

ANNUAL BUSINESS INQUIRY (ABI) 2006

Employment figures are sourced from the Annual Business Inquiry (ABI), the latest date for which was 2006 (released in December 2007). The ABI survey samples approximately 78,000 workplace units in the UK providing the best available estimates of employment at a detailed regional and industry level.

Survey results for sub-regional geographic areas are modelled using information from reporting units¹ (those responding to the survey) together with the local unit profile (i.e. what type of units are in each geographic area). Therefore, caution needs to be applied even when looking at county level data for Herefordshire as a whole and even more for sub-county. However, in the absence of any other information on numbers of employees in Herefordshire this is still the best available source of data for monitoring trends.

There was a change in methodology with this year's data, which caused some discontinuity with previous data; however, the changes should result in some improvements in the data. Changes have been made to the methodology, and the month in which the survey was completed also moved from December to September too.

The ABI does not include self-employed which may under-represent those employed in 'agriculture, forestry and fishing' sector as many farmers are classed as proprietors (self-employed) rather than employees.

At the time of the 2001 Census there were 17,119 people who were self-employed in Herefordshire (20% of economically active population²). This is important to note as Herefordshire has a higher proportion of self-employed people than other areas (11% in the West Midlands region and 12% in England as a whole).

All numbers in the tables have been rounded to the nearest 100. For instance, a total of 180 would be rounded up to 200, whereas a total of 120 would be rounded down to 100. Any scores below 50 have been automatically rounded down to 0, to protect anonymity.. *% refers to a figure of less than 0.5%, which would otherwise be rounded to 0%. These are presented in this way to differentiate between a very low value and zero This is required by the Office of National Statistics, so that individual businesses cannot be identified where there are very small numbers within the given category.

¹ Unit meaning site or workplace

² Economically active includes full and part time employees, self employed, full-time students and unemployed but actively looking for work.

Employment by Industry Sector

Table 1 shows a breakdown of employment by industry sector using ABI data.

Table 1. Employment by sector ABI 2006 (full and part time employees)

	Herefordshire		West Midlands	England
	No.	%	%	%
Agriculture, hunting and forestry	5,500	7%	1%	1%
Mining and quarrying	0	*%	*%	*%
Manufacturing	11,200	15%	15%	11%
Electricity, gas and water supply	0	*%	*%	*%
Construction	3,800	5%	5%	5%
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	15,200	20%	17%	17%
Hotels and restaurants	4,900	7%	7%	7%
Transport, storage and communication	3,200	4%	6%	6%
Financial intermediation	800	1%	3%	4%
Real estate, renting and business activities	7,700	10%	15%	18%
Public administration and defence; compulsory social security	2,300	3%	5%	5%
Education	6,400	9%	10%	9%
Health and social work	9,700	13%	12%	12%
Other community, social and personal service activities	3,600	5%	5%	5%
Total employees	74,300		2,377,400	22,766,600

Source: Annual Business Inquiry 2006

Note:

- all figures are rounded to the nearest 100

- *% refers to a figure of less than 0.5%, which would otherwise be rounded to 0%. These are presented in this way to differentiate between a very low value and zero.

The wholesale, retail and repair trades sector employs the most people in Herefordshire, with around 15,200 employees (20% of all employees) followed by manufacturing (11,200 employees, 15%) and 'health and social work' (9,700 employees, 13%). These three sectors account for nearly half of all employees (49%).

In spite of a possible under-estimation of employees in the agricultural sector, the ABI data still shows a much higher proportion of people employed in this sector in Herefordshire (7%) than regionally and nationally (both 1%).

Herefordshire has similar levels of people (13%) employed in health and social work to the West Midlands and England (both 12%). Herefordshire has a higher proportion of people employed in the manufacturing sector than in England as a whole (15% compared to 11% respectively) but similar to the West Midlands region (also 15%). Only 10% of people are involved in real estate, renting and business activities in Herefordshire, which is less than the West Midlands or for England, whose figures are 15% and 18% respectively.

Employment Patterns

In terms of the whole workforce the highest proportion of workers are full time males (42%), which is similar to both the West Midlands and England (both 43%). Herefordshire has a slightly higher proportion of part-time workers (33% of the total workforce), whereas it is 31% for the West Midlands and England. The gender balance of the workforce is 50:50 males and females in Herefordshire, which is the same as in the West Midlands region and England.

Table 3 & 4: Proportion of full/part-time; male/female workers 2006

	Full time	Part time		Male	Female
Herefordshire	67%	33%	Herefordshire	50%	50%
West Midlands	69%	31%	West Midlands	51%	49%
England	69%	31%	England	50%	50%

Source: Annual Business Inquiry 2006

Table 5 Proportion of male and female full and part time workers 2006

	Male		Female	
	Full time	Part time	Full time	Part time
Herefordshire	42%	8%	25%	25%
West Midlands	43%	8%	25%	24%
England	43%	8%	26%	23%

Source: Annual Business Inquiry 2006

There is little real difference seen in the proportions of workers by gender and full/part time between Herefordshire and elsewhere. Most noticeable across all areas are the lower proportions of male part-time workers (8% in all areas) compared to over 20% of female part time workers.

Work place units

Table 7 shows how many business units there are in each sector in Herefordshire compared to the West Midlands and England.

Table 7. Number of business units by sector in Herefordshire in 2006, compared to West Midlands and England business units

	Herefordshire		West Midlands	England
	No.	%	%	%
Agriculture, hunting and forestry	100	1%	0%	0%
Mining and quarrying	0	*%	0%	0%
Manufacturing	700	8%	9%	7%
Electricity, gas and water supply	0	*%	0%	0%
Construction	1,000	12%	10%	10%
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	1,900	23%	23%	21%
Hotels and restaurants	600	7%	7%	7%
Transport, storage and communication	400	4%	5%	4%
Financial intermediation	100	1%	2%	2%
Real estate, renting and business activities	2,100	25%	27%	31%
Public administration and defence; compulsory social security	100	1%	1%	1%
Education	300	3%	3%	3%
Health and social work	500	6%	5%	5%
Other community, social and personal service activities	700	8%	7%	8%
Total business units		8,200	200,400	2,074,700

Source: Annual Business Inquiry 2006

Note:

- *% refers to a figure of less than 0.5%, which would otherwise be rounded to 0%. These are presented in this way to differentiate between a very low value and zero.

The largest proportion of Herefordshire's business units (site or workplace) were in real estate, renting and business activities (25%) closely followed by wholesale and retail trade, repair of motor vehicles (23%). 12% of Herefordshire's business units are construction and 9% were other community, social and personal service activities.

The only marked difference between Herefordshire and regionally/nationally was in the real estate, renting and business activities sector, where Herefordshire (25%) had a lower proportion of units compared to across England as a whole (31%).

Size of companies

Herefordshire has similar proportions of smaller businesses (1-10 employees) to regionally and nationally as shown in Table 6 below, with businesses with between 1-10 employees accounting for the largest proportion in all areas.

Table 6 Proportion of businesses by size

	1-10 employees	11-49 employees	50-199 employees	200 or more employees
Herefordshire	86%	12%	2%	*%
West Midlands	84%	13%	3%	1%
England	85%	12%	3%	1%

Source: Annual Business Inquiry 2006

- *% refers to a figure of less than 0.5%, which would otherwise be rounded to 0%. These are presented in this way to differentiate between a very low value and zero.

Size of companies by sector

Table 7 shows the proportion of businesses by company size for each sector.

Table 7 Industry stratified by number of employees

Industry	1-10 employees	11-49 employees	50-199 employees	200 or more employees
Agriculture, hunting and forestry	83%	14%	2%	0%
Mining and quarrying	82%	18%	0%	0%
Manufacturing	78%	16%	5%	1%
Electricity, gas and water supply	86%	14%	0%	0%
Construction	94%	5%	1%	0%
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	87%	11%	1%	0%
Hotels and restaurants	80%	18%	2%	0%
Transport, storage and communication	86%	10%	3%	1%
Financial intermediation	84%	15%	1%	0%
Real estate, renting and business activities	95%	4%	1%	0%
Public administration and defence; compulsory social security	47%	39%	10%	4%
Education	52%	36%	11%	1%
Health and social work	60%	33%	6%	1%
Other community, social and personal service activities	90%	9%	1%	0%

The main differences between the sectors are:

- Public administration has the largest number of businesses (4%) with 200 or more employees.
- Real estate, construction and other community, social and personal service activities are the three sectors that have the highest proportion of businesses with between 1 and 10 employees - all above 90%.
- Education, health and social work, and public administration and defence are all sectors where the proportion of businesses with between 11-49 employees is greater than 30%.

For further information on the data in this article, please contact the Research Team on 01432 261807, or e-mail researchteam@herefordshire.gov.uk