

ANNUAL BUSINESS INQUIRY (ABI) 2007

Employment figures are sourced from the Annual Business Inquiry (ABI), the latest date for which was 2007 (released in December 2008). The ABI samples approximately 66,000 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 in 2006, which caused some discontinuity with previous data; however, the changes have resulted in some improvements in the data. Changes have been made to the methodology, and the month in which the survey was completed (was December, now September).

The ABI does not include self-employed which may in particular 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%. The figures 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 2007 (full and part time employees)

	Herefordshire		West Midlands		England
	No.	%	%	%	%
Agriculture, hunting and forestry	6,900	9%	1%	1%	1%
Fishing	0	0%	0%	0%	0%
Mining and quarrying	100	*%	*%	*%	*%
Manufacturing	11,200	15%	14%	11%	11%
Electricity, gas and water supply	0	0%	0%	0%	*%
Construction	4,000	5%	5%	5%	5%
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	14,300	19%	17%	17%	17%
Hotels and restaurants	5,300	7%	6%	6%	7%
Transport, storage and communication	2,600	3%	6%	6%	6%
Financial intermediation	900	1%	3%	3%	4%
Real estate, renting and business activities	8,800	12%	16%	16%	18%
Public administration and defence; compulsory social security	2,600	3%	5%	5%	5%
Education	6,600	9%	10%	10%	9%
Health and social work	9,300	12%	11%	11%	12%
Other community, social and personal service activities	3,400	4%	5%	5%	5%
Total employees	76,100	100%	100%	100%	100%

Source: Annual Business Inquiry 2007

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%. The figures are presented in this way to differentiate between a very low value and zero.

The wholesale, retail and repair sector employs the most people in Herefordshire, with around 14,300 employees (19% of all employees) followed by manufacturing (11,200 employees, 15%), 'health and social work' (9,300 employees, 12%) and real estate, renting and business activities (8,800 employees, 12%). These four sectors account for over half of all employees (58%).

The ABI data shows a much higher proportion of people employed in the agricultural sector in Herefordshire (9%) than regionally and nationally (both 1%). Although, as explained previously, this sector is likely to have been particularly effected by the exclusion of the self-employed.

Herefordshire has slightly higher levels of people (19%) employed in wholesale, retail and repair sector compared to the West Midlands and England (both 17%). The proportion of people employed in the real estate, renting and business activities sector is considerably lower in Herefordshire (12%) compared to the West Midlands (16%) and England (18%). Herefordshire has a higher proportion of people employed in the manufacturing sector (15%) than in England as a whole (11%) but similar to the West Midlands region (14%).

When comparing this data with that from 2006, there is no major change in any of the sectors. This is not surprising as changes in employment patterns are more likely to be seen over much longer time scales, unless there are large employers starting or closing their operations.

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Employment Patterns

In terms of the whole workforce the highest proportion of workers are full time males (43%), which is similar to both the West Midlands (44%) and England (43%). Herefordshire has a slightly higher proportion of part-time workers (33% of the total workforce) than the West Midlands and England (both 31%). The gender balance of the workforce is 51:49 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 2007

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

Source: Annual Business Inquiry 2007

Table 5 Proportion of male and female full and part time workers 2007

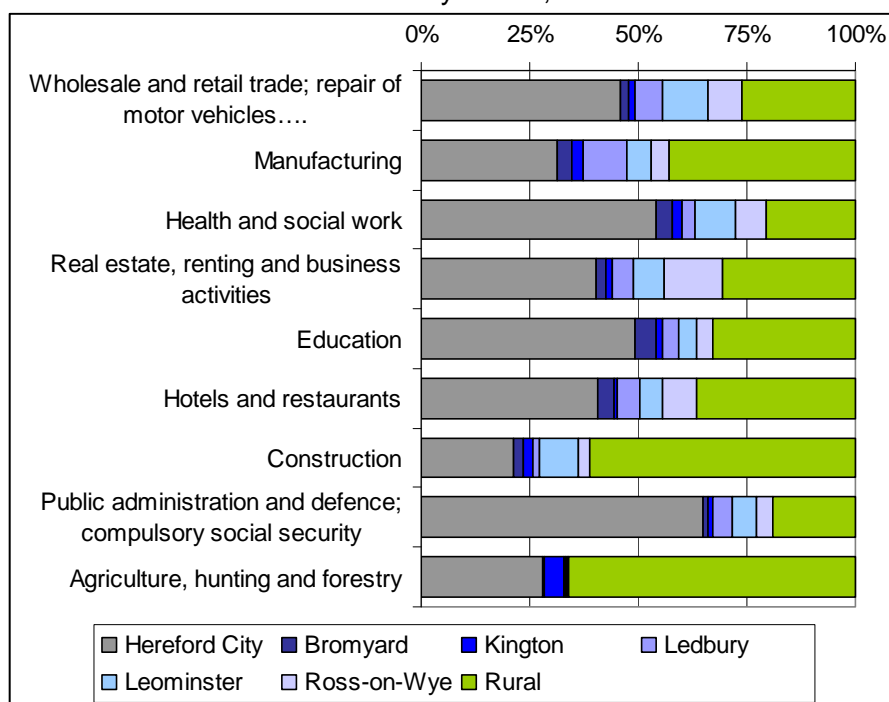
	Male		Female	
	Full Time	Part Time	Full Time	Part Time
Herefordshire, County of	43%	8%	24%	25%
West Midlands	44%	8%	25%	23%
England	43%	8%	26%	23%

Source: Annual Business Inquiry 2007

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 female part time workers (over 23%).

Employment within Herefordshire

Chart 1 Proportion of employees in the Hereford City, the market towns and rural wards for each industry sector, 2007.



Source: Annual Business Inquiry 2007 – ONS Crown copyright

When looking at where workers are employed within Herefordshire the majority are in the market towns (67%), with Hereford City accounting for 33%. In Hereford City the Central ward accounted for 20% and the Three Elms ward accounted for 11%. Ross-on-Wye and Leominster both accounted for (7%) of employees. Together rural wards accounted for 33% of employees.

Table 6 Proportion of employees in the Hereford City, the market towns and rural wards for each industry sector, 2007

	Hereford City	Bromyard	Kington	Ledbury	Leominster	Ross-on-Wye	Rural
Agriculture, hunting and forestry	28%	0%	4%	0%	1%	0%	66%
Construction	21%	2%	2%	1%	9%	3%	61%
Education	49%	5%	1%	4%	4%	4%	33%
Electricity, gas and water supply	57%	0%	5%	19%	0%	0%	19%
Financial intermediation	52%	1%	0%	5%	11%	9%	23%
Health and social work	54%	4%	2%	3%	9%	7%	21%
Hotels and restaurants	41%	4%	1%	5%	5%	8%	37%
Manufacturing	31%	3%	3%	10%	6%	4%	43%
Mining and quarrying	0%	0%	3%	0%	0%	1%	96%
Other community, social and personal service activities	41%	2%	3%	7%	9%	8%	31%
Public administration and defence; compulsory social security	65%	1%	1%	5%	6%	4%	19%
Real estate, renting and business activities	40%	2%	1%	5%	7%	13%	31%
Transport, storage and communication	39%	2%	3%	6%	4%	14%	33%
Wholesale and retail trade; repair of motor vehicles....	46%	2%	2%	6%	10%	8%	26%

Source: Annual Business Inquiry 2007 – ONS Crown copyright

Table 6 and chart 1 above show the location of the different industry sectors in terms of where employees work.

Unsurprisingly for most sectors the largest proportion of employees are in Hereford City. Exceptions to this are agriculture, hunting and forestry and construction where more than 50% of employees are in rural wards. The same is true for mining and quarrying but the low number of employees means that the distribution is easily skewed.

A considerable proportion of manufacturing (43%) is also in rural wards. Knowing which areas rely on which industry sectors for employment may help to target support or identify risks during the economic downturn, as some industries may be more affected by the impacts of the credit crunch.

Work place units

Table 7. Number and proportion of business units by sector in Herefordshire in 2007, compared to West Midlands and England

	Herefordshire		England	West Midlands
	number	%	%	%
Agriculture, hunting and forestry	100	1%	*%	*%
Fishing	0	0%	*%	*%
Mining and quarrying	0	*%	*%	*%
Manufacturing	700	8%	7%	9%
Electricity, gas and water supply	0	*%	0%	0%
Construction	1,000	12%	10%	10%
Wholesale and retail trade; repair of motor vehicles.....	1,900	22%	20%	22%
Hotels and restaurants	600	7%	7%	6%
Transport, storage and communication	300	4%	4%	5%
Financial intermediation	100	1%	2%	2%
Real estate, renting and business activities	2,200	26%	32%	29%
Public administration and defence	100	1%	1%	1%
Education	200	3%	3%	3%
Health and social work	500	6%	5%	5%
Other community, social and personal service activities	600	8%	8%	7%
Total	8,400	100%	100%	100%

Source: Annual Business Inquiry 2007

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 (26%) closely followed by wholesale and retail trade, repair of motor vehicles (22%). 12% of Herefordshire's business units were construction, 8% were other community, social and personal service activities and 8% manufacturing.

The only marked differences between Herefordshire and regionally/nationally were in the real estate, renting and business activities sector, where Herefordshire had a lower proportion of units (26%) compared to across England as a whole (32%) and in manufacturing where Herefordshire has a slightly higher proportion (12%) than both England and the West Midlands (both 10%).

Size of companies

Herefordshire has similar proportions of smaller businesses (1-10 employees) to regionally and nationally as shown in Table 8 below, with businesses employing between 1-10 employees accounting for the largest proportion in all areas.

Table 8 Proportion of businesses by size

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

Source: Annual Business Inquiry 2007

- *% 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 9 Industry stratified by number of employees

Industry	1-10 employees	11-49 employees	50-199 employees	200 or more employees
Agriculture, hunting and forestry	78%	19%	3%	0%
Mining and quarrying	70%	30%	0%	0%
Manufacturing	79%	15%	5%	1%
Electricity, gas and water supply	100%	0%	0%	0%
Construction	95%	5%	*%	*%
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	88%	10%	1%	1%
Hotels and restaurants	78%	20%	2%	0%
Transport, storage and communication	87%	11%	2%	0%
Financial intermediation	84%	14%	2%	0%
Real estate, renting and business activities	95%	4%	1%	0%
Public administration and defence; compulsory social security	54%	29%	13%	4%
Education	48%	39%	12%	1%
Health and social work	62%	32%	5%	1%
Other community, social and personal service activities	91%	8%	1%	0%

Source: Annual Business Inquiry 2007

The main differences between the sectors are:

- Public administration has the largest proportion (17%) of larger businesses (over 50 employees), followed by education (13%).
- 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 and health and social work both have more than 30% of units with 11-49 employees, followed closely by public administration and defence (29%).
- 100% of electricity, gas and water supply units were of between 1-10 employees, whilst over 30% of mining and quarrying units had between 11-49 employees. However both electricity, gas and water supply; and mining and quarrying have small numbers of employees and so their size distribution (by number of employees) is easily skewed.

For further information on the data in this article, please contact the Research Team on 01432 260893, or e-mail researchteam@herefordshire.gov.uk

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