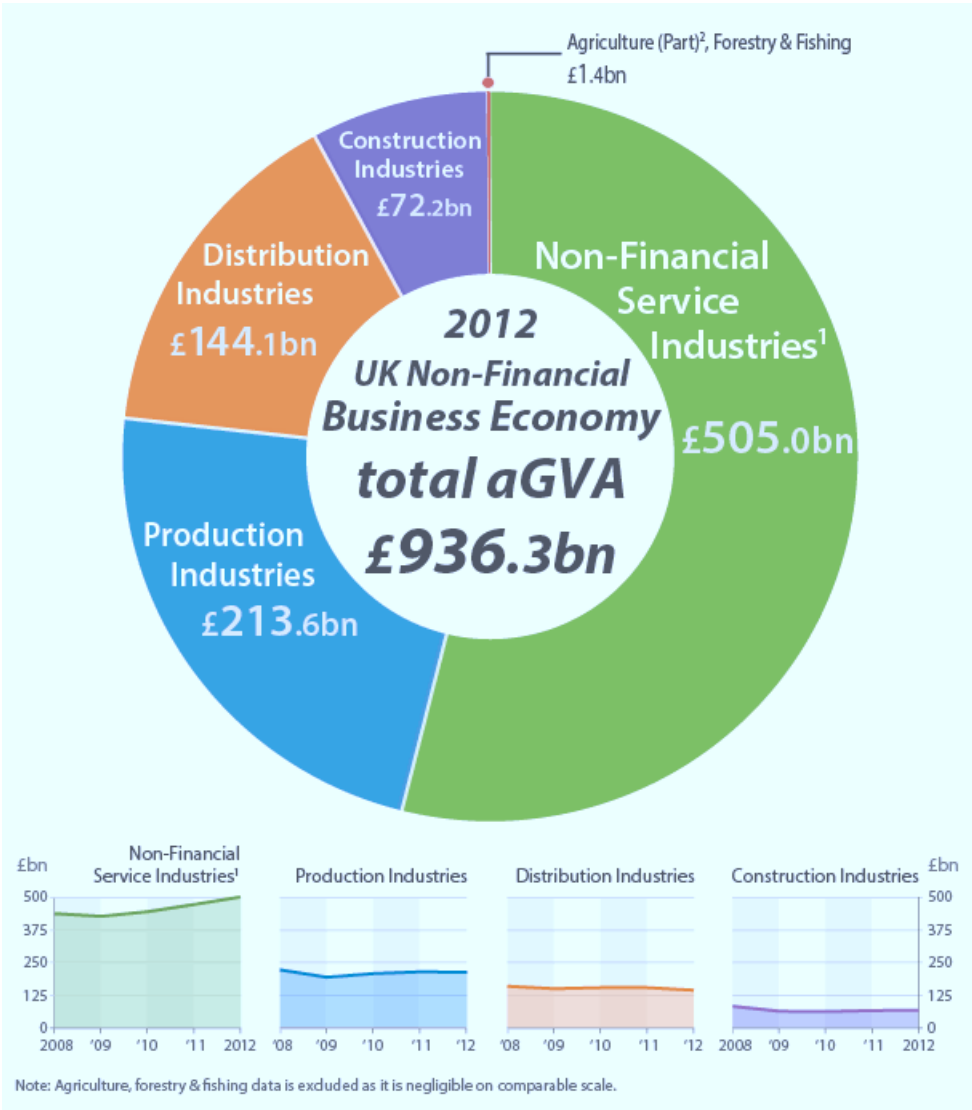
The Construction sector also experienced growth in aGVA between 2011 and 2012 for the second consecutive year, increasing by 2.9% (£2.1 billion), however, aGVA still remains below that seen in 2008.

The Production sector saw a decrease in aGVA for the first time in three years, falling by just 0.8% (£1.6 billion) between 2011 and 2012. This has seen aGVA for the Production sector fall further below that in 2008, at the start of the recession.

The Distribution sector experienced a second consecutive annual decrease in aGVA, with a fall of 4.7% (£7.1 billion) between 2011 and 2012. This keeps aGVA for the Distribution sector below the level seen in 2008.

The Agriculture (part), forestry and fishing sector experienced a fall in aGVA of 11.4% (£0.2 billion) between 2011 and 2012, and at £1.4 billion, aGVA for the industry also remains lower than the level in 2008.

Figure 2: UK non-financial business economy, details of aGVA by sector, 2008-2012



Source: Office for National Statistics

Notes:

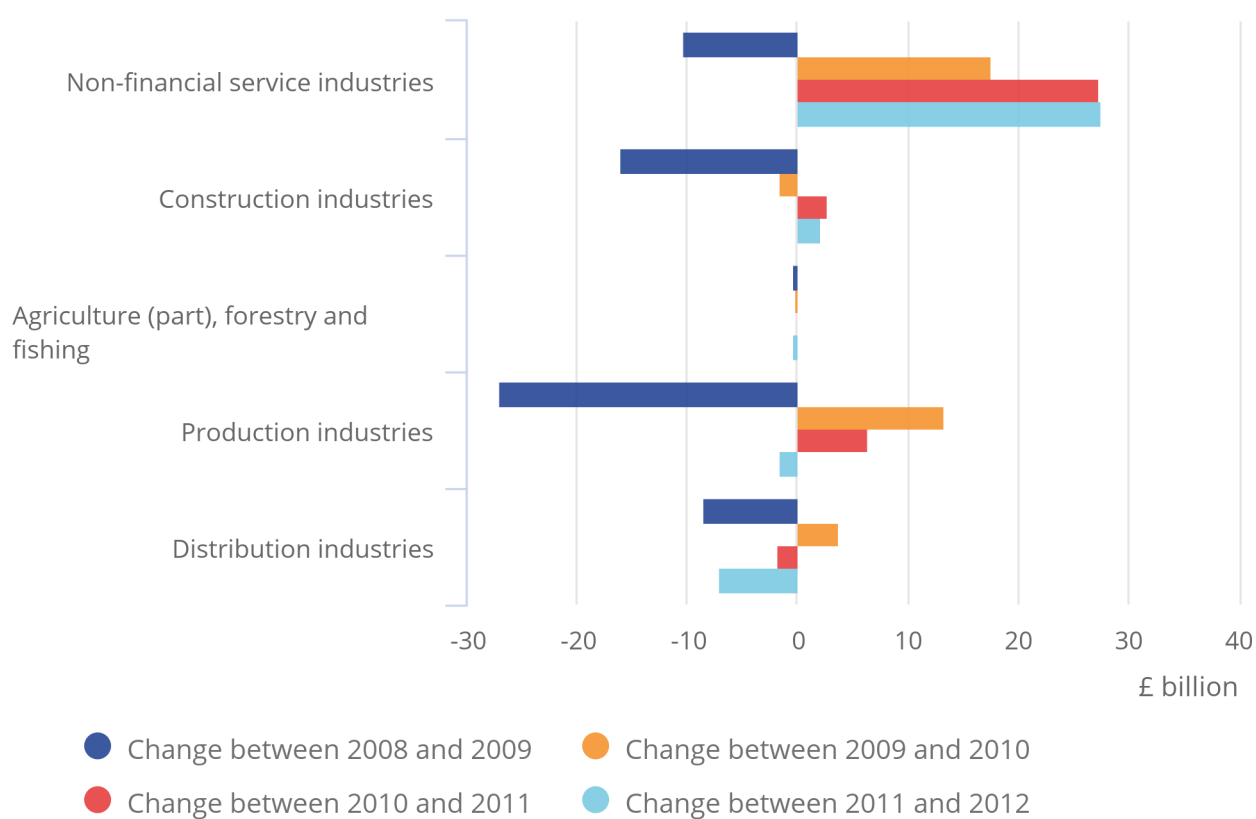
1. Excludes Financial and insurance; Public administration and defence; Public provision of Education; Public provision of Health and all medical and dental practice activities
2. Agriculture (part: excluding crop and animal production), forestry & fishing data are excluded from the line charts as the values are negligible on a comparable scale

Figure 3: UK non-financial business economy, details of aGVA growth by sector

2008-2012

Figure 3: UK non-financial business economy, details of aGVA growth by sector

2008-2012



Source: Office for National Statistics

Notes:

1. A list of industries which are included in the ABS measure of the UK Non-Financial Business Economy, can be found in background note 8

6 . Non-financial service industries, sections H-S (part)

Just over half (53.9%) of the estimated aGVA total of £936.3 billion in 2012 for the UK Non-Financial Business Economy was generated by the Non-Financial Service industries.

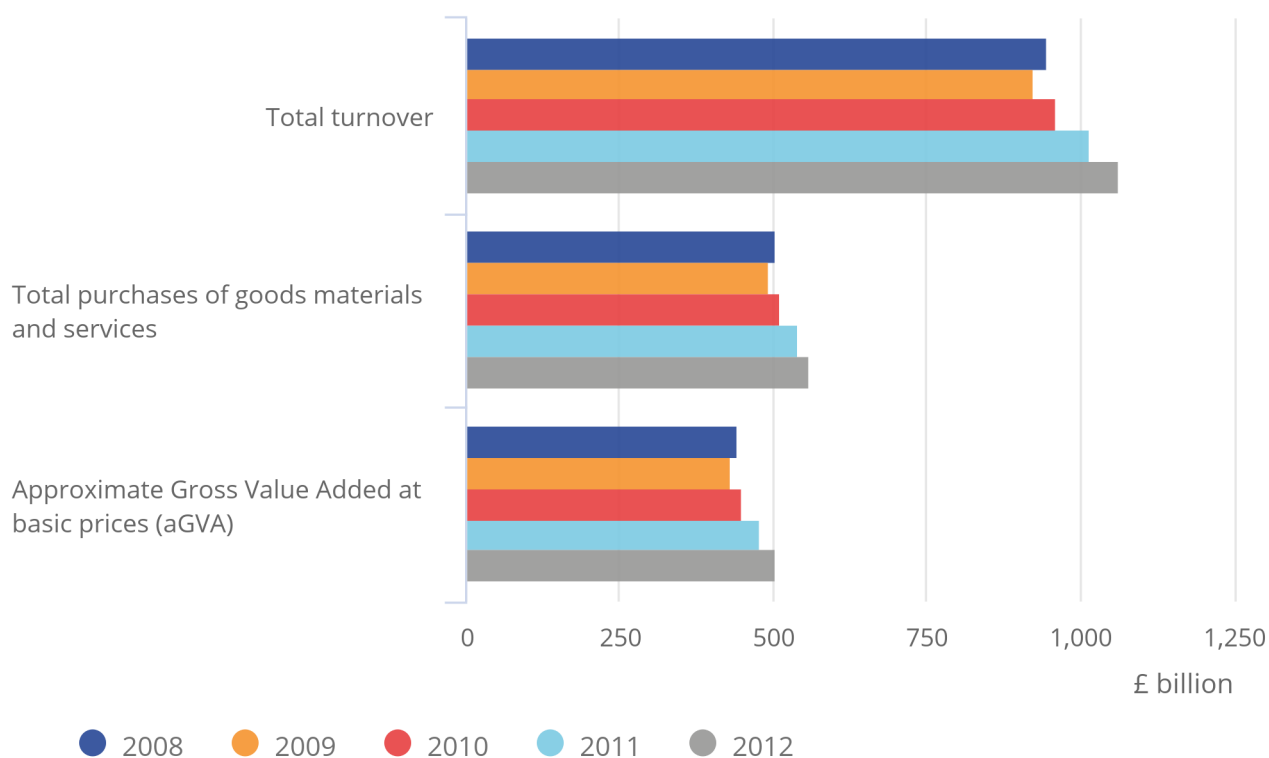
Between 2011 and 2012 Non-Financial Service turnover increased at a higher rate than purchases, 4.5% (£46.0 billion) compared to 3.4% (£18.4 billion), resulting in aGVA rising by 5.8% (£27.5 billion).

This is the third consecutive year of growth in aGVA for the sector, following the fall between 2008 and 2009. Turnover, purchases and aGVA are now well above the level seen in 2008 at the start of the recession (see Figure 4).

When compared to the ABS provisional results published on 14 November 2013, the final 2011 and revised 2012 results show downward revisions to aGVA of -£2.6 billion and -£5.6 billion respectively. These revisions were driven by downward revisions to Transport & storage and Professional, scientific & technical activities (Section M) and resulted from a small number of businesses providing additional data, further validation of existing data or reporting restructuring.

Figure 4: Non-Financial Service Industries, details of income and expenditure and resulting aGVA, 2008-2012

Figure 4: Non-Financial Service Industries, details of income and expenditure and resulting aGVA, 2008-2012



Source: Office for National Statistics

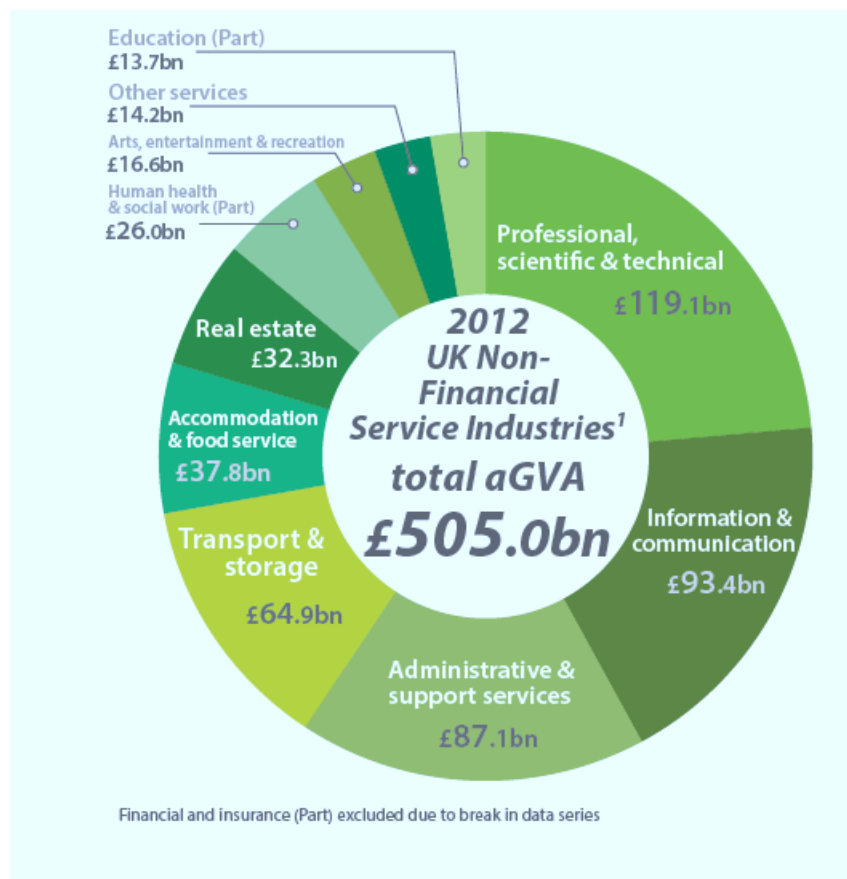
Notes:

1. A list of industries which are included in the ABS measure of the UK Non-Financial Business Economy, can be found in background note 8

All of the industry sections within the Non-Financial Service sector saw increases in aGVA between 2011 and 2012 (see Figures 5 and 6).

Those industries which have made the largest contributions to growth are Administrative & support service activities (Section N), Professional, scientific & technical activities (Section M), Transport & storage (Section H), and Real estate activities (Section L). Together these industries accounted for an increase in aGVA of £19.3 billion.

Figure 5a: Non-financial service industries, details of aGVA by section, 2012

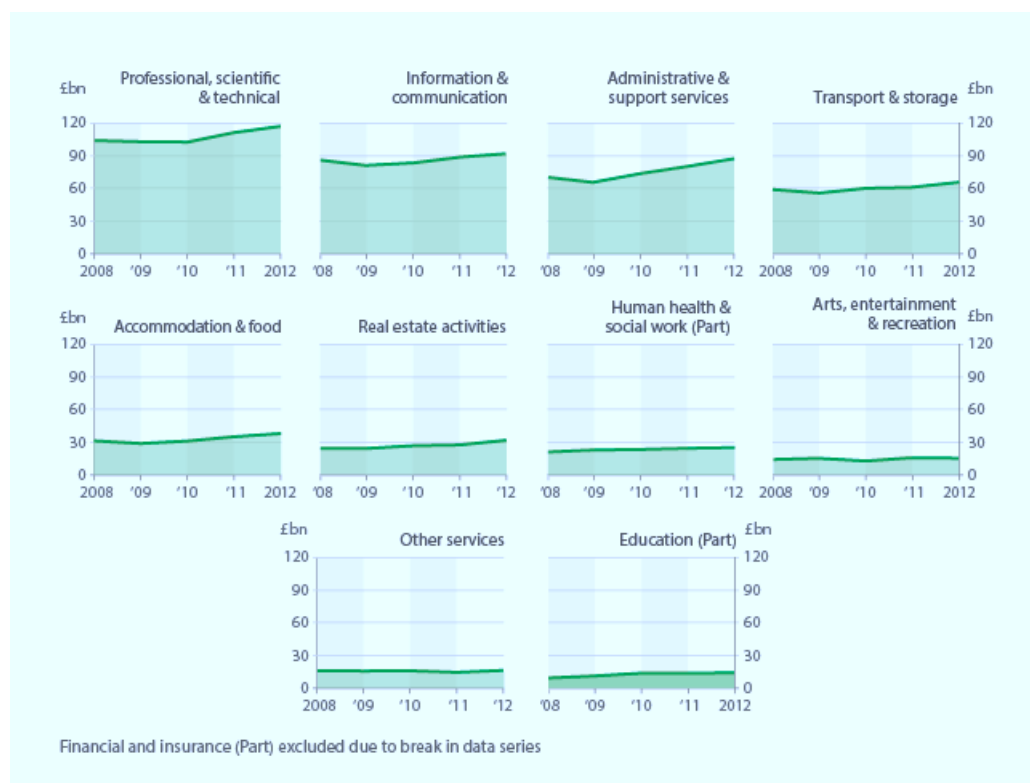


Source: Office for National Statistics

Notes:

1. Excludes Financial and insurance; Public administration and defence; Public provision of Education; Public provision of Health and all medical and dental practice activities

Figure 5b: Non-Financial Service Industries, details of aGVA by section, 2008-2012



Source: Office for National Statistics

Notes:

1. Excludes Financial and insurance; Public administration and defence; Public provision of Education; Public provision of Health and all medical and dental practice activities

Administrative & support services (section N)

Between 2011 and 2012 Administrative & support activities saw turnover rise by 3.3% (£5.6 billion), while purchases decreased by 1.5% (£1.3 billion) leading to an aGVA increase of 8.5% (£6.8 billion).

The main industries driving growth within Administrative & support activities were Employment activities (Division 78) where aGVA increased by 16.4% (£3.6 billion). The growth has been driven by Temporary employment agency activities (Group 78.2) which may be a result of businesses being more likely to recruit temporary rather than permanent staff as a result of continued economic uncertainty. Rental & leasing activities (Division 77) also made a substantial contribution with an 8.7% (£1.3 billion) increase in aGVA.

Professional, Scientific & Technical Activities (Section M)

Turnover in Professional, scientific & technical activities increased by 3.4% (£6.8 billion) between 2011 and 2012, with purchases showing an increase of only 0.7% (£0.6 billion). This resulted in growth of 5.0% (£5.7 billion) in aGVA, resulting in aGVA remaining above that reported for 2008 for the second consecutive year.

This broad section, which covers a range of industries from Legal & accounting activities to Advertising & market research and Veterinary activities, saw increases in aGVA in almost all its divisions between 2011 and 2012. Those making the largest impact on aGVA growth were Architectural & engineering activities & technical testing & analysis (Division 71), Scientific research & development (Division 72) and Legal & accounting activities (Division 69) which between them contributed £4.5 billion to aGVA.

Transport & storage (section H)

Turnover in Transport & storage increased by 5.4% (£7.7 billion) between 2011 and 2012, with purchases rising by 5.9% (£4.9 billion) resulting in a 5.5% (£3.4 billion) increase in aGVA.

The main industries driving growth within Transport & storage were Warehousing & support activities for transportation (Division 52), and Postal & courier activities (Division 53). Increases in this sector may be related to the effect of the Internet economy. Data on the retail sector indicates that turnover from mail order and via the Internet continued to increase at a higher rate than turnover from shops. Increases seen in Warehousing & support activities for transportation and Postal & courier activities are likely to partly result from the delivery and storage of items ordered from the Internet.

Real estate activities (section L)

Real estate experienced an 11.9% (£5.5 billion) rise in turnover, which, coupled with a smaller 8.8% (£1.6 billion) increase in purchases, resulted in growth in aGVA of 11.6% (£3.4 billion) between 2011 and 2012.

The main driver of this aGVA growth came from Renting & operating of own or leased real estate (Class 68.20), which accounts for the majority of the increase in Real estate activities.

Businesses in this industry have noted that a growing rental market has resulted from a trend of falling owner occupation, probably caused by increased mortgage constraints.

Finance & insurance (section K)

The ABS has included estimates for the Insurance & reinsurance industries (SIC 2007 Groups 65.1 and 65.2 respectively) in its UK National releases since 2008. This is the only part of Financial and insurance activities (Section K) covered by the survey. As with any new time-series, estimates for these industries have remained experimental while ongoing quality assurance has taken place. This quality assurance has led the figures to be revised substantially in recent years with a resulting break in the series between 2009 and 2010. Due to ongoing volatility the estimates for this series have been removed since November 2013 to allow for a more detailed quality assessment to be undertaken. The removal of these series does not affect other industries published as part of this release and has no impact on any other financial statistics published by the ONS.

Figure 6: Non-financial service industries, details of aGVA growth by section

2008-2012

Figure 6: Non-financial service industries, details of aGVA growth by section

2008-2012



Source: Office for National Statistics

Notes:

1. N - Administrative & support service activities M - Professional, scientific & technical activities H - Transport & storage L - Real estate activities I - Accommodation & food service activities J - Information & communication S - Other service activities Q (part) - Human health & social work activities P (part) - Education R - Arts, entertainment & recreation
2. A list of industries which are included in the ABS measure of the UK Non-Financial Business Economy, can be found in background note 8

7 . Production industries, sections B-E

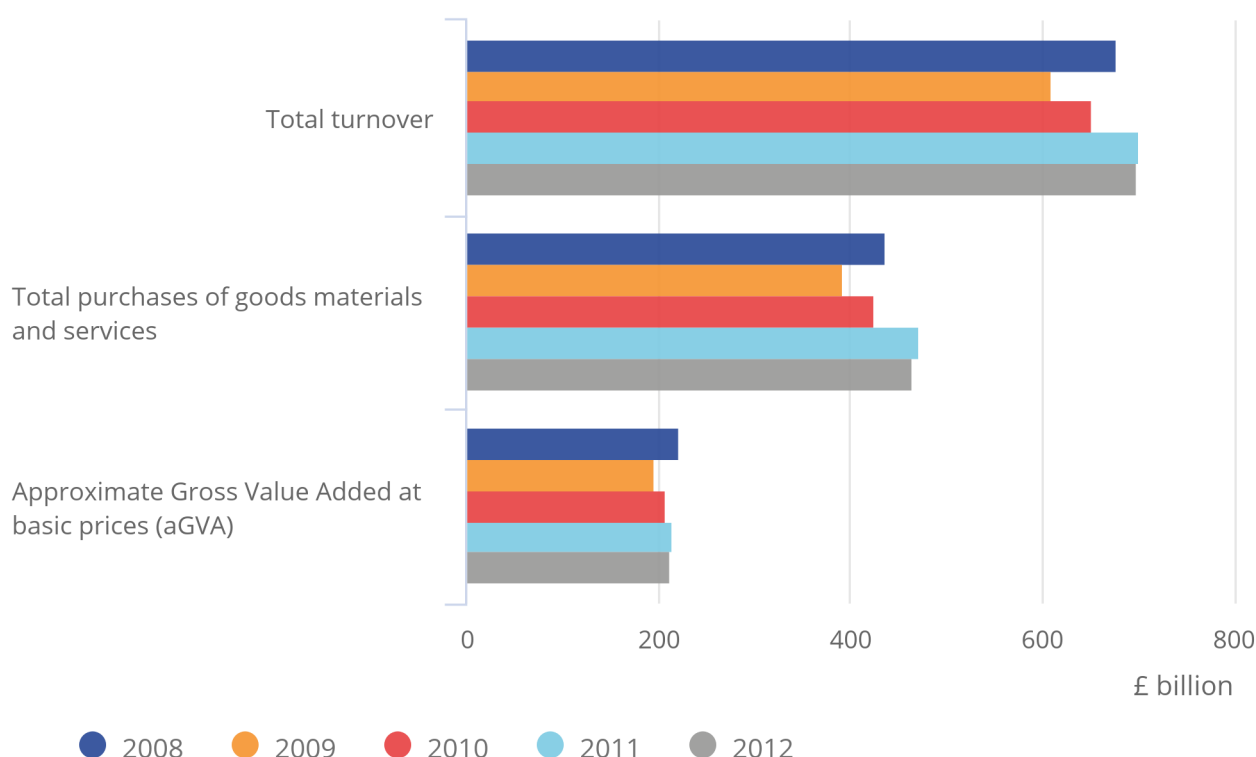
The Production sector in 2012 provided just under a quarter (22.8%) of the estimated aGVA total of £936.3 billion for the UK Non-Financial Business Economy.

Between 2011 and 2012, unlike in the Non-Financial Service sector, both Production sector turnover and purchases decreased (by 0.4% (£2.9 billion) and 1.1% (£5.4 billion) respectively). This led to a decrease in aGVA of 0.8% (£1.6 billion). This fall in aGVA follows two consecutive annual increases and sees aGVA drop further below the level seen in 2008 at the start of the recession (see Figure 7).

When compared to the ABS Provisional results published on 14 November 2013, the final 2011 results show a downward revision to aGVA of -£6.9 billion, while the revised 2012 results show an upward revision of £1.3 billion. These revisions were driven by Manufacturing (Section C) and Energy generation & supply (Section D) as a result of a small number of businesses providing additional data, further validation of existing data or reporting restructuring.

Figure 7: Production Industries, details of income and expenditure and resulting aGVA, 2008-2012

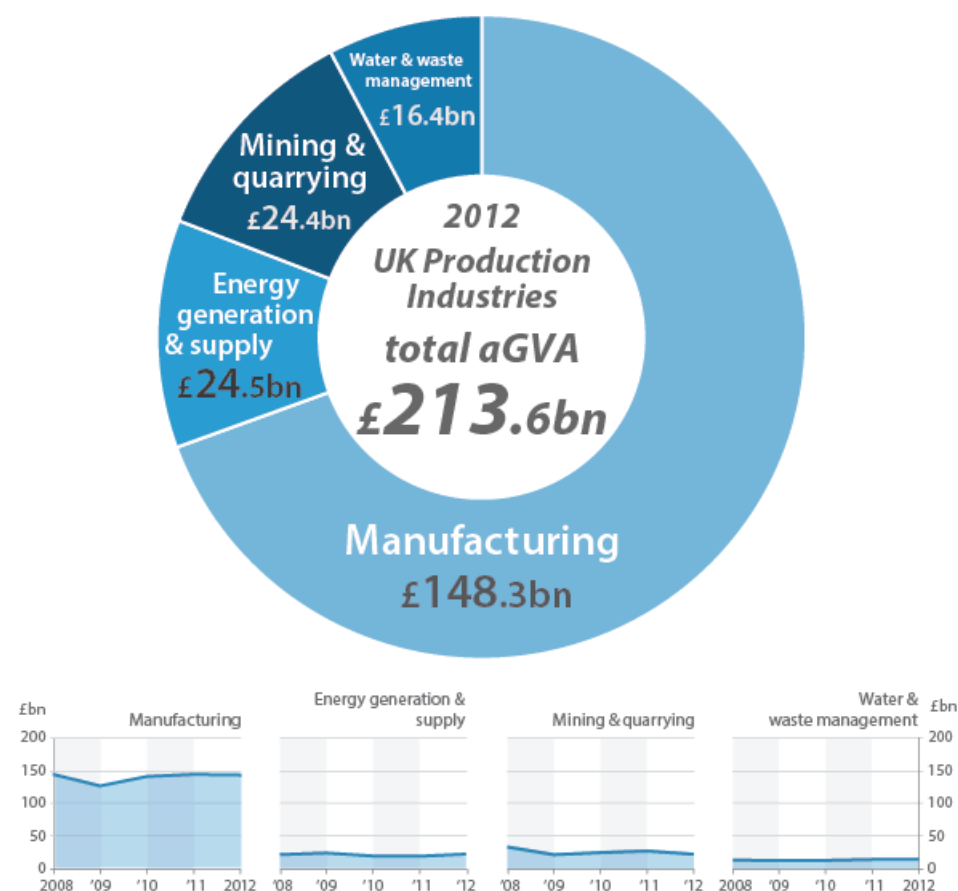
Figure 7: Production Industries, details of income and expenditure and resulting aGVA, 2008-2012



In the Production sector between 2011 and 2012, Section B (Mining & quarrying) and Section C (Manufacturing) saw falls in aGVA of 14.8% (£4.2 billion) and 0.7% (£1.0 billion) respectively.

Over the same period Section D (Energy generation & supply) and Section E (Water & waste management) saw increases in aGVA of 15.4% (£3.3 billion) and 1.9% (£0.3 billion) respectively (see Figures 8 and 10).

Figure 8: Production industries, details of aGVA by section, 2008-2012



Source: Office for National Statistics

Mining & quarrying (section B, which includes oil and gas extraction)

Turnover in Mining & quarrying decreased by 7.5% (£4.0 billion) while purchases increased by 1.7% (£0.4 billion) resulting in a 14.8% (£4.2 billion) decrease in aGVA. This decrease was almost entirely driven by Extraction of crude petroleum and natural gas (Division 06) which saw a 20.0% (£4.9 billion) decrease in aGVA which may be a result of prolonged periods of maintenance to offshore oil rigs.

Manufacturing (section C)

For Manufacturing there were decreases of 0.6% (£3.4 billion) in turnover and 1.8% (£6.4 billion) in purchases between 2011 and 2012. This resulted in a decrease in aGVA of 0.7% (£1.0 billion).

The decrease in manufacturing aGVA was driven primarily by Manufacture of basic metals (Division 24), Manufacture of computer, electronic & optical products (Division 26), Manufacture of motor vehicles, trailers & semi-trailers (Division 29), Manufacture of chemicals & chemical products (Division 20) and Manufacture of basic pharmaceutical products & pharmaceutical preparations (Division 21). Together these five divisions account for a decrease in aGVA of £3.1 billion (see Figure 9).

The £1.0 billion decrease in aGVA for Manufacture of basic metals (Division 24) was impacted by the closure in recent years of the [UK's two largest aluminium smelters](#).

The £0.5 billion decrease in aGVA for Manufacture of basic pharmaceutical products and pharmaceutical preparations (Division 21) was cited by some businesses as a result of decreased exclusivity of some previously patented products.

Of the divisions showing growth between 2011 and 2012 the largest growth was in Manufacture of fabricated metal products, except machinery & equipment (Division 25) which showed a rise in aGVA of 9.6% (£1.3 billion) and in Repair and installation of machinery equipment (Division 33) which showed a rise of 17.2% (£1.0 billion).

The picture within Manufacturing was mixed with around half of the 24 divisions experiencing decreases in aGVA between 2011 and 2012.

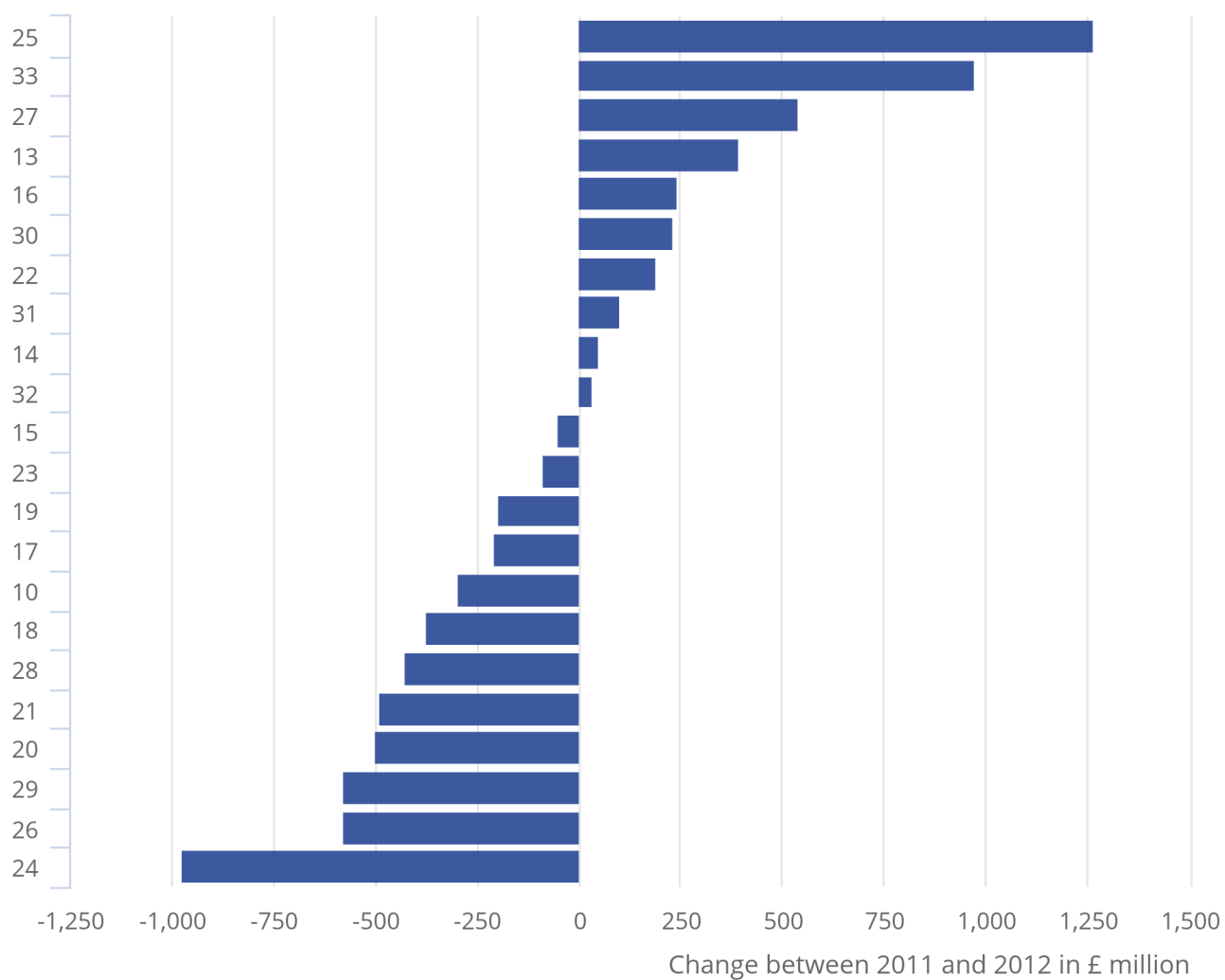
Across the Production sector many divisions have been affected by a trend amongst multinational companies towards restructuring on an international basis. Such restructuring has caused companies to be classified under different sectors to those they have historically occupied, with movements from traditional production industries towards wholesalers and toll processors.

Figure 9: Manufacturing, details of aGVA growth by division

2011-2012

Figure 9: Manufacturing, details of aGVA growth by division

2011-2012



Source: Office for National Statistics

Notes:

1. 10 - Food products
11 – Beverages
12 – Tobacco products
13 – Textiles
14 - Wearing apparel
15 - Leather & related products
16 - Wood & of products of wood & cork, except furniture; manufacture of articles of straw & plaiting materials
17 - Paper & paper products
18 - Printing & reproduction of recorded media
19 - Coke & refined petroleum products
20 - Chemicals & chemical products
21 - Basic pharmaceutical products & pharmaceutical preparations
22 - Rubber & plastic products
23 - Other non-metallic mineral products
24 - Basic metals
25 - Fabricated metal products, except machinery & equipment
26 - Computer, electronic & optical products
27 - Electrical equipment
28 - Machinery & equipment n.e.c
29 - Motor vehicles, trailers & semi-trailers
30 - Other transport equipment
31 – Furniture
32 - Other manufacturing
33 - Repair & installation of machinery & equipment
2. Information for 11 - Beverages and 12 - Tobacco products, suppressed to avoid disclosure

Energy generation & supply (section D)

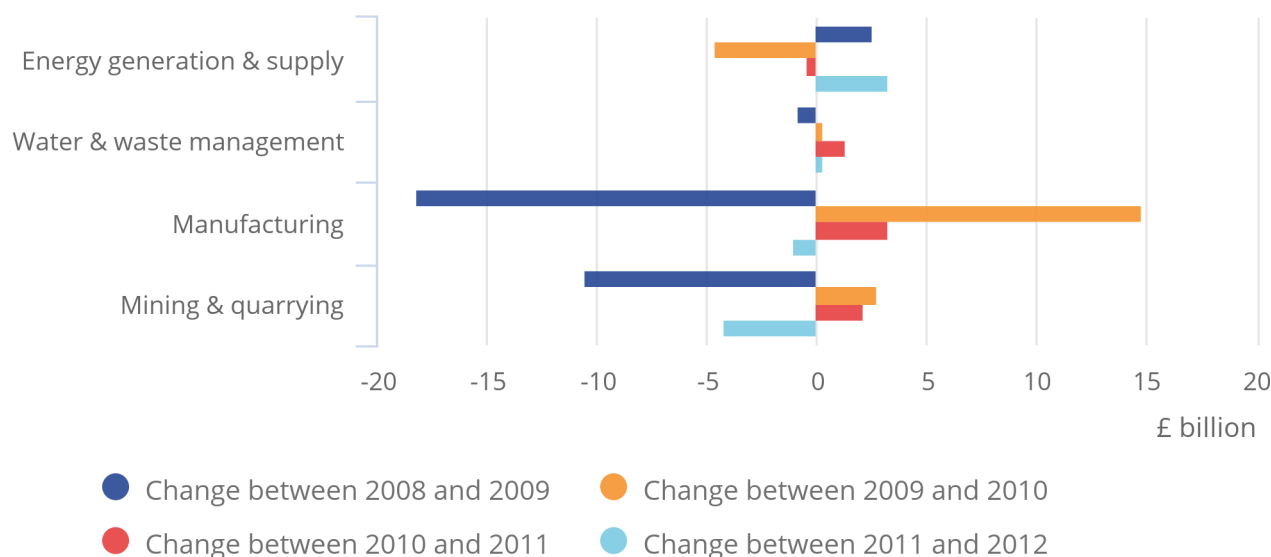
Electricity generation & supply saw turnover increase at a higher rate than purchases between 2011 and 2012 (4.7% (£4.7 billion) and 1.4% (£1.1 billion) respectively), resulting in aGVA increasing by 15.4% (£3.3 billion). Rises in turnover and purchases are thought to be influenced by increased price of raw materials influenced by international events such as the closing of Japan's nuclear program and Middle East unrest. The population rise of micro-businesses (with less than 10 people in employment) in this sector is thought to be due to the growth of small producers of renewable energy encouraged by various green grants, subsidies and "feed in tariffs".

Figure 10: Production Industries, details of aGVA growth by section

2008-2012

Figure 10: Production Industries, details of aGVA growth by section

2008-2012



Source: Office for National Statistics

8 . Distribution industries, section G

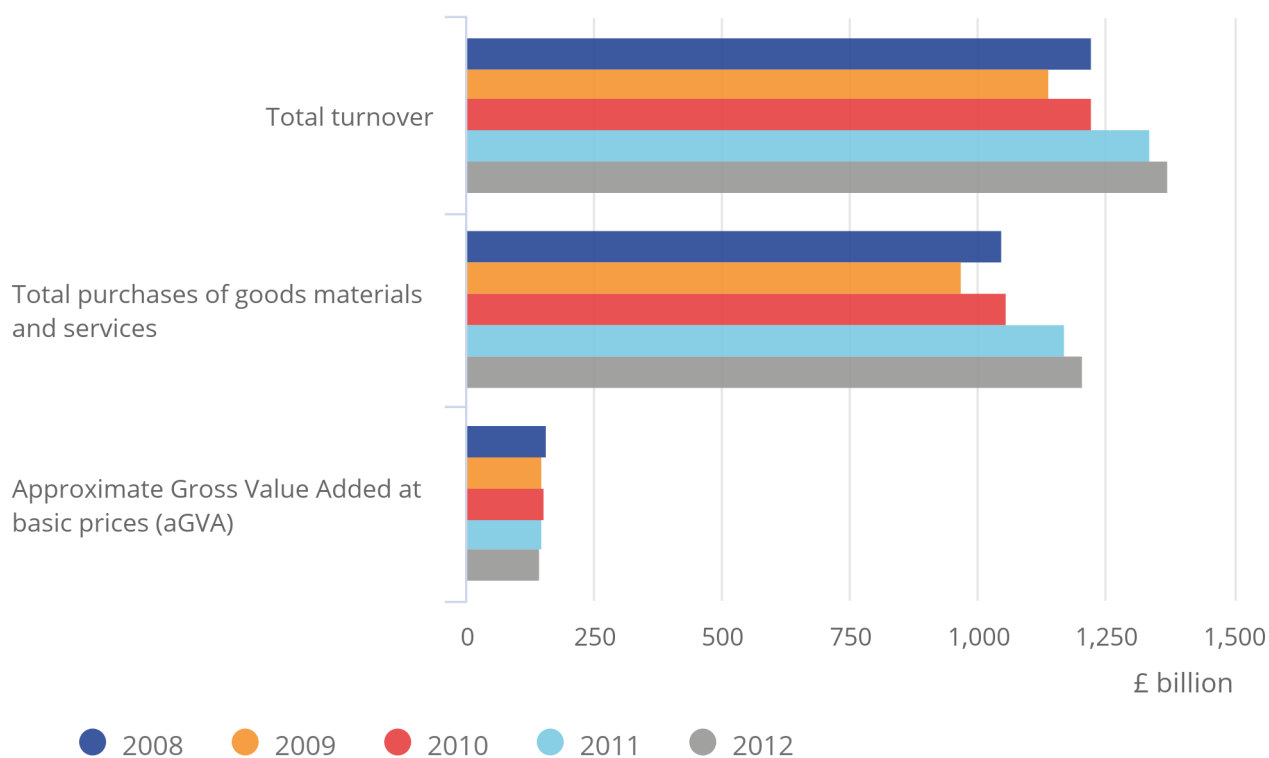
The Distribution industries in 2012 provided 15.4% of the estimated aGVA total of £936.3 billion for the UK Non-Financial Business Economy.

This sector saw a 2.6% (£34.6 billion) rise in turnover and a larger 3.1% (£35.8 billion) increase in purchases between 2011 and 2012. This contributed to the decrease in aGVA of 4.7% (£7.1 billion). This second consecutive annual decrease keeps aGVA for the Distribution sector below the level seen in 2008, at the start of the recession (see Figure 11).

When compared to the ABS Provisional results published on 14 November 2013, the final 2011 and revised 2012 results show downward revisions to aGVA of -£10.9 billion and -£6.8 billion respectively. These revisions were driven by downward revisions to Wholesale (excluding Motor trades) (Division 46) and resulted from a small number of businesses providing additional data, further validation of existing data or reporting restructuring.

Figure 11: Distribution Industries, details of income and expenditure and resulting aGVA, 2008-2012

Figure 11: Distribution Industries, details of income and expenditure and resulting aGVA, 2008-2012



Source: Office for National Statistics

Performance within Distribution was mixed (see Figures 12 and 13), with the decrease in aGVA between 2011 and 2012 driven by Wholesale (excluding Motor trades) (Division 46).

Figure 12: Distribution Industries, details of aGVA by division, 2008-2012



Source: Office for National Statistics

Wholesale (excluding motor trades) (division 46)

Wholesale experienced an increase in turnover of 2.7% (£23.0 billion) and purchases of 3.4% (£26.7 billion) between 2011 and 2012. However, aGVA saw a large decrease of 15.1% (£8.6 billion), although the change without industry restructures and reclassification changes would be less pronounced.

The fall between 2011 and 2012 was driven by changes to Other specialised wholesale (Group 46.7). Performance for this industry group is volatile as it is heavily influenced by changes in oil prices. The high oil prices seen in 2011 have continued into 2012 and wholesalers may have been reluctant to pass the higher prices onto their customers.

Motor trades (wholesale and retail) (division 45)

Motor trades also contributed to the fall in aGVA in Distribution between 2011 and 2012, with a decrease of 3.7% (£0.9 billion), as purchases increased at a higher rate than turnover, 4.6% (£5.3 billion) and 3.8% (£5.2 billion) respectively. This fall follows two consecutive annual increases.

Within Motor trades, Maintenance & repair of motor vehicles (Group 45.2) contributed to the fall in aGVA between 2011 and 2012, decreasing by 5.5% (£0.4 billion). This is perhaps a result of consumers putting off car repairs in response to the uncertain economic climate and falling real incomes.

The last few years have seen noticeable changes in the drivers within this division, between sales of new vehicles and maintenance of old vehicles. For example, the Sale of motor vehicles (Group 45.1) saw strong growth between 2009 and 2010, followed by a small fall in aGVA between 2010 and 2011 suggesting that consumers could have brought forward purchases of new cars to take advantage of the Government car scrappage scheme (which ran from May 2009 to April 2010). The group experienced a slight fall of 0.4% (£0.05 billion) in aGVA between 2011 and 2012.

On the other hand, Maintenance & repair of motor vehicles (Group 45.2) saw very little growth between 2009 and 2010, followed by much stronger growth between 2010 and 2011 when the scrappage scheme had ended. Between 2011 and 2012 aGVA in this group has also fallen.

Retail (excluding motor trades) (division 47)

In contrast, aGVA in Retail saw an increase of 3.3% (£2.3 billion) between 2011 and 2012. This growth in aGVA was a result of a 1.9% (£6.4 billion) increase in turnover and a smaller 1.4% (£3.8 billion) increase in purchases.

The increases in aGVA were driven by a 5.6% (£1.2 billion) rise in Retail sale of other goods in specialised stores (Group 47.7) which includes retail sale of clothing and footwear, and a rise of 26.9% (£0.9 billion) in Retail sales not in stores, stalls or markets (Group 47.9) which includes Internet sales. This was countered by a decrease of 36.1% (£0.7 billion) in Retail sale of automotive fuel in specialised stores (Group 47.3) which includes petrol stations.

Perhaps unsurprisingly, reports from businesses indicate that turnover from mail orders and via the Internet increased at a higher rate than turnover from shops.

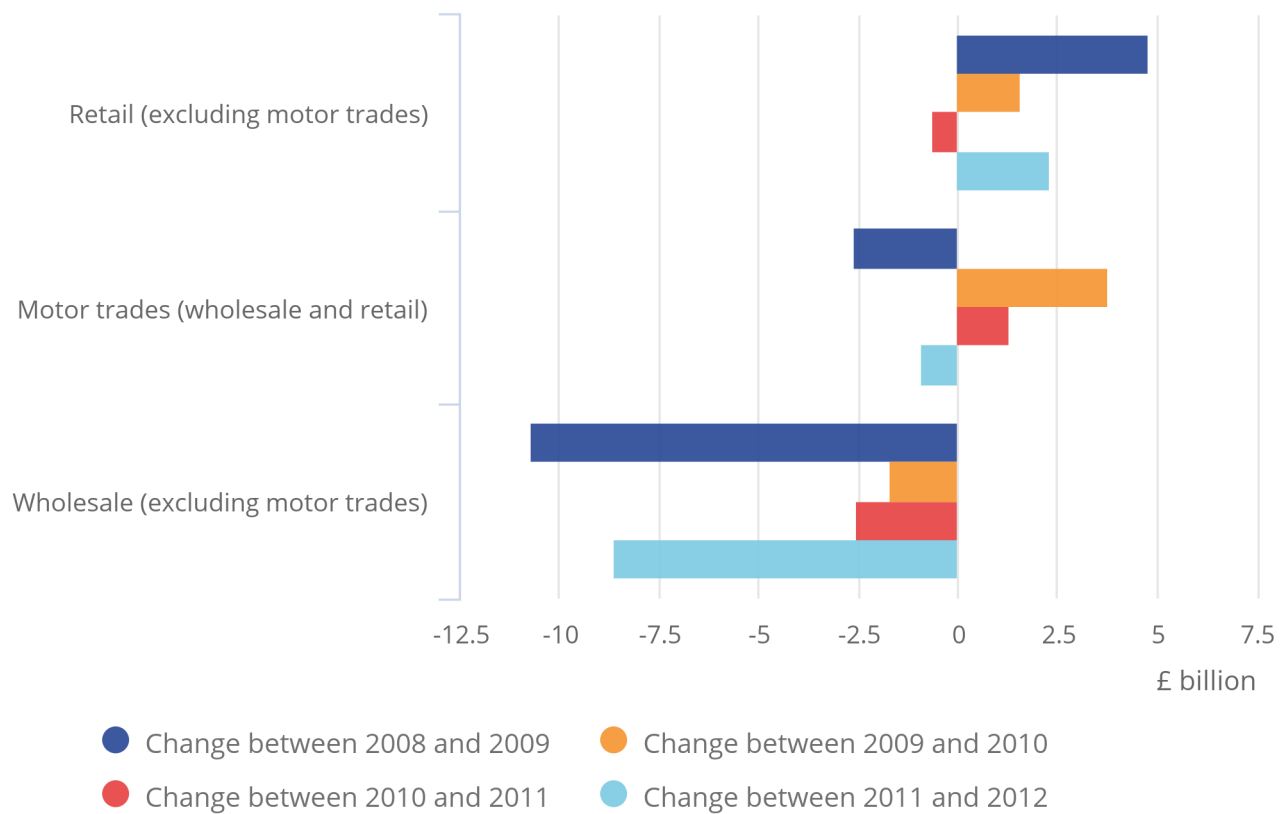
Although increasing, retail sales from mail order and the Internet remain a small share of total turnover. The rise may be due to customer demand for better value for money, and businesses diversifying to cut expenditure.

Figure 13: Distribution industries, details of aGVA growth by division

2008-2012

Figure 13: Distribution industries, details of aGVA growth by division

2008-2012



Source: Office for National Statistics

Notes for Distribution industries, section G

1. Please note that the ABS figures for the Retail industry should not be compared directly with the annual 'value non seasonally adjusted' figures in the monthly 'Retail Sales Inquiry' release because:
 - the ABS figures cover the United Kingdom, while the 'Retail Sales Inquiry' covers Great Britain only
 - the ABS 'total' turnover figures in the main results tables represent sales to both business and the public and are published excluding VAT, while those in the 'Retail Sales Inquiry' represent sales to the public only and are published including VAT
2. The ABS does publish 'retail' turnover figures (for sales to the public only) in its Retail Commodities tables which are inclusive of VAT and will be closer to 'Retail Sales Inquiry' figures, however
 - the ABS 'retail' turnover figures includes data for National Health Service receipts and commissions whereas the 'Retail Sales Inquiry' do not
 - Retail Sales Inquiry does not cover household spending on services bought from the retail sector as it is designed to only cover goods
 - although both quote figures for a calendar year, the 'Retail Sales Inquiry' produce monthly output measures which include average weekly value and volume estimates. The value estimates reflect the average total turnover that businesses have collected over a standard reporting period, while the volume estimates are calculated by taking the value estimates and adjusting to remove the impact of price changes. ABS figures are based on annual responses from businesses covering a range of financial years

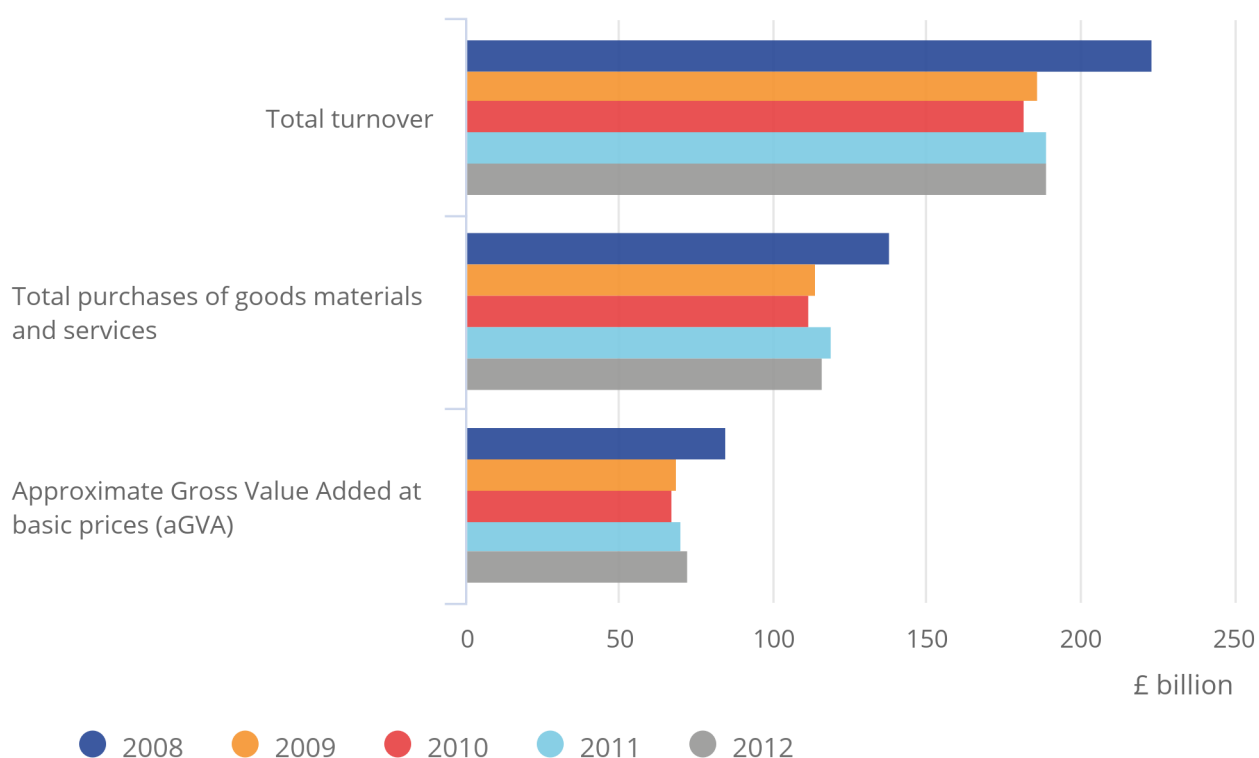
9 . Construction industries, section F

Construction turnover decreased slightly by 0.2% (£0.3 billion) between 2011 and 2012 with purchases decreasing by a larger 2.3% (£2.8 billion) to give overall growth in aGVA of 2.9% (£2.1 billion). This is the second consecutive year of growth, but still leaves Construction aGVA £12.6 billion lower than the level in 2008 at the start of the recession (see Figure 14).

When compared to the ABS provisional results published on 14 November 2013, the final 2011 results show an downward revision to aGVA of £0.5 billion, while the revised 2012 results show a downward revision of £0.4 billion. These revisions were a result of a small number of businesses providing additional data, further validation of existing data or reporting restructuring.

Figure 14: Construction Industries, details of income and expenditure and resulting aGVA, 2008-2012

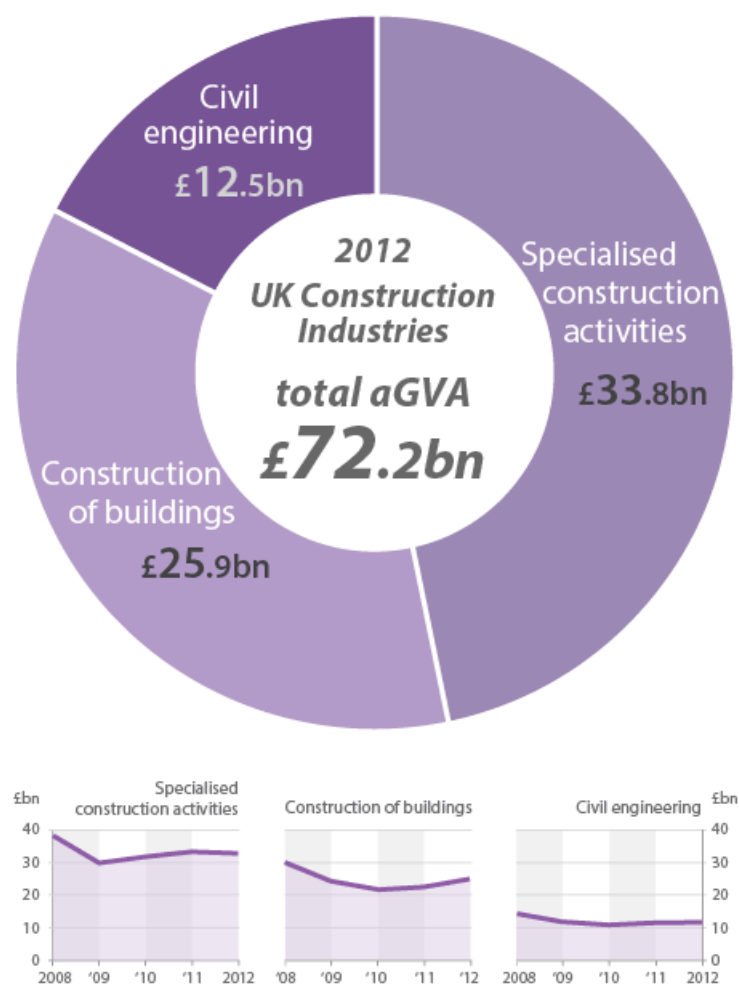
Figure 14: Construction Industries, details of income and expenditure and resulting aGVA, 2008-2012



Source: Office for National Statistics

The growth in Construction was driven by Construction of buildings (Division 41) which saw a 10.4% increase in aGVA between 2011 and 2012, while Civil engineering (Division 42) saw only a minor 0.8% increase. Specialised construction activities (Division 43) experienced a fall in aGVA of 1.4%.

Figure 15: Construction industries, details of aGVA by division, 2008-2012



Source: Office for National Statistics

Construction of buildings (division 41)

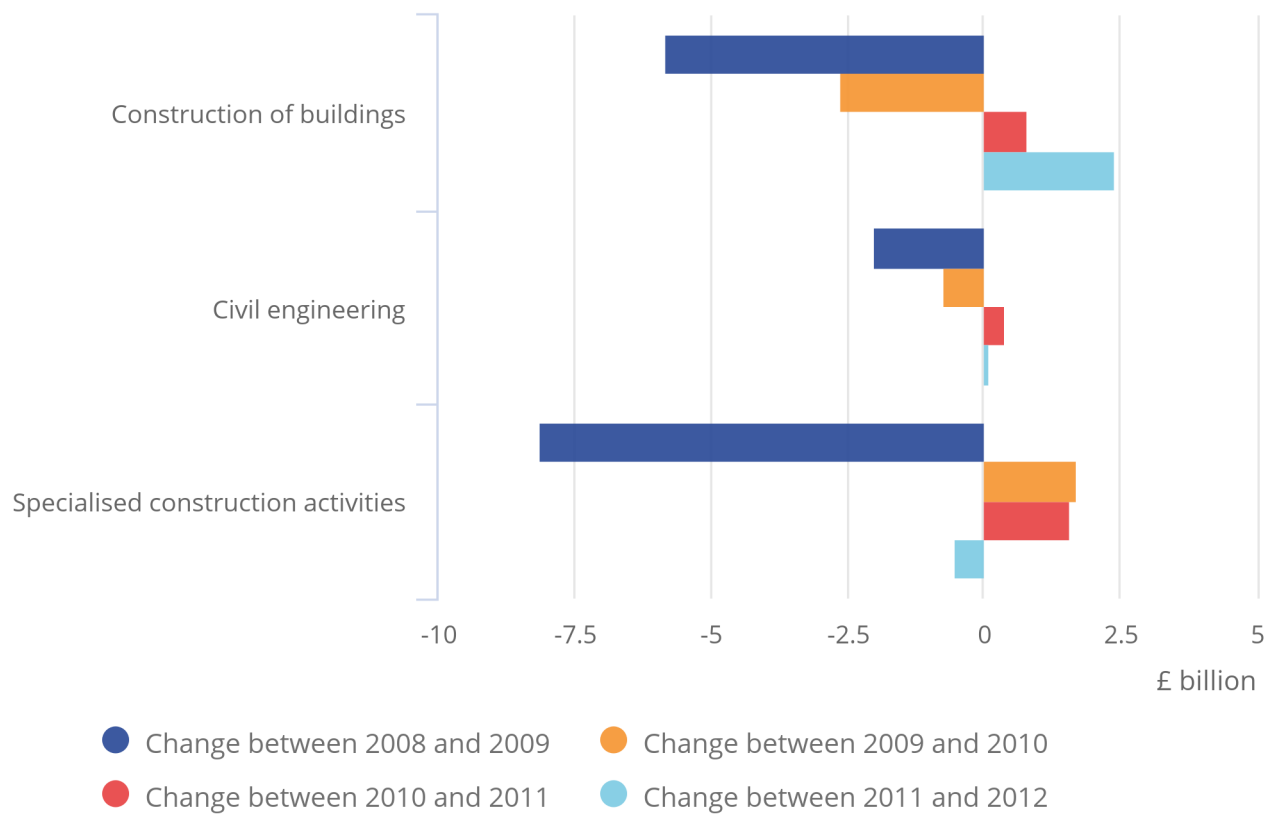
Construction of buildings which drove the growth in the Construction sector, experienced an increase in aGVA of 10.4% (£2.4 billion) between 2011 and 2012 as a result of a 3.8% (£2.7 billion) increase in turnover and a 0.2% (£0.1 billion) fall in purchases. The main driver of the change was an increase in Development of building projects (Group 41.1), which saw a rise in aGVA of 25.0% (£1.8 billion).

Figure 16: Construction industries, details of aGVA growth by division

2008-2012

Figure 16: Construction industries, details of aGVA growth by division

2008-2012



Source: Office for National Statistics

Notes for Construction industries, section F

1. Please note that the ABS figures for the Construction industries should not be compared directly with annual figures in the monthly 'Output in the Construction Industry' release because:
 - the ABS figures cover the United Kingdom, while the 'Output in the Construction Industry' covers Great Britain only
 - the two surveys measure different concepts of this industry
 - while both quote figures for a calendar year, the 'Output in the Construction Industry' are based on the aggregate of the responses to 12 monthly surveys, whereas ABS figures are based on annual responses covering a range of business years
 - the ABS figures will always be larger than those in the 'Output in the Construction Industry' because the latter excludes: Property developers (SIC 41.1); Payment on purchased services (architects, technical engineering, etc.); Payment to subcontractors, unless the subcontractors are not classified to construction and therefore are not part of the survey; Value of land; Value of materials sold (which are not part of a structure); and Fixtures, equipment and tools that are sold

10 . Agriculture (part), forestry and fishing, section A

The ABS covers only hunting, forestry, fishing and the support activities to agriculture. Commentary is therefore limited because its size in terms of economic output, as measured by the ABS, is small in comparison to the other sections of the UK Non-Financial Business Economy. However, data for these parts of Section A can be found in the reference tables linked to this bulletin.

The other parts of agriculture, which include crop and animal production, are covered by the [Department for Environment, Food and Rural Affairs](#) (DEFRA).

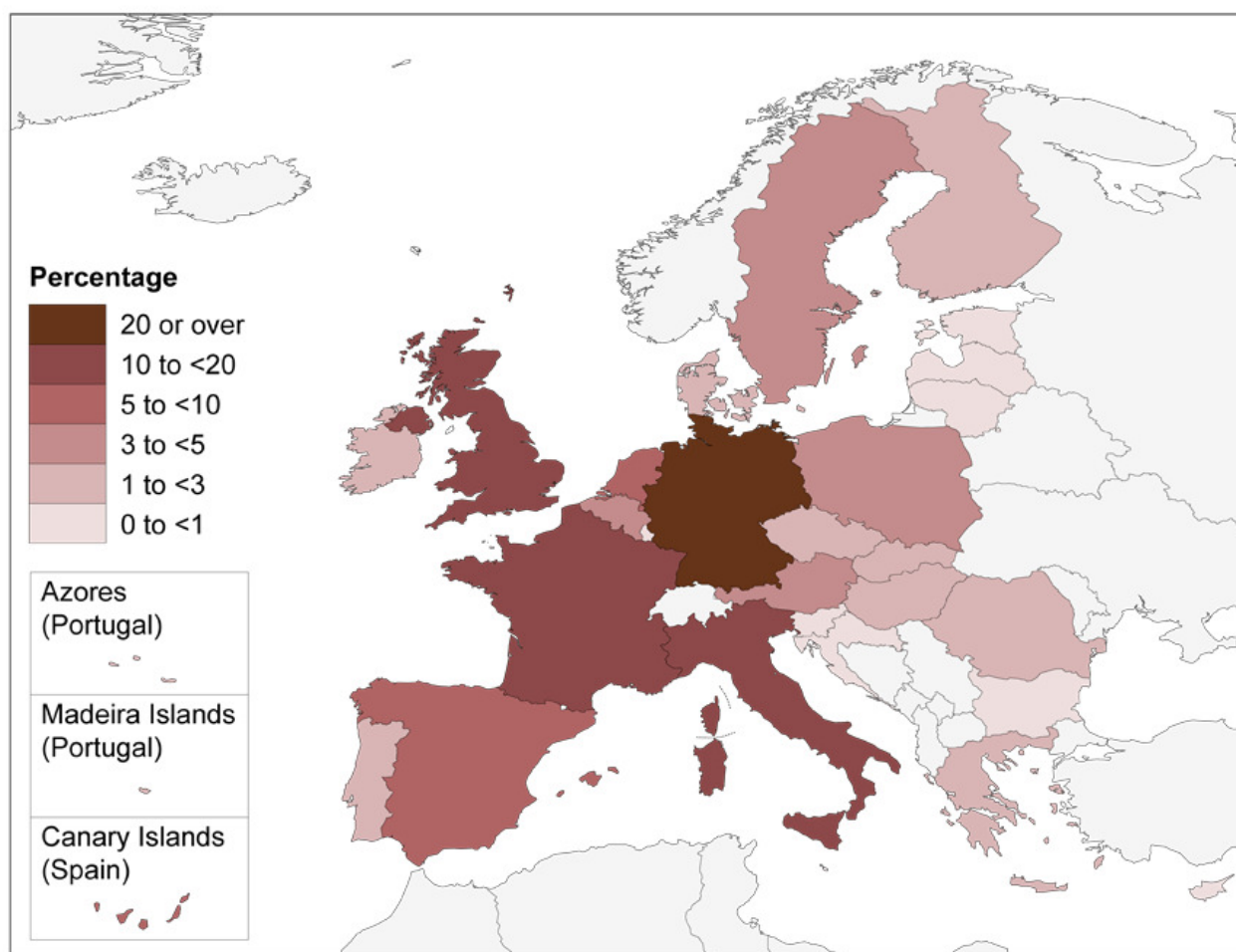
The part of Section A covered by ABS showed rises in turnover of 0.9% (less than £0.1 billion) between 2011 and 2012 and purchases of 11.3% (£0.2 billion) which led to a decrease of 11.4% (£0.2 billion) in aGVA between 2011 and 2012. This fall means that, at £1.4 billion, aGVA still remains lower than the level in 2008, at the start of the recession.

Validation of data returns for 2011 highlighted a small number of businesses within agriculture (Division 01) which needed to be reclassified resulting in revisions to the 2010 and 2011 figures. In line with the ABS revisions policy previous years (2008 and 2009) have not been revised and users should therefore take caution when comparing figures overtime.

11 . European comparison

Map 1 shows the share of the total value of EU-28 aGVA in the business economy of each member state in 2011 (the latest figures available). The UK contributes between 10% and 20% of total EU aGVA. Germany accounts for over 20% of EU aGVA. France and Italy are the only other member states that contribute more than 10% of EU business economy aGVA.

Map 1: Percentage share of the aGVA for the business economy in the EU-28, 2011



Source of data: Eurostat

Source of boundaries: UNEP (2011): UNEP Environmental Data Explorer.

United Nations Environment Programme. <http://geodata.grid.unep.ch>.

Notes:

1. aGVA presented here is at [factor costs, not at basic prices](#)
2. Industry coverage for the European comparisons is SIC Sections B–N, excluding Section K. This is the business economy excluding 'Agriculture, Education, Human health and social work activities, Arts, entertainment and recreation, Other service activities'
3. Because of missing data aGVA for Malta is for 2009, while aGVA for Greece is for 2010. All other data are for 2011, which is the latest available period for European comparisons
4. Data are included for all of the EU-28 countries. Croatia joined the European Union on 1 July 2013

12. Background notes

1. Annual Business Survey – ABS

The Annual Business Survey (ABS), formerly the Annual Business Inquiry part 2 (ABI/2), produced by the Office for National Statistics (ONS), is the key resource for understanding the detailed structure, conduct and performance of businesses across the UK.

The ABS survey samples approximately 62,000 businesses in Great Britain from a population of over 1.8 million businesses in the sample frame on the Inter-Departmental Business Register (IDBR). The responding businesses provide information such as their turnover, purchases, employment costs, capital expenditure and stocks.

Data for approximately 11,000 businesses in Northern Ireland are collected by the Department of Finance and Personnel Northern Ireland and contribute to the UK estimates.

In this National Statistics publication, a range of estimates are published including turnover, purchases, approximate Gross Value Added at basic prices (aGVA) and employment costs for industry sectors and the UK Business Economy. All data are reported at current prices (effect of price changes included).

Visit the [ABS webpages](#) for more in-depth information about the ABS, plus the latest news on survey changes and developments.

An [ABS Glossary \(405.2 Kb Pdf\)](#) of terms is available to help interpret the technical descriptions and abbreviations used throughout this bulletin.

2. ABS quality information

A [Quality and Methodology Information \(QMI\) report \(149.3 Kb Pdf\)](#) for the ABS can be found on the ONS website. The aims of the QMI report are to provide users with a greater understanding of ONS's statistics, their uses and the methods that are used to produce them.

The ABS is a sample survey. As with all sample surveys, estimates are subject to various sources of error. The total error in a survey estimate is the difference between the estimate derived from the data collected and the true (unknown) value for the population. The total error consists of two main elements; the sampling error and the non-sampling error. The ABS was designed to minimise both these errors. The standard error is the estimated value of the sampling error. The estimate for a variable, plus and minus the standard error for the variable, gives a range in which the true unknown value for the population should lie. The closer the standard error is to 0, the more reliable the estimate.

The coefficient of variation is the standard error of a variable divided by the survey estimate, and it is used to compare the relative precision across surveys or variables. The closer the coefficient of variation is to 0, the more reliable the estimate. Coefficients of variation enable the comparison of the relative precision across surveys or variables. Standard errors and coefficients of variation for turnover, aGVA, purchases, employment costs and capital expenditure are available in the quality measures table published with this release.

More detailed information on these and other quality and methodology issues is available in the [ABS Technical Report \(1.61 Mb Pdf\)](#) published on the [ABS webpages](#).

Selective editing

When ABS responses are received, checks are undertaken to ensure the information is correct. This is known as editing and validation. Selective editing has been used to validate responses for the first time for the 2011 results using software called SELEKT. SELEKT is a generic selective editing tool which highlights responses which appear to be in error if they fall outside the range of what is expected and have a large influence on key estimates. Those responses with the highest score are prioritised for editing and validation. This increases the efficiency of the editing process by focusing on the responses with the highest impact and importance.

The introduction of selective editing should at least maintain, if not improve the quality of the ABS results as it should: minimise the bias introduced by processing (removing over-editing); remove non-value adding activities from the process; and focus resources to errors that impact on the results.

However, the full impact on quality is not yet known. This will continue to be monitored and any updates will be included with future ABS releases. For more information on SELEKT, see Chapter 5 of the [ABS Technical Report. \(1.61 Mb Pdf\)](#)

3. Uses and users of ABS statistics

ABS outputs may be used to answer questions such as:

- how much wealth has been created in a particular industry?
- has there been a shift in activity from one industrial sector to another, and which industry groups /classes/subclasses are driving the change?
- are any industries particularly dominant in specific regions or countries of the UK and are there structural changes over time?
- how productive is a particular industry, such as the chemicals sector, and what is its operating profitability?

There are a wide range of users that view, download and utilise the ABS data. Key users of the output include:

National Accounts: The statistics produced help to improve the overall quality of the UK National Accounts and the measurement of Gross Domestic Product (GDP). The ABS forms a major data input to the

production of Input-Output Annual Supply and Use Tables used to set the annual level of UK GDP. The [Supply and Use tables](#) show the sales and purchases relationships between consumers and producers by industry (see section 2.1 of [UK National Accounts](#)).

Indices of Services and Production: Use ABS data to calculate the weights used to produce the indexes, and to calculate the deflation of turnover.

[Eurostat](#): ABS is the main source of data supplied to Eurostat to meet the requirements of the European Structural Business Statistics (SBS) Regulation. This regulation ensures that key statistics on the structure of businesses are composed in a way which is comparable across Europe. Eurostat use SBS data to inform and monitor European Union policy.

Scottish Government and the Welsh Government: The financial information is also used by the Scottish Government and the Welsh Government in the compilation of regional and country specific Input-Output tables (For example [Scottish Input-Output](#)) and Indices of Production (For example [Welsh Indices of Production](#)). The resulting outputs are used to inform and monitor policy.

[Department for Business, Innovation & Skills \(BIS\)](#): use ABS data to assess the structure and performance of UK industries.

Local Authorities: Data are used for economic research, planning purposes, lobbying and economic strategy development.

Business consultants: Use these data to understand trends in industry sectors and UK regions. Marketing experts: Use these data to undertake demographic mapping and market segmentation. Other local and national government departments and bodies, businesses, academics and the general public use these data for research, modelling or forecasting and to track industry trends.

More detailed information on the uses and users of ABS is available in the [ABS Technical Report \(1.61 Mb Pdf\)](#) published on the [ABS webpages](#).

4. Your views matter

We are constantly aiming to improve this release and its associated commentary. We would welcome any feedback you might have, and would be particularly interested in knowing how you make use of these data to inform your work. Please contact us via email: abs@ons.gov.uk or telephone Heather Bovill on +44 (0) 1633 455107.

The Changing Shape of Trade and Investment in the UK, an event coordinated jointly with the Department for Business, Innovation and Skills (BIS), took place in September 2013. The event featured a range of talks from users, producers and suppliers of business trade and investment statistics, not just from central government and the devolved administrations, but also local government, media, business representatives and researchers. To view the content of the day, please visit Storify.

5. International comparisons

International comparisons of structural business statistics are available from Eurostat (for the European Union), and the Organisation for Economic Co-operation and Development (OECD):

[Eurostat](#): analysis of the European business economy.

[OECD](#): follow the link to the structural analysis database, under the industry and services theme.

6. ABS Revisions

ABS estimates are revised in line with the ABS Revisions Policy. The revisions policy is available in the [ABS Technical Report \(1.61 Mb Pdf\)](#) to assist users with their understanding of the cycle and frequency of data revisions. Users of this release are strongly advised to read this policy before using the data for research or policy related purposes.

Planned revisions usually arise from either the receipt of additional data or the correction of errors to existing data by businesses responding to the ABS. Those of notable magnitude will be highlighted and explained.

Revisions to published ABS results can be expected at the following times in the normal course of operation of the ABS:

- national figures for the current reference year will usually be revised between the provisional and revised data releases
- national figures for the previous reference year will be revised at the current survey year's revised data release

As an example of the timing and scale of revisions, provisional national data for 2012 were first published in November 2013 and were then revised in this June 2014 release. Between the provisional and revised 2012 national releases there was an overall change in the estimate of UK Non-Financial Business Economy turnover of -0.8% (-£27.7 billion). At the same time (June 2014) national data for 2011 were also revised.

Revisions to data provide one indication of the reliability of key indicators. A [table \(97 Kb Excel sheet\)](#) showing the size of revisions is published alongside the statistical bulletin released in June each year.

All other revisions will be regarded as unplanned and will be dealt with by non-standard releases. All revisions will be released in compliance with the same principles as other new information.

7. Response rates and compliance costs

The figures in this release are based on an annual survey of businesses. Revised 2012 results are based on a response rate of 77.8%. Response rates by different sectors can be found in the Quality Measures spreadsheet accompanying this release.

Table 1: Sections A-S (part) - UK non-financial business economy - response rates by sector

Standard Industrial Classification (Revised 2007) Sector	Description	%		
		2010 2	2011 3	2012 4
A-S (Part) ¹	Agriculture, Fishing, Production, Construction and Non-Financial Service Industries	78.2	77.9	77.8
A (Part) ¹	Agriculture, forestry and fishing	76.3	76.4	80.2
B-E	Production Industries	78.7	77.7	78.7
F	Construction Industries	74.8	74.9	74.8
G	Distribution Industries	77.1	77.6	77.5
H-S (Part) ¹	Non-Financial Service Industries	79.5	79.0	78.4

Source: Office for National Statistics

Notes:

1. The ABS covers only the UK Non-Financial Business Economy which accounts for approximately two thirds of the UK economy in terms of Gross Value Added. The industries covered are: - Agriculture (support activities SIC 01.6 and hunting and trapping SIC 0.17 only), forestry and fishing - Section A. - Production industries - Sections B-E. - Construction industries - Section F. - Distribution industries - Section G. - Non-Financial Service industries - Sections H, I, J, L, M, N, P (private provision only), Q (private provision only in SIC 86.1 and 86.9), R and S

3. Response rate at June 2013

4. Response rate at June 2014

For an estimate of the cost to GB businesses for providing their data to the ABS (known as compliance cost) see appendix G of the [ONS Compliance Costs Report](#).

8. General information

These points should be noted when using ABS results:

ABS coverage

The results in this Statistical Bulletin represent approximately two thirds of the UK economy in terms of Gross Value Added. In previous releases the UK Non-Financial Business Economy has been referred to as the Whole Economy.

The industries covered are:

- agriculture (support activities SIC 01.6 and hunting & trapping 01.7 only), forestry and fishing - Section A
- production industries - Sections B-E
- construction industries - Section F
- distribution industries - Section G
- non-financial service industries - Sections H, I, J, L, M, N, P (private provision only), Q (private provision only in SIC 86.1 and 86.9), R and S

The main industries excluded are:

- agriculture (SIC 01.1, 01.2, 01.3, 01.4 and 01.5 in Section A)
- financial and insurance (Section K)
- public administration and defence (Section O)
- education (public provision in Section P)

- health (SIC 86.2, public provision in SIC 86.1 and 86.9 in Section Q)

Data for a small part of the Financial and insurance sector (Insurance and reinsurance only (SIC 65.1 and 65.2)) has been collected by the ABS since 2008 and was previously included in the results. However, following discussions with key users, ONS decided to remove this experimental series from ABS releases for the reference year 2012 onwards due to the continued volatility of the data.

A review of the questionnaire for Insurance and Reinsurance businesses will be undertaken, alongside continued validation of returns to the survey, with the aim of reintroducing them to the ABS publications when the quality of the data has improved. Updates on progress will be available on the [ABS News Page](#).

Standard Industrial Classification

ABS results are classified according to the Standard Industrial Classification of Economic Activities (SIC) system. The UK is required by European legislation to have a system of classification consistent with the European Union's industrial classification system. The system underwent a major review in 2007. ABS data have been collected and published on the SIC 2007 system since the reference year 2008. Other revisions to the system occurred in 1958, 1968, 1980, 1992, 1997, and 2003.

UK SIC 2007 is divided into 21 sections, each denoted by a single letter from A to U. Each section can be uniquely defined by the next breakdown, the divisions (denoted by two digits).

The divisions are then broken down into groups (three digits), then into classes (four digits) and, in several cases, again into subclasses (five digits). So for example we have:

section C - manufacturing (comprising divisions 10 to 33)
 division 13 - manufacture of textiles
 group 13.9 - manufacture of other textiles
 class 13.93 - manufacture of carpets and rugs
 subclass 13.93/1 - manufacture of woven or tufted carpets and rugs

The full structure of SIC 2007 consists of 21 sections, 88 divisions, 272 groups, 615 classes and 191 subclasses in SIC 2007.

The business economy is constantly evolving as businesses merge, are taken over, or simply change the main focus of their business. These changes can result in the industry classification of a business changing over time. For example, if a business undertakes both manufacturing and wholesale activities, but most of its employment is within manufacturing, it will be classified to manufacturing. If the employment were to change substantially so that the majority worked in wholesale then the industry classification would change and the whole of the businesses turnover, for example, would move from manufacturing to wholesale. In industries where movements are common, or where large businesses are involved, these changes can themselves sometimes cause large changes in ABS estimates. This should be taken in to consideration when changes over time are being assessed.

Calculation of Gross Value Added estimates

Approximate gross value added at basic prices (aGVA) is derived from the responses of businesses to questions asked on the ABS. It is a measure of the income generated by businesses, industries or sectors, less the cost of goods and services used to create the income. The main component of income is turnover, while purchases is the main component of the consumed goods and services. Stock levels which may rise or fall can also have an impact on aGVA, as can the values of subsidies received or duty paid. Businesses' labour costs (for example, wages and salaries) are paid from the value of aGVA, leaving a gross operating surplus (or loss) which is a good approximation for profit (or loss). The cost of capital investment, financial charges and dividends to shareholders are met from the gross operating surplus.

aGVA is calculated in basic prices. That is, the valuation of output includes net taxes (taxes minus subsidies) on production, such as business rates, but not net taxes on individual products that result from the production process, such as Value Added Tax (VAT).

Estimates of turnover and purchases from the ABS are used to produce estimates of output and intermediate consumption (and therefore GVA) in the National Accounts. However, many other sources (including surveys and administrative sources) are also used to produce National Accounts estimates. These include sources of data on taxation and inventories (which are preferred to the ABS as they are used consistently throughout all parts of the National Accounts), as well as own-use output and non-market output (as these activities are only partially covered by the ABS).

There are differences between the two measures of gross value added in terms of coverage. For example,

GVA covers the whole of the UK economy while aGVA covers the UK Non-Financial Business Economy, a subset of the whole economy that excludes large parts of agriculture, all of public administration and defence, publicly provided healthcare and education, and the financial sector.

There are conceptual differences between the two measures of gross value added. For example, some production activities such as illegal smuggling of goods must be included in the National Accounts but are outside the scope of the ABS.

There are three approaches to measuring GDP; one based on production activity, one based on expenditure, and one based on income. In theory, the three approaches should produce the same estimate of GDP. However, in practice this is never the case because the three approaches make use of different data sources, each with their own definitions and limitations. The three different estimates are therefore reconciled in a process known as Supply and Use balancing. The balancing process is informed by a variety of data sources, and results in adjustments to estimates of output and intermediate consumption. For many industries, the balancing adjustment is the greatest source of difference between estimates from the ABS and the National Accounts.

More detailed information of the differences between aGVA and GVA is available in the [ABS Technical Report \(1.61 Mb Pdf\)](#) published on the [ABS webpages](#). There is also a recently published article '[A Comparison between ABS and National Accounts Measures of Value Added](#)' (462.3 Kb Pdf) which provides more detail.

Business Register and Employment Survey

The reference tables that support this release include estimates of employment. The ABS does not collect employment level information so instead this key information is taken from another source. In the past, employment data were collected via the Annual Business Inquiry / Part 1 (ABI/1), however, in 2009, ABI/1 was replaced with the Business Register and Employment Survey (BRES). The ABS and BRES are both optimal for their respective purposes, however caution should be taken when combining the financial data from the ABS and employment information from BRES to calculate estimates due to differences in methodology. More information on the differences between ABS and BRES is available in the [ABS Technical Report \(1.61 Mb Pdf\)](#) published on the [ABS webpages](#).

9. Disclosure control and symbols used

It is sometimes necessary to suppress figures for certain items in order to avoid disclosing information about an individual business. Further information on why data are suppressed is available in the ONS Disclosure Control Policy or in the [ABS Technical Report \(1.61 Mb Pdf\)](#).

The following symbols are used throughout the ABS releases: * information suppressed to avoid disclosure
.. not available - nil or less than half the level of rounding

10. National Statistics

The United Kingdom Statistics Authority reviewed ABS outputs in their report "[Assessment of compliance with the Code of Practice for Official Statistics: Statistics from the Annual Business Survey – Assessment Report 180](#)".

Following the ABS response to the report the UK Statistics Authority have since designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- are produced according to sound methods
- are managed impartially and objectively in the public interest

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

11. Social Media

Follow ONS on [Twitter](#) and receive up to date information about our statistics Like ONS on [Facebook](#) to receive our updates in your newsfeed and to post comments on our page

12. Government Statistical Service (GSS) business statistics

To find out about other official business statistics, and choose the right data for your needs, use the [GSS Business Statistics Interactive User Guide](#). By selecting your topics of interest, the tool will pinpoint publications that should be of interest to you, and provide you with links to more detailed information and the relevant statistical releases. It also offers guidance on which statistics are appropriate for different uses.

13. Discussing ONS Business Statistics Online

There is a [Business and Trade Statistics](#) community on the [StatsUserNet](#) website. StatsUserNet is the Royal Statistical Society's interactive site for users of official statistics. The community objectives are to promote dialogue and share information between users and producers of official business and trade statistics about the structure, content and performance of businesses within the UK. Anyone can join the discussions by registering via either of the links above.

14. ONS theme pages

Statistics are available on the ONS web pages categorised by themes, subject areas, topics and sub-topics. If you are interested in statistics on a particular issue, navigating through the categories will identify all the statistics available that relate to the selected theme, topic or sub-topic.

For Business themed short stories and articles please visit the [Business and Energy theme page](#).

15. Special events

ONS has published commentary, analysis and policy on 'Special Events' which may affect statistical outputs. For full details visit the [Special Events](#) page on the ONS website.

16. Release policy

ABS UK national results at the industry class level (4 digit Standard Industrial Classification 2007) are available free of charge via the 'Data in this release' button at the top of this publication, or from the [ABS webpages](#) on the ONS website. The published variables include turnover, purchases, aGVA and employment costs.

Additional standard extracts containing more detail are available on request. Bespoke analyses are also available but there will be a charge for these. For more information about either of these services please email abs@ons.gov.uk, or telephone +44 (0)1633 456592 for standard extracts, or +44 (0)1633 456601 for bespoke special analyses

Any bespoke analysis carried out for ABS customers will be listed on the [ONS data available on request](#) web pages, and the data sets will be available free of charge on request.

17. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gov.uk

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.

ANNUAL BUSINESS SURVEY

SECTIONS A-S UK NON-FINANCIAL BUSINESS ECONOMY - CHANGE ON PREVIOUS YEAR

Release Date 12/06/2014

Standard Industrial Classification (Revised 2007) Section Division	Description	Year	Approximate gross value added at basic prices (aGVA)	Change on previous year	% change on previous year	Total turnover	Change on previous year	% change on previous year	Total purchases of goods, materials and services	Change on previous year	% change on previous year
			£ million	£ million		£ million	£ million		£ million	£ million	
A-S (Part) ¹	Agriculture, Fishing, Production, Construction, Distribution and Non-Financial Service Industries	2008	909,662			3,075,145			2,130,612		
		2009	847,761	-61,901	-6.8	2,869,816	-205,328	-6.7	1,974,771	-155,841	-7.3
		2010	880,920	33,159	3.9	3,025,220	155,404	5.4	2,106,683	131,912	6.7
		2011	915,655	34,735	3.9	3,249,106	223,886	7.4	2,303,190	196,506	9.3
		2012	936,292	20,638	2.3	3,326,566	77,461	2.4	2,349,470	46,281	2.0
A (Part) ¹	Agriculture, forestry and fishing	2008	1,723			4,761			3,240		
		2009	1,536	-187	-10.9	4,079	-682	-14.3	2,682	-558	-17.2
		2010	1,487	-49	-3.2	3,150	-929	-22.8	1,845	-837	-31.2
		2011	1,585	98	6.6	3,558	408	13.0	2,129	284	15.4
		2012	1,404	-180	-11.4	3,591	33	0.9	2,370	241	11.3
B-E	Production industries	2008	222,540			677,230			437,677		
		2009	195,543	-26,997	-12.1	611,347	-65,884	-9.7	394,009	-43,668	-10.0
		2010	208,870	13,327	6.8	652,941	41,594	6.8	425,519	31,510	8.0
		2011	215,261	6,391	3.1	702,639	49,698	7.6	471,926	46,406	10.9
		2012	213,617	-1,643	-0.8	699,757	-2,882	-0.4	466,522	-5,404	-1.1
B	Mining and quarrying	2008	34,159			61,172			27,122		
		2009	23,663	-10,496	-30.7	45,940	-15,233	-24.9	22,413	-4,709	-17.4
		2010	26,488	2,825	11.9	47,785	1,845	4.0	21,882	-532	-2.4
		2011	28,597	2,109	8.0	53,951	6,166	12.9	26,469	4,588	21.0
		2012	24,368	-4,229	-14.8	49,907	-4,045	-7.5	26,907	438	1.7
C	Manufacturing	2008	149,441			500,246			332,630		
		2009	131,202	-18,239	-12.2	449,873	-50,373	-10.1	294,215	-38,415	-11.5
		2010	145,997	14,795	11.3	482,086	32,214	7.2	317,333	23,118	7.9
		2011	149,313	3,315	2.3	516,408	34,322	7.1	349,623	32,290	10.2
		2012	148,336	-977	-0.7	513,054	-3,354	-0.6	343,180	-6,443	-1.8
D	Electricity, gas, steam and air conditioning supply	2008	23,627			86,790			63,763		
		2009	26,149	2,522	10.7	87,539	749	0.9	63,599	-164	-0.3
		2010	21,561	-4,588	-17.5	94,424	6,885	7.9	72,362	8,763	13.8
		2011	21,206	-355	-1.6	100,735	6,311	6.7	80,139	7,776	10.7
		2012	24,464	3,259	15.4	105,473	4,738	4.7	81,241	1,102	1.4
E	Water supply, sewerage, waste management, and remediation activities	2008	15,314			29,022			14,163		
		2009	14,529	-785	-5.1	27,995	-1,026	-3.5	13,782	-381	-2.7
		2010	14,824	295	2.0	28,646	650	2.3	13,942	160	1.2
		2011	16,145	1,321	8.9	31,544	2,899	10.1	15,695	1,753	12.6
		2012	16,449	304	1.9	31,324	-221	-0.7	15,194	-501	-3.2
F	Construction	2008	84,812			223,399			137,768		
		2009	68,885	-15,927	-18.8	186,137	-37,262	-16.7	113,660	-24,108	-17.5
		2010	67,359	-1,526	-2.2	182,093	-4,044	-2.2	111,511	-2,149	-1.9
		2011	70,150	2,791	4.1	189,467	7,374	4.0	119,168	7,657	6.9
		2012	72,207	2,057	2.9	189,173	-294	-0.2	116,416	-2,752	-2.3
41	Construction of buildings	2008	30,994			91,608			59,926		
		2009	25,221	-5,773	-18.6	76,254	-15,355	-16.8	48,097	-11,829	-19.7
		2010	22,624	-2,597	-10.3	71,933	-4,320	-5.7	46,489	-1,608	-3.3
		2011	23,440	816	3.6	71,561	-373	-0.5	47,483	994	2.1
		2012	25,867	2,427	10.4	74,310	2,749	3.8	47,384	-100	-0.2
42	Civil engineering	2008	14,701			47,644			32,974		
		2009	12,686	-2,015	-13.7	41,529	-6,115	-12.8	28,641	-4,333	-13.1
		2010	12,033	-653	-5.1	36,935	-4,594	-11.1	24,691	-3,950	-13.8
		2011	12,446	413	3.4	39,332	2,397	6.5	27,322	2,631	10.7
		2012	12,542	96	0.8	38,170	-1,161	-3.0	25,884	-1,438	-5.3
43	Specialised construction activities	2008	39,117			84,147			44,867		
		2009	30,978	-8,139	-20.8	68,355	-15,792	-18.8	36,922	-7,946	-17.7
		2010	32,702	1,724	5.6	73,225	4,871	7.1	40,331	3,409	9.2
		2011	34,264	1,562	4.8	78,575	5,350	7.3	44,362	4,032	10.0
		2012	33,798	-466	-1.4	76,693	-1,882	-2.4	43,148	-1,215	-2.7
G-S	Distribution and Non-Financial Service industries	2008	600,586			2,169,755			1,551,927		
		2009	581,797	-18,789	-3.1	2,068,254	-101,501	-4.7	1,464,420	-87,507	-5.6
		2010	603,204	21,407	3.7	2,187,037	118,783	5.7	1,567,807	103,387	7.1
		2011	628,660	25,455	4.2	2,353,442	166,405	7.6	1,709,967	142,160	9.1
		2012	649,063	20,404	3.2	2,434,045	80,603	3.4	1,764,163	54,196	3.2
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	2008	157,794			1,224,568			1,046,323		
		2009	149,315	-8,478	-5.4	1,142,521	-82,047	-6.7	969,322	-77,002	-7.4
		2010	153,019	3,703	2.5	1,224,949	82,428	7.2	1,054,983	85,661	8.8
		2011	151,202	-1,817	-1.2	1,336,934	111,985	9.1	1,170,596	115,613	11.0
		2012	144,077	-7,125	-4.7	1,371,568	34,633	2.6	1,206,370	35,775	3.1
45	Wholesale and retail trade and repair of motor vehicles and motorcycles	2008	20,957			135,669			115,372		
		2009	18,348	-2,609	-12.5	125,764	-9,905	-7.3	105,457	-9,915	-8.6
		2010	22,150	3,802	20.7	132,077	6,313	5.0	111,243	5,786	5.5
		2011	23,419	1,269	5.7	137,364	5,287	4.0	115,292	4,049	3.6
		2012	22,554	-864	-3.7	142,581	5,218	3.8	120,554	5,262	4.6

46	Wholesale trade, except of motor vehicles and motorcycles	2008	71,714			777,154			684,714		
		2009	61,044	-10,670	-14.9	697,439	-79,715	-10.3	614,806	-69,908	-10.2
		2010	59,369	-1,675	-2.7	760,741	63,302	9.1	682,063	67,256	10.9
		2011	56,912	-2,457	-4.1	857,423	96,682	12.7	784,100	102,037	15.0
		2012	48,335	-8,577	-15.1	880,430	23,007	2.7	810,835	26,735	3.4
47	Retail trade, except of motor vehicles and motorcycles	2008	65,123			311,745			246,237		
		2009	69,924	4,801	7.4	319,318	7,573	2.4	249,058	2,821	1.1
		2010	71,500	1,576	2.3	332,131	12,813	4.0	261,676	12,618	5.1
		2011	70,871	-629	-0.9	342,147	10,016	3.0	271,203	9,527	3.6
		2012	73,187	2,317	3.3	348,556	6,409	1.9	274,981	3,778	1.4
H-S	Non-Financial Service industries	2008	442,792			945,187			505,604		
		2009	432,481	-10,311	-2.3	925,733	-19,454	-2.1	495,098	-10,505	-2.1
		2010	450,185	17,704	4.1	962,088	36,355	3.9	512,825	17,726	3.6
		2011	477,458	27,272	6.1	1,016,508	54,420	5.7	539,372	26,547	5.2
		2012	504,986	27,528	5.8	1,062,477	45,970	4.5	557,792	18,421	3.4
H	Transport and Storage	2008	59,866			136,874			79,942		
		2009	56,708	-3,159	-5.3	127,100	-9,774	-7.1	73,093	-6,850	-8.6
		2010	60,953	4,245	7.5	135,706	8,606	6.8	77,095	4,003	5.5
		2011	61,522	570	0.9	142,830	7,124	5.2	82,791	5,695	7.4
		2012	64,912	3,390	5.5	150,567	7,737	5.4	87,667	4,876	5.9
I	Accommodation and food service activities	2008	31,620			67,674			36,047		
		2009	29,375	-2,245	-7.1	66,195	-1,478	-2.2	36,745	699	1.9
		2010	31,435	2,060	7.0	68,346	2,151	3.2	36,883	138	0.4
		2011	34,826	3,390	10.8	72,322	3,976	5.8	37,563	679	1.8
		2012	37,778	2,952	8.5	74,378	2,057	2.8	37,278	-285	-0.8
J	Information and communication	2008	87,751			179,890			94,003		
		2009	83,494	-4,257	-4.9	175,001	-4,890	-2.7	92,945	-1,058	-1.1
		2010	85,309	1,815	2.2	183,565	8,565	4.9	98,864	5,919	6.4
		2011	90,579	5,270	6.2	189,027	5,461	3.0	98,303	-560	-0.6
		2012	93,366	2,787	3.1	190,123	1,096	0.6	96,932	-1,371	-1.4
L	Real estate activities	2008	25,720			42,098			17,128		
		2009	25,720	0	0.0	42,379	282	0.7	16,830	-298	-1.7
		2010	28,242	2,522	9.8	44,933	2,554	6.0	17,070	240	1.4
		2011	28,935	693	2.5	46,246	1,313	2.9	17,652	582	3.4
		2012	32,289	3,354	11.6	51,753	5,507	11.9	19,212	1,561	8.8
M	Professional, scientific and technical activities	2008	106,191			190,833			84,624		
		2009	105,093	-1,098	-1.0	187,858	-2,975	-1.6	82,875	-1,749	-2.1
		2010	104,765	-328	-0.3	189,136	1,278	0.7	84,501	1,626	2.0
		2011	113,416	8,652	8.3	201,506	12,370	6.5	89,331	4,830	5.7
		2012	119,127	5,711	5.0	208,300	6,793	3.4	89,913	582	0.7
N	Administrative and support service activities	2008	70,361			150,219			79,932		
		2009	66,314	-4,047	-5.8	143,945	-6,274	-4.2	77,623	-2,309	-2.9
		2010	73,872	7,557	11.4	152,459	8,514	5.9	78,866	1,243	1.6
		2011	80,243	6,372	8.6	167,102	14,643	9.6	87,168	8,303	10.5
		2012	87,073	6,830	8.5	172,676	5,575	3.3	85,899	-1,269	-1.5
P (Part) ¹	Education (Excludes local authority and central government bodies)	2008	9,955			26,060			16,192		
		2009	11,395	1,440	14.5	28,519	2,459	9.4	17,149	957	5.9
		2010	13,355	1,959	17.2	28,395	-124	-0.4	15,100	-2,049	-11.9
		2011	13,243	-111	-0.8	29,160	765	2.7	15,902	802	5.3
		2012	13,674	431	3.3	31,977	2,818	9.7	18,229	2,328	14.6
Q (Part) ¹	Human health and social work activities (Excludes NHS Trusts, local authority and central government bodies)	2008	22,015			34,078			12,143		
		2009	24,098	2,083	9.5	37,504	3,426	10.1	13,356	1,213	10.0
		2010	24,278	179	0.7	39,544	2,039	5.4	15,186	1,831	13.7
		2011	25,319	1,041	4.3	41,198	1,655	4.2	15,907	721	4.7
		2012	26,003	684	2.7	42,352	1,154	2.8	16,387	480	3.0
R	Arts, entertainment and recreation	2008	15,588			87,649			69,521		
		2009	16,750	1,162	7.5	88,677	1,028	1.2	69,419	-101	-0.1
		2010	14,300	-2,450	-14.6	90,604	1,927	2.2	73,495	4,076	5.9
		2011	16,554	2,254	15.8	98,962	8,358	9.2	79,454	5,959	8.1
		2012	16,603	49	0.3	110,950	11,988	12.1	90,992	11,538	14.5
S	Other service activities	2008	13,725			29,812			16,073		
		2009	13,534	-191	-1.4	28,554	-1,259	-4.2	15,065	-1,008	-6.3
		2010	13,678	144	1.1	29,400	846	3.0	15,765	700	4.6
		2011	12,819	-858	-6.3	28,155	-1,245	-4.2	15,302	-463	-2.9
		2012	14,160	1,340	10.5	29,400	1,245	4.4	15,283	-18	-0.1

Source: Annual Business Survey (ABS)

The sum of constituent items in tables may not always agree exactly with the totals shown due to rounding

1. The ABS covers only the UK Non-Financial Business Economy which accounts for approximately two thirds of the UK economy in terms of Gross Value Added.

The industries covered are:

- o Agriculture (support activities SIC 01.6 only), forestry and fishing - Section A
- o Production industries - Sections B-E
- o Construction industries - Section F
- o Distribution industries - Section G
- o Service industries - Sections H, I, J, L, M, N, P (private provision only), Q (private provision only in SIC 86.1 and 86.9), R and S