

ANNUAL BUSINESS INQUIRY (ABI) 2005

Employment figures are sourced from the Annual Business Inquiry (ABI), the latest date for which was 2005 (released in January 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 is a planned change for 2006, which may potentially cause some discontinuity with previous data; however, the changes should result in some improvements in the data. There are changes being made to the methodology as well as a change in the month in which the survey is completed.

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).

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 2005 (full and part time employees)

| | Herefordshire | | West Midlands | England |
|--|---------------|-----|---------------|---------|
| | No. | % | % | % |
| Agriculture, hunting and forestry | 4,800 | 7% | 1% | 1% |
| Mining and quarrying | 100 | *% | *% | *% |
| Manufacturing | 10,700 | 15% | 15% | 11% |
| Electricity, gas and water supply | 100 | *% | 1% | *% |
| Construction | 4,400 | 6% | 5% | 4% |
| Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods | 13,400 | 19% | 18% | 18% |
| Hotels and restaurants | 3,400 | 5% | 6% | 7% |
| Transport, storage and communication | 2,800 | 4% | 6% | 6% |
| Financial intermediation | 900 | 1% | 3% | 4% |
| Real estate, renting and business activities | 7,800 | 11% | 15% | 17% |
| Public administration and defence; compulsory social security | 2,100 | 3% | 5% | 5% |
| Education | 6,000 | 9% | 10% | 9% |
| Health and social work | 9,400 | 14% | 12% | 12% |
| Other community, social and personal service activities | 3,100 | 4% | 5% | 5% |
| Total employees | 69,100 | | | |

Source: Annual Business Inquiry 2005

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 13,400 employees (19% of all employees) followed by manufacturing (10,700 employees, 16%) and 'health and social work' (9,400 employees, 14%). These three sectors account for just under 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 also has a slightly higher proportion of people employed in health and social work than the West Midlands and England. Herefordshire and the West Midlands region have a higher proportion of people employed in the manufacturing sector than England as a whole (16% and 15% respectively compared to 11%).

Change in Employment

Due to revisions in data for previous years, 2005 data is only comparable with data from 2004, as shown in Table 2.

**Table 2. Change over time in employment by industry sector
(full and part time employees)**

| | 2004 | 2005 | Change over time |
|--|---------------|---------------|------------------|
| Agriculture, hunting and forestry | 4,100 | 4,800 | +18% |
| Mining and quarrying | 100 | 100 | N/A |
| Manufacturing | 11,700 | 10,700 | -8% |
| Electricity, gas and water supply | 100 | 100 | N/A |
| Construction | 4,100 | 4,400 | +7% |
| Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods | 13,500 | 13,400 | -1% |
| Hotels and restaurants | 4,200 | 3,400 | -18% |
| Transport, storage and communication | 2,800 | 2,800 | *% |
| Financial intermediation | 800 | 900 | +11% |
| Real estate, renting and business activities | 6,700 | 7,800 | +17% |
| Public administration and defence; compulsory social security | 2,200 | 2,100 | -4% |
| Education | 6,100 | 6,000 | -2% |
| Health and social work | 9,500 | 9,400 | -1% |
| Other community, social and personal service activities | 2,800 | 3,100 | +10% |
| Total | 68,800 | 69,100 | *% |

Source: Annual Business Inquiry

Note:

- Percentage change over time is not applicable for mining and quarrying or electricity, gas and water supply as employee figures have been rounded to 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 score and zero.

Agriculture, hunting and forestry and real estate, renting and business activities are the industries that have had the largest increase in employees over the last year, 18% and 17% respectively. Numbers employed in financial intermediation, other community, social and personal service activities and construction have also increased over the last year.

The hotel and restaurant sector has experienced the largest decrease in the number of employees, 18% (approximately 800 fewer people) followed by manufacturing (-8%).

Employment Patterns

In terms of the whole workforce the highest proportion of workers are full time males (43%), which is also the case in the West Midlands and England.

The proportions of full and part time workers are now comparable to regional and national values as are the proportions of male and female workers, following changes in the workforce between 2004 and 2005. Previously, in 2004, Herefordshire had higher proportions of part time and female workers than regionally and nationally. See Tables 3 to 5 below.

Table 3 & 4: Proportion of full/part-time; male/female workers 2005

| | Full time | Part time | | Male | Female |
|---------------|-----------|-----------|---------------|------|--------|
| Herefordshire | 67% | 33% | Herefordshire | 51% | 49% |
| West Midlands | 68% | 32% | West Midlands | 51% | 49% |
| England | 68% | 32% | England | 50% | 50% |

Source: Annual Business Inquiry 2005

There has been a slight increase in the proportion of full time workers since 2004; 67% compared with 64% in 2004. The proportion of males in the workforce has also increased slightly to 51% in 2005 compared with 50% in 2004.

Table 5 Proportion of male and female full and part time workers 2005

| | Male | | Female | |
|---------------|-----------|-----------|-----------|-----------|
| | Full time | Part time | Full time | Part time |
| Herefordshire | 43% | 8% | 24% | 25% |
| West Midlands | 43% | 7% | 25% | 24% |
| England | 42% | 8% | 26% | 24% |

Source: Annual Business Inquiry 2005

There are no real differences seen in the proportions of male full and part time and female full and part time between Herefordshire, the West Midlands region and England.

Work place units

The number of businesses overall in Herefordshire has increased by 4% from 7,800 in 2004 to 8,100 in 2005. Table 7 shows how many business units there are in each sector in Herefordshire and changes since 2004.

Table 7. Number of business units by sector in Herefordshire and % change since 2004

| Industry | 2004 | 2005 | % Change |
|---|--------------|--------------|------------|
| Agriculture, hunting and forestry | 100 | 100 | -5% |
| Mining and quarrying | * | * | N/A |
| Manufacturing | 700 | 700 | +1% |
| Electricity, gas and water supply | * | * | N/A |
| Construction | 1,000 | 1,000 | +1% |
| Wholesale and retail trade; repair of motor vehicles, motorcycles, personal and household goods | 1,800 | 1,900 | +1% |
| Hotels and restaurants | 600 | 600 | +1% |
| Transport, storage and communication | 400 | 400 | -2% |
| Financial intermediation | 100 | 100 | +5% |
| Real estate, renting and business activities | 1,800 | 2,000 | +10% |
| Public administration and defence; compulsory social security | 100 | 100 | 0% |
| Education | 200 | 300 | +14% |
| Health and social work | 400 | 400 | +12% |
| Other community, social and personal service activities | 700 | 700 | +2% |
| Total | 7,800 | 8,100 | +4% |

Source: Annual Business Inquiry 2005

Note:

- Percentage change has been calculated from un-rounded figures

- * refers to a figure of less than 50, which would otherwise be rounded to 0. These are presented in this way to differentiate between a very low score and zero, with such low figures it is not appropriate to calculate percentage change.

The sectors with the highest increase of businesses are education with an increase of 14% followed by health and social work (+12%) and real estate, renting and business activities (+10%).

The sector with the largest decrease in number of businesses is the electricity, gas and water supply sector with a decrease (-18%) between 2004 and 2005. Mining and quarrying and agriculture, hunting and forestry also experienced a decrease in businesses (-8% and -5% respectively).

Size of companies

Herefordshire has a higher proportion of smaller businesses (1-10 employees) than regionally and nationally as shown in Table 6 below.

Table 6 Proportion of businesses by size

| | 1-10 employees | 11-49 employees | 50-199 employees | 200 or more employees |
|---------------|---------------------------|----------------------------|-----------------------------|----------------------------------|
| Herefordshire | 86% | 11% | 2% | *% |
| West Midlands | 83% | 13% | 3% | 1% |
| England | 84% | 12% | 3% | 1% |

Source: Annual Business Inquiry 2005

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

When looking at proportions of businesses by size of company and business sector in Herefordshire in 2005, the largest proportion (24%) were in real estate, renting and business activities and had between 1-10 employees. The second largest proportion of Herefordshire businesses were wholesale, retail and repair trade with between 1-10 employees (20%).

Number of employees by sector

Table 7 shows the proportion of businesses by company size for each sector. The majority of sectors have a higher proportion of businesses with 1-10 employees with the exception of public administration and defence, which have similar proportions of businesses with 11-49 employees as well.

Table 7. % of Herefordshire businesses by number of employees and sector

| Industry | 1-10 employees | 11-49 employees | 50-199 employees | 200 or more employees |
|--|---------------------------|----------------------------|-----------------------------|----------------------------------|
| Agriculture, hunting and forestry | 83% | 15% | 2% | 0% |
| Mining and quarrying | 82% | 18% | 0% | 0% |
| Manufacturing | 80% | 15% | 5% | 1% |
| Electricity, gas and water supply | 89% | 0% | 11% | 0% |
| Construction | 93% | 6% | 1% | *% |
| Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods | 87% | 11% | 2% | *% |
| Hotels and restaurants | 87% | 12% | 1% | 0% |
| Transport, storage and communication | 87% | 11% | 2% | *% |
| Financial intermediation | 84% | 14% | 2% | 0% |
| Real estate, renting and business activities | 95% | 5% | 1% | *% |
| Public administration and defence; compulsory social security | 42% | 42% | 13% | 3% |
| Education | 48% | 40% | 11% | *% |
| Health and social work | 61% | 33% | 6% | *% |
| Other community, social and personal service activities | 92% | 7% | 1% | 0% |

Source: Annual Business Inquiry 2005

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

For further information on the data in this article, please contact the Research Team on 01432 383634, or e-mail researchteam@herefordshire.gov.uk

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