BUSINESSES REGISTERED FOR VAT IN TYNE & WEAR 2002

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KEYPOINTS

Overall:

- Importantly, the **historic series (1994-2001) has been revised significantly** (§2)[1]. This means that the rates of change have been revised.
- At the beginning of 2003, there were **16,870 businesses** registered for VAT in Tyne & Wear (§ 4.1). This is referred to as the stock of registered businesses.
- The **rise in 2002 was the most positive**, compared to the UK (+1.1 percentage points faster), since records began in 1980.
- The number of businesses in Tyne & Wear, 'the business base' **grew 1.1% in 2002, (up 185 firms)** (§4.1). This followed a fall of 0.5% in 2001. Retail & Wholesale notably improved its performance sharply, probably reflecting the boom in retail sales. This rise in the business base could also be related to an upward surge in house prices (and thus housing wealth) in 2001 and 2002.
- Very reputable research from Cambridge University, using data for the 1980s has found the key drivers (at county-level) to be a) population change; b) housing wealth (house price inflation) and c) professional and managerial experience (§3). In the 1980s, house price inflation under-pinned growth of the business base. In the early 1990s house price inflation was very weak in Tyne & Wear and the UK. This may have been partly to blame for the business stock falling most years between 1990 and 1995. House price rises in the later 1990s also coincided with growth in the business stock. The strong rises in 2001 and 2002 in house prices are therefore likely to result in near future rises in the business stock.
- Below county level, **between 1994 and 2002, the stock of businesses grew in every district except Newcastle** (down 0.7%). Newcastle's main losses over this period were in Retail & Wholesale (down 17.5%), Construction (down 23.1%) and Manufacturing (down 25.7%).
- **Gateshead saw the biggest growth in its business base** between 1994 and 2002, up 8%. This was largely the result of a massive 77.5% rise in Business Services, which in 1994 held 13% of the business base in Gateshead. This rose nearly 8.5pp to 21.4% of the business base in 2002. (§4.3)

Growth Industries

- In Tyne & Wear **in 2002, growth was numerically greatest in Business Services (up 110, 2.7%).** Hotels & Catering also grew quite substantially (up 60, 3.5%). This may reflect growth in the tourism industry. Five industries altogether grew between 1994 and 2002; Business Services, (up 45.6%), Transport & Communications (up 12%), Public Admin. & Other (up 11.9%), Hotels & Catering (up 11.6%) and Education & Health (up 3.8%). (§5.4)

Declining Industries

- **In 2002** just two industries declined; **Manufacturing** (down 55, -3.1%) and **Agriculture** (down 5, -2.6%). There was no change in the business base in three industries in Tyne & Wear; Mining & Utilities, Finance and Public Admin. & Other.
- Between 1994 and 2002, there were falls in six industries; the biggest fall was in Retail & Wholesale (down 840, -15.1%). [Consolidation is a long-standing process in retailing.] Construction and Manufacturing also suffered fairly large losses numerically; Construction – down 205, -10.7%, and Manufacturing – down 170, -8.9%. (§5.4)

Registrations & De-Registrations

- In 2002, both improved in Tyne & Wear. **Registrations rose sharply, by 165 firms, 9.7%.** (§4.4.2) De-Registrations fell by 90 firms, -5.1% (§4.5.2).

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[1] *This is why TWRI did not publish the report of the (unrevised) 2001 results*

- The rise in registrations in Tyne & Wear was **mainly due to large rises in Retail & Wholesale (up 60, 15%)**, Transport & Communications (up 45, 47.4%) and Business Services (up 40, 8.4%). Hotels & Catering was the only industry to experience a fall in registrations in 2002 (down 30, -9.2%) (§4.4.2)
- In the UK in 2002, registrations rose by just 0.7%. The largest numerical rise, as in Tyne & Wear, was in Retail & Wholesale (up 1,460, 4.7%) and the largest fall was in Manufacturing (down 675, -6.3%). (§4.4.2).
- **Falls in de-registrations in Tyne & Wear** were in **Retail & Wholesale (-70, -13.5%), Hotels & Catering (-60, -20%) and Education & Health (-10, -40%).** The only significant rise was in Manufacturing (up 25, 16.7%).(§4.5.2)
- In the UK, de-registrations rose overall by 5.3%. Rises were seen in every industry, except Retail & Wholesale (fall of 0.8%). Business Services saw the biggest numerical rise (up 5,555, 10.8%). (§4.5.2).

Small & Medium Enterprises (SMEs)

- At the start of 2001[2] in the North East, 99.8% of businesses were classified as SMEs (employing fewer than 250 people). (§6)
- SMEs were the source of most employment (54%) and rather less turnover (45%) (§6).
- In the Production Industries big firms account for nearly two-thirds of turnover; although 99.1% were SMEs in 2001, accounting for just over half of employment, they accounted for just 36.7% of turnover. (§6.1)
- In Wholesale, Retail & Repair and Hotels & Restaurants, SMEs account for 99.8% of enterprises, 44.8% of employment and 41.1% of turnover (§6.2)
- During 2001, the number of SMEs in the UK rose overall by 0.6%. The only size band not to see a rise was the 5-9 employees category (fell 2.8%). Employment among SMEs also rose overall during 2001 (by 2.2%).

[2] *This is the latest data available for SMEs*

1 INTRODUCTION

This report provides an analysis of VAT-registered businesses within Tyne & Wear. North East and UK data are provided for comparison, and analysis extends to district-level data. The report covers mainly stock of businesses, registrations and de-registrations in 2002 and changes in these over various timescales. Section 3 explores two possible factors affecting business registrations in Tyne & Wear; population and housing wealth. Section 6 provides analysis of Small & Medium Enterprises (SMEs).

The report shows that Tyne & Wear's business base rose by 1.1% in 2002. This was much faster than in the North East (up 0.2%) and the UK (no change). Tyne & Wear was, however, out-performed by the UK over the 9-year period, between 1994 and 2002 (Tyne & Wear saw a 2.5% rise compared with a 7.9% rise in the UK). The North East's business base, however, actually contracted over this period (down 0.1%).

Tyne & Wear owes the rise in its business base between 1994 and 2002 largely to Business Services, which grew 45.6%, up 1,295 firms. Business Services as a proportion of Tyne & Wear's business base grew from 17.2% in 1994 to 24.5% in 2002. This is still low compared to the UK (28.4%), but higher than in the North East (21.2%).

2 TECHNICAL INTRODUCTION

This paper presents the latest (2002) information for Tyne & Wear on businesses registered for VAT from the Inter-Departmental Business Register (IDBR), held by the Office for National Statistics (ONS). The VAT data are derived from HM Customs & Excise records and supplied by the Small Business Service (SBS). The main focus is on changes during 2002 in the 'business base' (businesses registered for VAT).

It is important to note that many 'micro-businesses' (normally single-person businesses) fall below the VAT turnover threshold. There will be thousands of these in Tyne & Wear.

Only broad comparisons can be made for 1980-2002. This is because of large increases in the VAT threshold in 1991 and 1993 (see Appendix 15), as well as other changes to the estimates. Since 1994 the estimates have been based on counts of VAT registered *enterprises;* earlier counts were based on VAT *legal units*. An enterprise, as defined by the DTI, is a person, or group of people producing goods and services under their control and with their own legal identity. A branch of a larger organisation would not in itself be an enterprise.

From 1994, industry coding is on the Standard Industrial Classification using SIC92. Earlier data were published using the VAT Trade Classification (VTC). Due to the lack of comparability between the old (1980-1993) and new (1994-2000) industry-codes, analysis of change for the full period, 1980-2000, is for the whole business base only.

Comparisons are made geographically and industrially; Tyne & Wear with the North East and the UK across industries. It should be noted that registrations and de-registrations do not equate to business start-ups and closures. Enterprises may have been trading for some time before reaching the registration threshold, or may fall below the threshold and continue to trade.

Important Revisions: Data from the 1994-2002 dataset were revised in October 2003 in light of some 'specific local area data issues' being identified in the old SBS VAT series. The SBS have **not** revised the 1980-93 series as 1) they do not have the resources or data to do so and 2) some of the issues discovered were not relevant for that period (they are a recent phenomenon) so the scale of revision would have been small.[3] TWRI understands the previous data to have (wrongly) located firm closures handled by the Official Receiver. The revised series is much more positive for Newcastle in particular.

[3] *Small Business Service Statistical Team*

3 DRIVERS OF CHANGE

This section looks at two possible key factors determining the performance of the business base in Tyne & Wear. Figs. 1 & 2 graph changes in population and house prices, with changes in the business stock. UK figures have also been plotted for comparison.

The UK population grew every year between 1983 and 2002, whilst in Tyne & Wear it fell every year, except 1992 and 1993 (Fig. 1). The change in business stock in Tyne & Wear followed a similar pattern to the UK over this period, although on the whole Tyne & Wear underperformed the UK. It may be that the declining population in Tyne & Wear dragged down the performance of its business base.

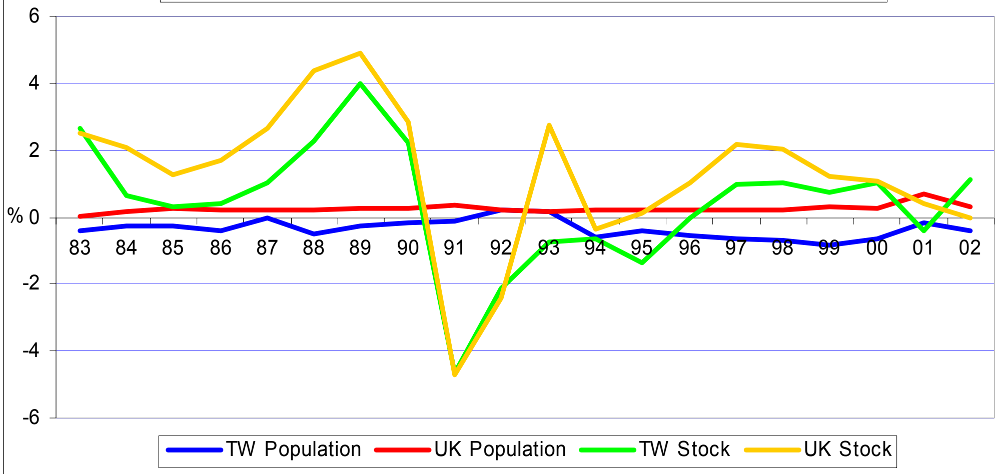
House prices can be said to be the main reason for the sharp contrast in business base change from one decade to the next, from growth (in the 1908s) to decline (in the 1990s, to about mid-decade) (Fig. 2). Housing wealth is the main collateral for new small businesses. The huge rise in house prices in 1989 in Tyne & Wear (up 43%), helps to explain why the stock of businesses rose in 1989 and 1999. During the early 1990s, house price inflation (and thus housing wealth) was very weak in Tyne & Wear and the UK. The stock of businesses in Tyne & Wear and the UK fell most years between 1990 and 1995. In the later 1990s house prices began to grow again (in Tyne & Wear and the UK) and business stock improved (more so in the UK than in Tyne & Wear). 2001 and 2002 saw huge rises in Tyne & Wear house prices (up 18% and 26% respectively). This is likely to result in stronger rises in the business base in future years.

Population and house price change both appear to have an impact on the change in business stock in Tyne & Wear. Keeble and Walker, at Cambridge University, performed an extensive statistical analysis of the VAT data-set for 1980-90. The study was published in *Regional Studies (*Volume 28, Number 4 July 1994). For new firm formation Keeble and Walker found the most important influences to be:

- Previous local population growth,
- Capital availability (as indicated by housing wealth),
- Occupational structures (focused on professional, managerial and non-manual expertise),
- Firm size structures and
- Geographically-concentrated urban demand.

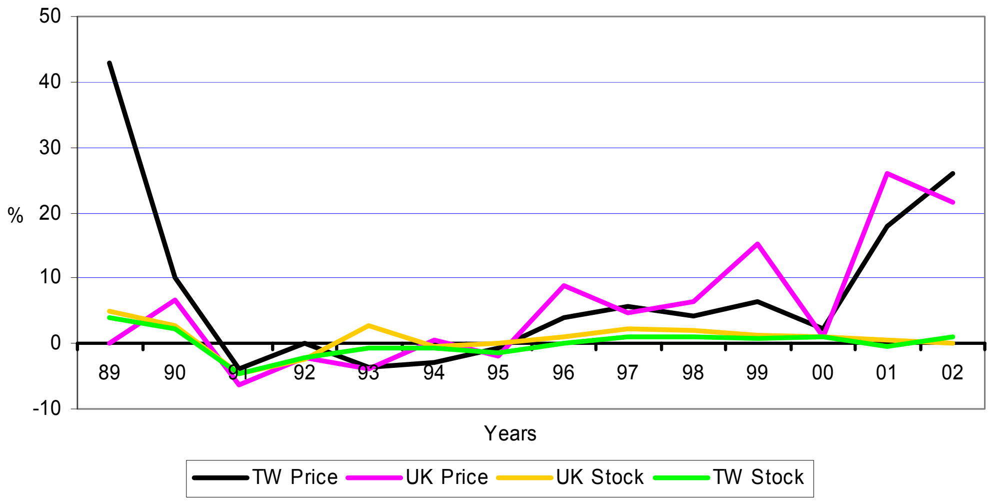
Business death rates reflect earlier creation rates, the negative effect of rising unemployment, urban location and small firm size structures. In contrast, above-average local government expenditure and enterprise agency assistance appear to help reduce the death rate of small enterprises.

Figure 1: Change in Population and Business Stock: Tyne & Wear & UK
1983-2002



Years Revised Mid-Year Estimates, ONS
Source: Small Business Services

Figure 2: Change in House Prices* and Business Stock: Tyne & Wear, UK
1989-2002



Sources: Halifax plc , Small Business Service

* *House prices are 3rd quarter averages for semi-detached properties. The change for 1989, for example, is the change between 3rd quarter 1988 and 3rd quarter 1989.*

4 CHANGES IN THE BUSINESS BASE

4.1 STOCK OF BUSINESSES

At the end of 2002, Tyne & Wear had 16,870 businesses registered for VAT (Table 1). This is a relatively small business base of 194 businesses for every 10,000 adults. The UK average is almost twice this, at 371.

Tyne & Wear's business base is also sharply under-represented in relation to adult population (16+). It has only 1% of all UK businesses registered for VAT, but about 2% of the UK adult population (16+). It is also under-represented in the North East region with 41% of the business base, compared with 43% of the adult population (16+). It may be that Tyne & Wear firms are larger than average North East firms.

Table 1: Business Registrations, De-registrations and Stocks: Tyne & Wear and Local Authority Districts, 2002

Area	Stock at start 2002	Registrations	De-registrations	Stock at end 2002	Adult Population *	Ratio of Stock at end 2002 per 10,000 of adult population	Net Change (No.)	% Change
Gateshead	3,255	395	325	3,325	154,300	215	70	2.2
Newcastle	5,030	515	500	5,045	212,600	237	15	0.3
North Tyneside	2,785	320	235	2,870	154,900	185	85	3.1
South Tyneside	1,830	210	200	1,840	122,200	151	10	0.5
Sunderland	3,780	430	420	3,790	224,400	169	5	0.1
Tyne & Wear	16,685	1,865	1,680	16,870	868,400	194	185	1.1
North East GOR	43,745	4,200	4,120	43,825	2,025,800	216	85	0.2
England	1,505,575	154,865	154,940	1,505,495	39,729,300	379	-80	0.0
UK	1,762,355	175,800	176,040	1,762,110	47,469,500	371	-240	0.0

*Note: * Aged 16 and over. Population figures are taken from the 2002 Mid-Year Estimates. They are provisional figures which have been revised following the Manchester Mapping Exercise.*

Figures may not tally exactly due to rounding. Stocks, Registrations, De-Registrations and Net Change are taken from SBS dataset, not calculated by TWRI

Source: Small Business Service

4.2 NET CHANGE DURING 2002

During 2002, Tyne & Wear's business base grew by 1.1%, or 185 firms (Table 1). This growth in the business base followed a marginal fall in 2001 (-0.4%, or -70 firms). Tyne & Wear's performance was better than in the North East, which saw a much smaller growth in 2002 (up 0.2%, 85 firms). The UK suffered a fall in its business base in 2002, (down 0.01%, -245 firms).

4.3 DISTRICT CHANGES

In 2002, all five districts saw a rise in their business base. North Tyneside experienced 3% growth (up 85 firms). This was the biggest growth of the districts. Sunderland's growth was the smallest in terms of percentage (up 0.2%, just 10 new firms).

There was an overall rise in the business base in Tyne & Wear between 1994 and 2002; up 2.5% (Table 2). This is only about a third the pace in the UK (up 7.9%). The North East region suffered a slight fall in the number of businesses registered for VAT over the period, down 0.1%. Newcastle was the only district in Tyne & Wear to experience a fall in its business base (down 0.7%, or 35 firms). Gateshead saw the biggest rise in businesses registered for VAT over the period (up 8%, 245 firms). North and South Tyneside both saw growth of 3.2% (90 firms) and 3.7% (65 firms) respectively, whilst Sunderland experienced a much smaller growth (up just 1.2%, 45 firms).

Table 2: Total and % Change in Number of Businesses Registered for VAT; 1994-2002

	Stock Start 1994	Stock End 2002	Change 1994-2002 No.	%
Gateshead	3,080	3,325	245	8.0
Newcastle	5,080	5,045	-35	-0.7
North Tyneside	2,780	2,870	90	3.2
South Tyneside	1,775	1,840	65	3.7
Sunderland	3,745	3,790	45	1.2
Tyne & Wear	**16,465**	**16,870**	**405**	**2.5**
North East	**43,860**	**43,825**	**-35**	**-0.1**
England	**1,378,380**	**1,505,495**	**127,115**	**9.2**
UK	**1,632,775**	**1,762,110**	**129,335**	**7.9**

Source: Small Business Service

Looking at the industry sectors separately, between 1994 and 2002 the largest numerical falls in each of the districts, the North East and nationally were in the Wholesale, Retail & Repairs sector. Newcastle and Sunderland experienced particularly high falls in this sector (-270 firms, -17.6% in Newcastle) and (-235, -17.3% in Sunderland). The high fall in Newcastle in this sector contributed largely to this district's overall net fall between 1994 and 2002.

There were also falls in each district, the North East and nationally in Agriculture, Forestry & Fishing and Construction. Newcastle suffered by far the largest fall of the districts in the Construction industry (down 120 firms, -23.1%).

Business Services[4] saw the largest rise in its business base between 1994 and 2002 in the Tyne & Wear districts, the North East and nationally. Of the districts, Newcastle experienced the biggest numerical rise in businesses in this sector (+440) and Gateshead saw the biggest proportional rise (up a huge 77.5%).

4.4 REGISTRATIONS ("BUSINESS STARTS")

Registrations are not the same as business starts because businesses can exist below the VAT threshold before registering.

4.4.1 Registration Change 1994-2002

Between 1994 and 2002 annual total registrations in Tyne & Wear fell by 20 (-1.1%). In the North East there was a much greater fall of 6.8%. The UK, however saw a rise of 3.4% over the period.

In Tyne & Wear the largest numerical fall by far was in Public Admin and Other Services (down 135, 56.3%). Large falls were also experienced in Education & Health (down 35, 58.3%) and Retailing & Wholesale (down 45, 8.9%). There were no registrations in the Mining & Utilities sector between 1994 and 2002. (At least no more than two in any year. See # footnote below Table 4).

Registrations in Tyne & Wear rose in four industries. These rises were led by Transport & Communications (up 65, 64.7%) and Business Services (up 105, 25.6%). Other rises were in

[4] *SBS definition of Business Services is Real Estate, Renting and Business Activities*

Construction (up 30, 20.7%) and Hotels and Catering (up 20, 7.3%). New registrations remained at a much lower rate than in the 1980s. Registrations peaked at 3,100 in 1989, (on a lower VAT threshold). In the UK, between 1994 and 2002, 5 industries experienced a rise in new business registrations. By far the largest numerical rise occurred in Business Services (up 18,485, 41.4%). This is a much larger rise proportionally than in Tyne & Wear. Similarly to Tyne & Wear, other significant rises occurred in Hotels & Catering (up 18.9%), Construction (up 15.5%) and Transport & Communications (up 13%).

Similar industries experienced falls in registrations in the UK as in Tyne & Wear. Retailing & Wholesale, which suffered a minor fall in Tyne & Wear (down 8.9%), experienced the biggest numerical fall in the UK, (down 7,140, -17.9%). Other large falls occurred in Finance (down 42.9%), Manufacturing (down 30%), Public Administration & Other (down 26.7%) and Education & Health (down 26.2%).

In the North East, as in Tyne & Wear and the UK, Business Services experienced a large rise in registrations (up 245, 29.2%). Transport & Communication registrations also rose significantly (up 45, 18.8%).

Large falls in registrations in the North East also occurred in similar industries. Public Administrations & Other Services saw 385 less registrations (a fall of 63.1%). Other falls were in Retailing & Wholesale (-130, -11.4%), Education & Health (-60, -46.2%) and Manufacturing (-55, -16.7%).

Table 3: Business Registrations# in Tyne & Wear, 1994 to 2001

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	10	10	10	5	10	5	10	0	10	70
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	145	155	175	145	120	150	130	125	125	1,270
F	Construction	145	145	170	170	160	180	170	165	175	1,480
G	Retailing & Wholesale	505	425	465	440	410	450	395	400	460	3,950
H	Hotels & catering	275	265	235	265	240	285	310	325	295	2,495
I	Transport & Communication	85	95	85	85	95	80	100	95	140	860
J	Finance	20	5	5	10	5	15	5	10	15	90
K	Business Services	410	400	440	455	495	470	525	475	515	4,185
L,O	Public Admin. & Other Services	240	205	135	205	170	115	125	85	105	1,385
M,N	Education & Health	60	25	25	25	25	20	20	25	25	250
	Total	**1,885**	**1,735**	**1,745**	**1,810**	**1,735**	**1,770**	**1,790**	**1,700**	**1,865**	**16,035**

Note: Figures may not tally exactly due to rounding.

 # Registrations of 2 or less are recorded as 0.

Source: Small Business Service

4.4.2 Registrations – changes during 2002

Registrations in Tyne & Wear in 2002 rose in all industries except Hotels & Catering (down 30, -9.2%) between 2001 and 2002 (Table 4). The overall rise in Tyne & Wear was 165 firms, up 9.7%. Overall Tyne & Wear hugely out-performed the UK (0.7%), by 9 whole percentage points and the North East (2.2%) by 7.5pp. 2002 was a year of rapid employment growth in Tyne & Wear, up about 10,000 or 2% - source: Local Area Labour Force Survey, averages of four quarters – Ed.

Of the industries, Retailing & Wholesale saw the biggest numerical rise (up 60, 15%) in Tyne & Wear. Transport & Communication registrations rose by 45, up 47.4% (compared with a 0.6% fall in the UK). Business Service registrations rose by 40, 8.4%.

UK registrations rose by 1,180 (up 0.7%) This was overwhelmingly due to the large numerical rise in Retailing & Wholesale (up 1,460, 4.7%). The largest numerical fall was in Manufacturing (down 675, -6.3%). Rates of change across the industries ranged from -26.6% in Finance to 16.1% in Agriculture.

In the North East registrations in 2002 rose by 90 (up 2.2% - higher than the UK). Compared with 2001, the number of registrations rose in all English regions, except London (down 2.6%, -895) and the South East (down 0.1%,-40). [One important factor for this might have been the house price 'wave' surging out of the SE – Ed]. Rises in registrations in the English regions ranged numerically from 90, up 2.2% in the North East to 735, up 6.5% in Yorkshire & Humberside.

The largest numerical rise in the North East in 2002 was in Retailing & Wholesale (up 105, 11.5%). Other notable rises were in Transport & Communication (up 50, 21.3%), Agriculture (up 45, 69.2% - considerably higher than the 16.1% in the UK) and Business Services (up 35, 3.3%). The largest numerical fall in registrations between 2001 and 2002 was in Hotels & Catering (down 85, -11% - compared to a rise of 0.7% in the UK). [This may have been a lagged impact of Foot & Mouth Disease in 2001 – Ed.]. Other falls were in Manufacturing (down 30, -9.8%), Construction (down 20, -4.5%) and Public Admin. & Other (down 15, -6.3%).

Table 4: Change in Registrations* by Industry: Tyne & Wear, North East and UK, 2002 compared with 2001

SIC 92	Industry	Tyne & Wear Change		NE Change		UK Change	
		No.	%	No.	%	No.	%
A,B	Agriculture	10	na	45	69	530	16
C,E	Mining & Utilities	0	na	10	na	15	9
D	Manufacturing	0	0	-30	-10	-675	-6
F	Construction	10	6	-20	-5	540	3
G	Retailing & Wholesale	60	15	105	12	1,460	5
H	Hotels & Catering	-30	-9	-85	-11	125	1
I	Transport & Communication	45	47	50	21	-60	-1
J	Finance	5	50	5	25	-425	-27
K	Business Services	40	8	35	3	100	0
L,O	Public Admin. & Other	20	24	-15	-6	-515	-3
M,N	Education, Health	0	0	0	0	95	4
	Total	**165**	**10**	**90**	**2**	**1,180**	**1**

** Registrations do not equate to 'business starts' because they include changes for other reasons, e.g. change of name, change of proprietor, re-opening an existing business. All figures are rounded to the nearest 5 (by SBS). 0 Change means a change of 0-2.*

Note: na - base year zero, percentage change not available.

Source: Small Business Service

4.5 DE-REGISTRATIONS ("BUSINESS FAILURES")

Note: De-registrations can occur for reasons other than business failure. These reasons include:

a) takeover

b) retirement

c) change of proprietor

d) change of business name

e) decline below the VAT threshold.

4.5.1 De-Registration Change 1994-2002

Over the nine years, 1994 to 2002, business de-registrations in Tyne & Wear fell (improved) by 15.8%, down to 1,680 (Table 5). This is similar to a 15.3% fall in the North East, but in contrast with a 0.1% rise in the UK.

In Tyne & Wear, there was a mixed performance across the industries. The largest numerical fall occurred in Retailing & Wholesale (down 220, -33%). Other large falls were in Construction (down 110, -40%), Hotels & Catering (down 75, -24%) and Public Administration (down 65, -38%).

Business Services experienced a large rise in de-registrations (up 135, 50%). Much smaller rises occurred in Manufacturing, Transport & Communications and Finance (although Finance's rise of 5 was in fact a 50% rise).

Tyne & Wear follows a similar pattern to the UK, in de-registrations as well as registrations between 1994 and 2002. Like Tyne & Wear, the UK's largest fall in de-registrations numerically was from the Retailing & Wholesale industry (down 14,845, -28%). Again, as in Tyne & Wear, large falls were also apparent in Public Administration & Other (down 28%) and Construction (down 31.9%).

Rises in de-registrations in the UK were dominated by Business Services (as in Tyne & Wear); up 27,385 (92.6%). Finance suffered a massive rise (in terms of proportion) in the UK (up 158%). Other large rises were in Education & Health (up 47.2%) and Mining & Utilities (up 28.6%, although this was a relatively small numerical rise of 60). Transport & Communications' de-registrations rose by 11.1%.

As in Tyne & Wear and the UK, falls in de-registrations in the North East were largest numerically in Retailing & Wholesale (-525, -33.4%). Other large falls were in Construction (down 35.6%), Public Administration & Other (down 35.3%) and Hotels & Catering (down 22.2%).

Rises in de-registrations in the North East mainly occurred in Business Services (up 305, 45.5%). Much smaller rises were in Finance, Transport & Communication and Manufacturing.

Table 5: Business De-registrations in Tyne & Wear, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	20	15	25	15	10	20	10	10	15	140
C,E	Mining & Utilities	0	5	0	0	5	0	0	0	0	10
D	Manufacturing	170	190	150	140	150	170	140	150	175	1,435
F	Construction	275	210	185	190	175	170	155	165	165	1,690
G	Retailing & Wholesale	670	640	550	505	485	475	495	520	450	4,790
H	Hotels & catering	315	275	255	225	225	245	235	300	240	2,315
I	Transport & Communication	85	65	90	85	70	90	95	95	100	775
J	Finance	5	25	10	15	5	10	15	5	10	100
K	Business Services	270	285	285	290	285	335	340	390	405	2,885
L,O	Public Admin. & Other Services	170	190	160	145	125	110	120	105	105	1,230
M,N	Education & Health	15	50	35	40	25	20	20	25	15	245
Total		**1,995**	**1,955**	**1,745**	**1,650**	**1,565**	**1,645**	**1,620**	**1,770**	**1,680**	**15,625**

Note: Figures may not tally exactly due to rounding.

All figures are rounded to the nearest 5 (by SBS). 0 change means a change of 0-2

Source: Small Business Service

4.5.2 De-Registration Changes During 2002

Between 2001 and 2002 there was a fall in de-registrations in Tyne & Wear of 90 firms (down 5.1%). Whilst the North East out-performed this with a 6.5% fall, in the UK there was a *rise* of 5.3%.

Across the industries, Tyne & Wear saw falls in de-registrations in Retail & Wholesale (-70, -13.5%), Hotels & Catering (-60, -20%) and Education & Health (-10, -40%). The only significant rise in de-registrations occurred in Manufacturing (up 25, 16.7%). Business Services, Finance and Transport & Communications experienced much smaller numerical rises.

As mentioned above, North East de-registrations fell overall, during 2002 (down 6.5%). De-registrations in all other English regions rose during this year. The East had the biggest rise overall at 16.9%.

Across the industries, the North East experienced falls in de-registrations within Education & Health (-41.7%) Hotels & Catering (-21.1%) and Retailing & Wholesale (-9.1%). Unlike in Tyne & Wear, however, in the North East there was also a fall in de-registrations in Business Services (-3.9%). A significant rise in de-registrations only occurred in Manufacturing in the North East (up 40, 11.3%). Other smaller rises (numerically) occurred in Public Administration & Other Services and Finance.

In the UK de-registrations rose between 2001 and 2002 in all industries except Retail & Wholesale (fall of 0.8%). Business Services saw the biggest numerical rise (up 5,555, 10.8%). Others were in Construction (up 1,325, +8.2%), Manufacturing (up 865, 6.1%) and Public Administration & Other (745, 6.1%).

Table 6: Change in De-registrations by Industry: Tyne & Wear, North East and UK, 2002 compared with 2001

SIC 92	Industry	Tyne & Wear		NE		UK	
		No.	%	No.	%	No.	%
A,B	Agriculture	5	50	-5	-3.4	155	2.7
C,E	Mining & Utilities	0	na	0	0.0	30	12.5
D	Manufacturing	25	16.7	40	11.3	865	6.1
F	Construction	0	0.0	-20	-4.5	1,325	8.2
G	Retailing & Wholesale	-70	-13.5	-105	-9.1	-305	-0.8
H	Hotels & Catering	-60	-20.0	-150	-21.1	55	0.3
I	Transport & Communication	5	5.3	-5	-2.0	55	0.6
J	Finance	5	100.0	10	100.0	200	12.3
K	Business Services	15	3.8	-40	-3.9	5,555	10.8
L,O	Public Admin. & Other	0	0.0	20	7.8	745	6.1
M,N	Education, Health	-10	-40.0	-25	-41.7	185	11.4
	Total	**-90**	**-5.1**	**-285**	**-6.5**	**8,855**	**5.3**

Note: na - base year zero, percentage change not available.

All absolute values are rounded to the nearest 5 (by SBS). 0 change means a change of 0-2

Source: Small Business Service

5 INDUSTRIAL STRUCTURE OF THE BUSINESS BASE

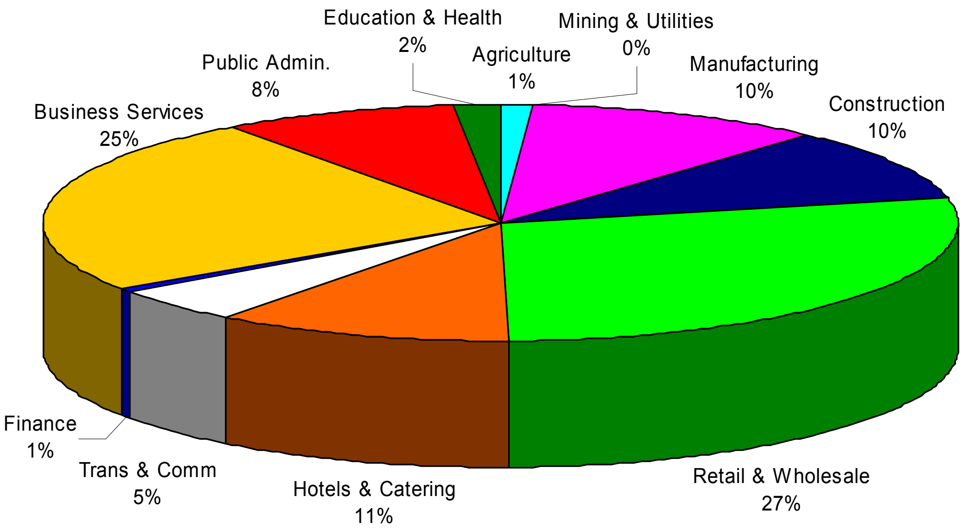
5.1 THE INDUSTRIAL MIX OF BUSINESSES

Tyne & Wear's business base was strongly focused on Retailing & Wholesale at the end of 2002/start of 2003 (27% of VAT-registered business). (Fig. 3). This is a higher proportion than in the North East (25.5%) and even more so than in the UK (21.7%). Retailing & Wholesale as a proportion of Tyne & Wear's full industrial mix is, however, declining. At the beginning of 2000 it held 29.7% of the business base and has fallen annually since.

Business Services in Tyne & Wear held 25% of the business base at the end of 2002/ start of 2003. This is high compared to the North East (21.2%), but more than 3 pp lower than in the UK (28.4%). It is increasing in size relative to the base as a whole. Whilst at the beginning of 2000 it accounted for 22.6% of the business base, this has risen by roughly a percentage point each year since.

Tyne & Wear's Public Administration & Other Service's sector holds a very similar proportion of the business base (8%) as the UK and the North East. Hotels & Catering are, however, slightly over-represented in Tyne & Wear, holding 11% of the base compared with 7% in the UK (although the North East proportion is nearer the Tyne & Wear at 10%). Agriculture is extremely under-represented in Tyne & Wear (1%) compared with the North East and the UK (both 8%). This is due to the vast majority of Tyne & Wear consisting of built-up area.

Fig. 3 The Industrial Mix of the Business Base, Tyne & Wear, Start 2003



Source: Small Business Service

5.2 NET CHANGE BY INDUSTRY

5.2.1 Changes 1998-2002

Over the five year period, 1998 to 2002, there was a rise every year in the overall business stock, except 2001 (fall of 0.4%). Of the industries individually Business Services and Hotels & Catering were the only two to experience a rise in their business stock each year. All other industries at least experienced one year of either no growth or a fall in their stock of business over this period.

Table 7: Stock of Business and Annual Change in Tyne & Wear, 1998-2002

SIC 92	Industry	1998			1999			2000			2001			2002		
		Start	End	%	Start	End	%	Start	End	%	Start	End	%	Start	End	%
A,B	Agriculture	220	220	0.0	220	205	-6.8	205	205	0	205	195	-4.9	195	190	-2.6
C,E	Mining & Utilities	15	15	0.0	15	15	0.0	15	15	0	15	15	0.0	15	15	0.0
D	Manufacturing	1,880	1,850	-1.6	1,850	1,825	-1.4	1,825	1,815	-0.5	1,815	1,795	-1.1	1,795	1,740	-3.1
F	Construction	1,659	1,680	1.3	1,680	1,690	0.6	1,690	1,705	0.9	1,705	1,705	0.0	1,705	1,715	0.6
G	Retail & Wholesale	5,025	4,950	-1.5	4,950	4,925	-0.5	4,925	4,825	-2.0	4,825	4,705	-2.5	4,705	4,715	0.2
H	Hotels & Catering	1,570	1,585	1.0	1,585	1,625	2.5	1,625	1,700	4.6	1,700	1,725	1.5	1,725	1,785	3.5
I	Transport & Comm	740	765	3.4	765	755	-1.3	755	760	0.7	760	760	0.0	760	795	4.6
J	Finance	100	100	0.0	100	105	5.0	105	95	-9.5	95	100	5.3	100	100	0.0
K	Business Services	3,410	3,620	6.2	3,620	3,755	3.7	3,755	3,940	4.9	3,940	4,025	2.2	4,025	4,135	2.7
L,O	Public Admin & Other	1,380	1,425	3.3	1,425	1,430	0.4	1,430	1,435	0.3	1,435	1,410	-1.7	1,410	1,410	0.0
M,N	Education & Health	255	255	0.0	255	255	0.0	255	260	2.0	260	255	-1.9	255	270	5.9
	Total	**16,290**	**16,460**	**1.0**	**16,460**	**16,585**	**0.8**	**16,585**	**16,755**	**1.0**	**16,755**	**16,685**	**-0.4**	**16,685**	**16,870**	**1.1**

Source: Small Business Service

5.2.2 Changes in 2002

The stock of businesses rose overall in Tyne & Wear during 2002; up 1.1% or 185 to 16,870. There was a fall in manufacturing, down by 55 firms (-3.1%) - similar to the North East and the UK. The (small) agriculture industry also declined by 5 firms (-2.6%). This fall was, however, greater than in the North East (-0.8%), and in contrast to a rise in UK agriculture (up 1.5%). This under-performance may be linked to the Foot & Mouth Disease outbreak in 2001. Caution: The Tyne & Wear numbers are rounded to 5 and therefore could be anything between 3 and 7.

5.2.3 Changes By Industry and District, 2002

In 2002, the business base grew in all districts of Tyne & Wear. The biggest rise both numerically and proportionally was in North Tyneside (up 3.1%, 85 firms), and the smallest in Sunderland (up just 0.1%, 5 firms).

Manufacturing's business base fell in every district except North Tyneside which saw a rise of 3.6% (10 firms). Transport & Communication's business base rose in every district except South Tyneside (down 5.9%, -5 firms). Within Hotels & Catering there was a particularly big rise in Gateshead (up 8.9%, 25 firms).

Table 8: Net Change in Business Base by Industry for Tyne & Wear Districts, 2001

SIC (92)	Industry	Gateshead		Newcastle		North Tyneside		South Tyneside		Sunderland	
		Net Change	%	Net Change	%	Net Change	%	Net Change	%	Net Change	%
A,B	Agriculture	0	0.0	0	0.0	0	0.0	0	0.0	-5	-11.1
C,E	Mining & Utilities	0	na	0	0.0	0	0.0	0	na	0	na
D	Manufacturing	-10	-2.3	-35	-8.5	10	3.6	-5	-2.2	-10	-2.2
F	Construction	-5	-1.3	-15	-3.6	15	4.8	10	5.9	5	1.2
G	Retailing & Wholesale	15	1.6	-20	-1.6	30	3.9	5	0.9	-20	-1.8
H	Hotels & Catering	25	8.9	0	0.0	10	3.3	0	0.0	20	4.8
I	Transport & Communication	5	2.8	10	5.1	5	4.5	-5	-5.9	20	10.8
J	Finance	5	50.0	0	0.0	0	0.0	0	0.0	0	0.0
K	Business Services	25	3.6	65	4.2	5	0.7	15	4.3	0	0.0
L,O	Public Admin & Other	0	0.0	5	1.1	5	2.1	-5	-3.4	-5	-1.7
M,N	Education & Health	5	10.0	0	0.0	0	0.0	0	0.0	5	10.0
	Total	**70**	**2.2**	**15**	**0.3**	**85**	**3.1**	**10**	**0.5**	**5**	**0.1**

Source: Small Business Service

5.2.4 Population Changes 2001/02: Links With Business Stock Changes

In 2001/02 there appears to have been little link between population change and the business base (Table 9, Data for population aged 16+). South Tyneside was the only district within Tyne & Wear to see a rise in its population between mid-2001 and mid-2002 (up 0.2%). Its stock of business increased only marginally over this period. North Tyneside saw a fall in its population (down 0.2%), yet as has already been established, its business base saw the strongest growth during 2002. Its growth was led by Retail & Wholesale (up 30) and (ironically given the population decline) Construction (up 15).

Table 9: Population Change in the Tyne & Wear Districts

	Gateshead	Newcastle	North Tyneside	South Tyneside	Sunderland
Population Change 2001-02	0	0	-300	300	-300
% Population Change 2001-02	0	0	-0.2	0.2	-0.1

Source: ONS' mid-year estimates, revised.

5.3 INDUSTRIAL NET CHANGES RELATIVE TO THE UK AND NE

In 2002, Tyne & Wear's business base grew by 1.1%. This was much higher than both the North East (0.2% growth) and the UK (no change in the business base) (Table 10).

Retailing & Wholesale held the largest proportion of the business base in Tyne & Wear (27.9%) and the North East (25.5%), and the 2nd largest in the UK (21.7%) in 2002. Proportional changes in this industry's base would, therefore, have had quite a significant impact on the overall business base. In Tyne & Wear, this industry's base grew 0.2%. This out-performed the North East (fall of 0.2%) and more so the UK (fall of 1.4%).

Business services held the largest proportion of the business base in the UK (28.4%) in 2002. It also held the 2nd largest proportions in Tyne & Wear (24.5%) and the North East (21.2%). This industry's base rose in all three geographic areas, but the rise was fastest in Tyne & Wear (up 2.7%), more than twice the North East (up 1.2%) and the UK (up 1.3%).

Falls in the business base occurred in just two industries in Tyne & Wear, Agriculture (-2.6%) and Manufacturing (-3.1%). Falls in these industries occurred in the North East and the UK as well. The Manufacturing industry held roughly a tenth of the business base in Tyne & Wear in 2002.

Industries (other than Business Services) that experienced a rise in their business stock during 2002 in Tyne & Wear, the North East and the UK, were Hotels & Catering (up 3.2%, 3% and 2% respectively), Transport & Communication (up 5.3%, 1.6% and 0.8% respectively) and Education & Health (up 5.9%, 5.1% and 1.9% respectively).

Table 10: VAT Registered Businesses by Industry: Tyne & Wear, North East and UK, Year end 2002

SIC 92	Industry	Number at end 2002			% of Total			% Change (during 2002)		
		Tyne & Wear	NE	UK	Tyne & Wear	NE	UK	Tyne & Wear	NE	UK
A,B	Agriculture	190	3,555	142,700	1.1	8.1	8.1	-2.6	-0.8	-1.5
C,E	Mining & Utilities	15	50	1,750	0.1	0.1	0.1	0.0	0.0	-4.1
D	Manufacturing	1,740	4,075	154,205	10.3	9.3	8.8	-3.1	-2.7	-3.1
F	Construction	1,715	4,600	189,350	10.2	10.5	10.7	0.6	0.0	0.7
G	Retailing & Wholesale	4,715	11,160	381,980	27.9	25.5	21.7	0.2	-0.2	-1.4
H	Hotels & Catering	1,785	4,360	119,875	10.6	9.9	6.8	3.2	3.0	2.0
I	Transport & Communication	795	2,270	79,645	4.7	5.2	4.5	5.3	1.6	0.8
J	Finance	100	200	16,020	0.6	0.5	0.9	5.0	2.6	-4.0
K	Business Services	4,135	9,290	500,260	24.5	21.2	28.4	2.7	1.2	1.3
L,O	Public Admin. & Other	1,410	3,555	151,375	8.4	8.1	8.6	0.0	-1.4	1.3
M,N	Education & Health	270	715	24,950	1.6	1.6	1.4	5.9	5.1	1.9
	Total	**16,870**	**43,825**	**1762110**	**100**	**100**	**100**	**1.1**	**0.2**	**0.0**

Source: Small Business Service

5.4 CUMULATIVE INDUSTRIAL CHANGE FROM THE START OF 1994 TO THE END OF 2002

Between 1994 and 2002 Tyne & Wear's business base grew 2.5% (405 businesses), an annual average of 0.3% (Table 11). Over the same period, the UK's business base grew 7.9%, whilst the North East's base fell 0.1%. Changes over a longer period give a better indication of the performance of particular industries than single year changes.

There was a fall in business numbers between 1994 and 2002 in more than half of the industries in Tyne & Wear; Agriculture, Mining & Utilities, Manufacturing, Construction, Retailing & Wholesale and Finance. The North East also experienced a fall in these industries. The same is true in the UK, save for the marked exception of the Finance industry, which despite falling 13% in Tyne & Wear and 9.1% in the North East, grew 13.6% in the UK.

The biggest numerical fall in business stock between 1994 and 2002 in Tyne & Wear was in Retailing & Wholesale (down 840 businesses, 15.1%). A similar fall occurred in this industry in the North East (down 15.8%) and in the UK (down 13%).

The Construction Industry also saw a fall in its business base (down 205, 10.7%), notably over 7 pp bigger than in the UK (down just 3%). The North East's Construction Industry experienced a similar fall to Tyne & Wear (down 9.1%).

Rises in business stock between 1994 and 2002 were led by Business Services in Tyne & Wear with Hotels & Catering out-performing the UK. Business Services grew most rapidly (up 45.6%, 1,295 businesses), as well as in the North East (35.4%) and the UK (59.3%). Hotels & Catering also experienced a fairly large numerical rise in its business base in Tyne & Wear (up 185, 11.6%), 4pp faster than in the UK (7.1%). The North East's growth rate was practically the same as Tyne & Wear's (up 11.1%).

The number of businesses registered for VAT in Public Administration & Other, also rose quite substantially in Tyne & Wear, between 1994 and 2002 (up 150 businesses, 11.9%). This was slightly bigger (proportionally) than in the North East (up 10.6%), but nearly 3 pp lower than in the UK (up 14.8%).

Table 11: Cumulative Change in Business Numbers From Start 1994 to End 2002, by Industry (%)

		Tyne & Wear		NE		UK		Difference (TW-UK)
SIC 92	**Industry**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**(percentage points*)**
A,B	Agriculture	-70	-26.9	-540	-13.2	-22,045	-13.4	-13.5
C,E	Mining & Utilities	-5	-25.0	-20	-28.6	-115	-6.2	-18.8
D	Manufacturing	-170	-8.9	-225	-5.2	-11,010	-6.7	-2.2
F	Construction	-205	-10.7	-460	-9.1	-5,895	-3.0	-7.7
G	Retailing & Wholesale	-840	-15.1	-2,090	-15.8	-57,235	-13.0	-2.1
H	Hotels & Catering	185	11.6	435	11.1	7,925	7.1	4.5
I	Transport & Communication	85	12.0	120	5.6	7,935	11.1	0.9
J	Finance	-15	-13.0	-20	-9.1	1,915	13.6	-26.6
K	Business Services	1,295	45.6	2,430	35.4	186,320	59.3	-13.8
L,O	Public Admin. & Other	150	11.9	340	10.6	19,530	14.8	-2.9
M,N	Education, Health	10	3.8	0	0.0	2,015	8.8	-4.9
	Total	**405**	**2.5**	**-35**	**-0.1**	**129,335**	**7.9**	**-5.5**

** Note: Difference between Tyne & Wear and the UK is percentage points.*

Source: Small Business Service

Over the nine years 1994 to 2002, Tyne & Wear's under-performance compared with the UK was 5.5pp overall. Each industry in Tyne & Wear, except Hotels & Catering and Transport & Communication under-performed compared to the UK. The largest percentage point difference between Tyne & Wear and the UK was in Finance (26.6 pp), although Tyne & Wear's absolute loss in this industry was numerically small (15 firms). Business Services, despite showing the biggest growth of all Tyne & Wear industries, was very weak relative to the growth in the UK (13.8% difference). This difference is likely to be largely responsible for the overall 5.5 pp difference between Tyne & Wear and the UK.

5.5 CHANGES SINCE 1980

As outlined in section 2, only broad comparisons of totals can be made for the period 1980 to 2002 due to changes in the VAT threshold, industry classification and register. In addition, data from the 1994-2002 dataset were revised in October 2003 in light of some specific local area data issues being identified in the old SBS VAT series (Table 12).

Table 12: Business Registrations, De-Registrations and Stocks in Tyne & Wear 1980-2002

					Tyne & Wear		UK	
Year	**Stock at Start**	**Registrations**	**De-Registrations**	**Stock at End***	**Net Change^**	**% Change**	**% Change**	**Difference (TW-UK) (Percentage Points)**
1980	15,160	2,045	2,105	15,100	-60	-0.4	1.2	-1.6
1981	15,100	2,095	1,725	15,475	370	2.5	2.4	0.1
1982	15,475	2,165	2,090	15,550	75	0.5	1.5	-1.0
1983	15,550	2,400	1,980	15,965	420	2.7	2.5	0.2
1984	15,965	2,395	2,295	16,065	100	0.6	2.1	-1.5
1985	16,065	2,315	2,265	16,115	50	0.3	1.3	-1.0
1986	16,115	2,380	2,315	16,180	65	0.4	1.7	-1.3
1987	16,180	2,430	2,265	16,345	165	1.0	2.7	-1.6
1988	16,345	2,825	2,450	16,720	375	2.3	4.4	-2.1
1989	16,720	3,100	2,440	17,385	660	3.9	4.9	-1.0
1990	17,385	2,750	2,355	17,775	395	2.3	2.8	-0.6
1991	17,775	2,310	2,340	17,745	-30	-0.2	-0.3	0.1
1992	16,950	2,025	2,390	16,590	-365	-2.2	-2.4	0.2
1993	16,590	2,050	2,400	16,240	-350	-2.1	-1.4	-0.7
1980-1993	15,160	33,285	31,415	16,240	1,080	7.1	20.1	-13.0
1994	16,465	1,885	1,995	16,355	-110	-0.7	-0.4	-0.3
1995	16,355	1,735	1,955	16,135	-220	-1.3	0.1	-1.5
1996	16,135	1,745	1,745	16,135	0	0.0	1.0	-1.0
1997	16,135	1,810	1,650	16,290	155	1.0	2.2	-1.2
1998	16,290	1,735	1,565	16,460	165	1.0	2.1	-1.1
1999	16,460	1,770	1,645	16,585	125	0.8	1.2	-0.5
2000	16,585	1,790	1,620	16,755	170	1.0	1.1	-0.1
2001	16,755	1,700	1,770	16,685	-70	-0.4	0.4	-0.8
2002	16,685	1,865	1,680	16,870	185	1.1	0.0	1.1
1994-2002	16,465	16,035	15,625	16,870	405	2.5	7.9	-5.4

** the stock at the end of the year, is simply the stock at the start of the following year, except in 1991 and 1993 (when there were significant changes in the VAT threshold). For these two years, the stock at the end of the year has been calculated by taking the stock at the beginning of the year, adding on the registrations and* then subtracting the de-registrations.

^ Net change has been taken directly from the datasets for single year changes, and has been calculated by subtracting the 'stock at end' from 'stock at start' figures for multiple years.

Source: Small Business Service

5.5.1 1980s

In the 1980s Tyne & Wear's business base grew at about two-thirds the rate of the UK. In 1980, a year of recession, Tyne & Wear's business base fell 0.4%. During the remainder of the 1980s, there was a rise in the business base every year. Overall between 1981 and 1990, the stock of businesses in Tyne & Wear rose 18%, compared to a 29% rise in the UK.

5.5.2 1990s and Early 2000s

During 1991 (another year of severe recession and falling output), the stock of businesses fell 0.2% in Tyne & Wear, and 0.3% in the UK. In this year, a sharp rise in the VAT threshold reduced the stock by a further 795 (4.5%) to 16,950. Recovery of the business base started in 1995 in the UK and 1997 in Tyne & Wear. Between 1997 and 2002 there has been a slow but steady rise in the business stock every year in Tyne & Wear, except 2001 which suffered a minor fall (down 0.4%).

Tyne & Wear's business base under-performed the UK most years between 1980 and 2002, but the under-performance more than halved between the first and second parts of the period. Overall, between 1980 and 1993, Tyne & Wear saw 13pp less growth than the UK. Between 1994 and 2002, Tyne & Wear, however, saw 5.4pp less growth than the UK.

6 SMALL AND MEDIUM ENTERPRISES (SMEs)

The definition of Small and Medium Enterprises (SMEs) in Tyne & Wear can depend on several factors including turnover. In this section, an SME is any enterprise with less than 250 employees.[5]

The latest SME data are for two years earlier, 2001. At the start of 2001, in the North East, the vast majority of businesses (99.8%) were classified as SMEs, with only 215 businesses employing 250 or more people. SMEs in the North East were the source of more than half (54%) of all employment and 45% of turnover (Table 13).

Two-thirds of businesses in the North East in 2001 came under the category of 'no employees', meaning they were sole traders or partners without employees. These businesses accounted for 10% of employment and nearly 6.5%, or £3,705m (ex. VAT) of turnover.

Table 13: Number of enterprises, employment and turnover in the private sector and public corporations at the start of 2001, by size of enterprise and industry section in the North East.*

North East, number, thousands, £million, percent

Size (number of employees)	Number			Percent		
	Enterprises	Employment (000s)	Turnover (excluding VAT) * (£million)	Enterprises	Employment	Turnover
No employees^	63,700	71	3,705	65.7	10.3	6.4
1-4	21,170	65	4,157	21.8	9.4	7.2
5-9	5,730	42	2,664	5.9	6.0	4.6
10-19	3,495	49	3,074	3.6	7.1	5.3
20-49	1,770	55	3,697	1.8	7.9	6.4
50-99	590	40	2,922	0.6	5.8	5.0
100-199	275	38	4,780	0.3	5.4	8.2
200-249	60	14	1,277	0.1	2.0	2.2
250-499	115	40	3,567	0.1	5.8	6.1
500 or more	100	279	28,228	0.1	40.2	48.6
All enterprises	**97,000**	**693**	**58,071**	**100**	**100**	**100**
1+ employees	**33,300**	**622**	**54,366**	**34.3**	**89.7**	**93.6**

** Turnover excludes section J (financial intermediation).*

^ Sole proprietorships and partnerships comprising only the self-employed owner-manager(s) and companies comprising only an employee director.
Business numbers are rounded to avoid disclosure.

Source: Small Business Service

6.1 PRODUCTION INDUSTRY IN THE NORTH EAST

In the North East Production Industry[6], larger-sized enterprises dominated turnover, with the largest 100 businesses accounting for 63.3% of total turnover (£11,996m, exc. VAT) (Table 14).

SMEs (businesses with less than 250 employees) accounted for just over half (52.5%) of employment at the start of 2001, but just 36.7% of turnover.

[5] *This definition was provided by the Small Business Service.*
[6] *Production industry here consists of mining and quarrying, manufacturing, electricity, gas and water supply*

Table 14: Number of enterprises, employment and turnover in the private sector and public corporations at the start of 2001, by size of enterprise and industry section in the North East. C, D, E Mining and Quarrying; Manufacturing; Electricity, Gas & Water Supply*

North East, number, thousands, £million, percent

	Number			**Percent**		
Size (number of employees)	**Enterprises**	**Employment (000s)**	**Turnover (Excluding VAT)* (£million)**	**Enterprises**	**Employment**	**Turnover**
No employees^	6,885	7	308	65.0	5.4	1.6
1-4	1,660	5	325	15.7	3.7	1.7
5-9	655	5	296	6.2	3.4	1.6
10-19	545	8	456	5.1	5.5	2.4
20-49	430	13	947	4.1	9.8	5.0
50-99	175	13	916	1.7	9.1	4.8
100-199	110	15	3,179	1.0	11.2	16.8
200-249	30	6	538	0.3	4.4	2.8
250-499	55	18	1,956	0.5	13.2	10.3
500 or more	45	47	10,040	0.4	34.3	53.0
All enterprises	**10,590**	**138**	**18,961**	**100**	**100**	**100**
1+ Employees	**3,705**	**130**	**18,653**	**35.0**	**94.6**	**98.4**

** Excludes Section J (financial intermediation).*

^ Sole proprietorships and partnerships comprising only the self-employed owner-manager(s) and companies comprising only an employee director.
Business numbers are rounded to avoid disclosure.

Source: Small Business Service

6.2 WHOLESALE, RETAIL & REPAIR AND HOTELS & RESTAURANTS IN THE NORTH EAST

In Wholesale, Retail & Repair and Hotels & Restaurants, data on employment and turnover for enterprises with between 200 and 249 employees and those with 500+ has not been given, as it is deemed to be disclosive. This is a significant omission as combined they account for 55.2% of employment and 58.9% of turnover.

Whilst 40% of enterprises are within the ‘no employees’ category, (i.e they are sole traders or partners without employees), they only account for 3.9% of employment and 6.4% of turnover (although this is the second largest turnover, excluding those for enterprises of 200-249 and 500+ employees, which have been suppressed). A further 39.5% of enterprises have 1-4 employees. These enterprises account for the highest number of employees (26,000, 11.1%) and the largest turnover (£1, 716m, 7.5%).[7]

[7] *excluding enterprises with 200-249 employees and 500+ employees, for which employment and turnover data has been suppressed*

Table 15: Number of enterprises, employment and turnover in the private sector and public corporations at the start of 2001, by size and enterprise and industry section in the North East G, H Wholesale, Retail & Repairs; Hotels & Restaurants #

North East, number, thousands, £million, percent

	Number			**Percent**		
	Enterprises	**Employment (000s)**	**Turnover (Excluding VAT)# (£million)**	**Enterprises**	**Employment**	**Turnover**
No employees^	7,935	9	1,452	40.0	3.9	6.4
1-4	7,830	26	1,716	39.5	11.1	7.5
5-9	2,250	17	1,211	11.3	7.3	5.3
10-19	1,155	16	1,381	5.8	7.1	6.1
20-49	445	14	1,329	2.2	5.9	5.8
50-99	110	8	953	0.6	3.4	4.2
100-199	50	7	738	0.3	3.0	3.2
200-249	15	*	*	0.1	*	*
250-499	20	7	602	0.1	3.1	2.6
500 or more	15	*	*	0.1	*	*
All enterprises	**19,825**	**229**	**22,792**	**100**	**100**	**100**
Employers	**11,890**	**220**	**21,340**	**60.0**	**96.1**	**93.6**

 # Excludes Section J (financial intermediation).

^ Sole proprietorships and partnerships comprising only the self-employed owner-manager(s) and companies comprising only an employee director.
*Business numbers are rounded to avoid disclosure. A * symbol replaces data where the count is deemed to be disclosive.*

Source: Small Business Service

6.3 CHANGES IN SMALL BUSINESS NUMBERS FROM START 2000 TO START 2001

Data on changes in numbers of SMEs are only available for the UK.

During 2000, the number of SMEs (enterprises with under 250 employees) rose by 0.6% in the UK (Table 16). The biggest rise, proportionally, was in the 20 to 49 employees category, which saw an 18.8% rise in businesses. The number of larger businesses (250+ employees) rose slightly overall (up 0.4%), although there was a fall of 0.5% in the 250-499 employees category. The number of businesses employing 5-9 people fell 2.8%, the only SME size category to experience a fall.

Table 16: Change in the number of businesses and employment by size of business and industry section, start 2000 - start 2001 (UK) All Industries. Excludes J, Financial Intermediation

UK, number, thousands, £million and percent

	Businesses			Employment (000's)		
Size (number of employees)	**Start - 00**	**Start - 01**	**Annual % Change**	**Start - 00**	**Start - 01**	**Annual % Change**
No employees^	2,591,775	2,596,395	0.2	2,996	2,887.80	-3.6
1-4	738,685	747,655	1.2	2,214	2,229.64	0.7
5-9	206,090	200,320	-2.8	1,483	1,435.82	-3.2
10-19	108,075	112,695	4.3	1,515	1,569.57	3.6
20-49	46,155	54,845	18.8	1,441	1,685.75	17.0
50-99	15,700	18,130	15.5	1,095	1,254.93	14.6
100-199	7,820	7,905	1.1	1,089	1,103.66	1.3
200-249	1,565	1,620	3.5	352	361.88	2.8
250-499	3,260	3,245	-0.5	1,132	1,128.26	-0.4
500 and over	3,485	3,530	1.3	8,814	8,964.22	1.7
All Enterprises	**3,722,610**	**3,746,340**	**0.6**	**22,132**	**22,621.51**	**2.2**
1+ employees	**1,130,835**	**1,149,945**	**1.7**	**19,136**	**19,733.71**	**3.1**

^ Sole proprietorships and partnerships comprising only the self-employed owner-manager(s) and companies comprising only an employee director.

Source: Small Business Service

During 2000, employment also rose overall among the UK's SMEs. There were only falls in employment in enterprises with 'no employees' (down 3.6%) and with 5-9 employees (down 3.2%). As may be expected given the rise in the number of businesses employing 20-49 people, employment also rose in this category by 17% (the biggest rise). Employment in the larger businesses (250+ employees) rose marginally overall (in line with the rise in business numbers).

7. APPENDICES

Table A1: UK Business Registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	4,550	4,400	4,565	4,710	4,105	3,715	3,590	3,300	3,830	36,765
C,E	Mining & Utilities	185	175	210	245	155	220	190	175	190	1,745
D	Manufacturing	14,470	14,455	14,665	14,365	13,395	12,670	12,015	10,800	10,125	116,960
F	Construction	16,330	15,835	15,395	19,730	18,515	18,180	17,830	18,325	18,865	159,005
G	Retailing & Wholesale	39,860	37,845	37,710	37,485	36,895	37,090	36,135	31,260	32,720	327,000
H	Hotels & catering	16,125	15,600	16,140	16,955	16,765	17,750	18,150	19,055	19,180	155,720
I	Transport & Communication	8,185	8,480	8,415	9,195	9,225	9,440	9,505	9,310	9,250	81,005
J	Finance	2,050	1,480	1,650	1,835	1,800	1,840	1,870	1,595	1,170	15,290
K	Business Services	44,700	48,380	54,610	64,675	69,250	63,280	66,850	63,085	63,185	538,015
L,O	Public Admin. & Other Services	20,450	17,405	15,635	16,335	15,280	14,915	15,710	15,510	14,995	146,235
M,N	Education & Health	3,095	1,755	2,005	2,165	2,125	2,270	2,185	2,190	2,285	20,075
Total		**170,000**	**165,810**	**171,005**	**187,690**	**187,515**	**181,370**	**184,035**	**174,620**	**175,800**	**1,597,845**

Source: Small Business Service

Table A2: UK Business De-registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	6,615	6,340	6,405	6,425	6,645	7,155	7,420	5,825	5,980	58,810
C,E	Mining & Utilities	210	150	195	185	205	210	205	240	270	1,870
D	Manufacturing	14,985	13,950	13,545	13,400	14,405	14,595	13,785	14,215	15,080	127,960
F	Construction	25,790	20,225	18,030	17,645	16,425	17,035	15,920	16,250	17,575	164,895
G	Retailing & Wholesale	52,935	48,450	43,635	41,390	40,840	40,965	39,540	38,395	38,090	384,240
H	Hotels & catering	17,940	17,050	15,855	15,695	15,960	16,165	15,540	16,770	16,825	147,800
I	Transport & Communication	7,735	7,780	7,765	7,825	7,995	8,400	8,430	8,540	8,595	73,065
J	Finance	710	1,475	1,780	1,300	1,445	1,565	1,645	1,630	1,830	13,380
K	Business Services	29,585	28,845	30,290	32,095	34,605	39,790	48,100	51,415	56,970	351,695
L,O	Public Admin. & Other Services	18,080	16,435	14,410	13,210	13,165	12,870	13,245	12,270	13,015	126,700
M,N	Education & Health	1,230	2,905	2,720	2,725	1,760	1,655	1,635	1,625	1,810	18,065
	Total	**175,820**	**163,600**	**154,630**	**151,900**	**153,450**	**160,410**	**165,475**	**167,185**	**176,040**	**1,468,510**
	UK's Net Registrations Change	**-5,820**	**2,210**	**16,375**	**35,790**	**34,065**	**20,960**	**18,560**	**7,435**	**-240**	**129,335**
										Average: 14,371	

Source: Small Business Service

Table A3: North East Business Registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	110	80	75	65	80	75	85	65	110	745
C,E	Mining & Utilities	5	5	5	5	5	5	5	0	10	45
D	Manufacturing	330	350	370	310	340	325	305	305	275	2,910
F	Construction	405	370	410	430	445	430	445	440	420	3,795
G	Retailing & Wholesale	1,145	995	1,030	970	925	1,035	920	910	1,015	8,945
H	Hotels & catering	650	635	630	610	580	705	755	770	685	6,020
I	Transport & Communication	240	260	250	220	235	255	245	235	285	2,225
J	Finance	40	20	10	20	15	20	20	20	25	190
K	Business Services	840	885	980	1,030	1,165	1,080	1,200	1,050	1,085	9,315
L,O	Public Admin. & Other Services	610	490	325	480	375	285	340	240	225	3,370
M,N	Education & Health	130	50	55	50	55	40	60	70	70	580
	Total	**4,505**	**4,145**	**4,145**	**4,195**	**4,215**	**4,255**	**4,375**	**4,110**	**4,200**	**38,145**

Source: Small Business Service

Table A4: North East Business De-registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	150	140	170	130	135	155	135	145	140	1,300
C,E	Mining & Utilities	5	10	15	5	10	5	5	5	5	65
D	Manufacturing	385	380	310	315	330	355	305	355	395	3,130
F	Construction	660	540	500	445	460	410	385	445	425	4,270
G	Retailing & Wholesale	1,570	1,485	1,265	1,190	1,140	1,100	1,085	1,150	1,045	11,030
H	Hotels & catering	720	670	585	570	575	610	590	710	560	5,590
I	Transport & Communication	230	225	220	230	215	240	250	255	250	2,115
J	Finance	15	60	30	20	10	15	25	10	20	205
K	Business Services	670	665	640	640	695	765	815	1,015	975	6,880
L,O	Public Admin. & Other Services	425	440	385	320	330	295	305	255	275	3,030
M,N	Education & Health	45	130	75	105	55	45	35	60	35	585
	Total	**4,865**	**4,745**	**4,190**	**3,970**	**3,955**	**3,995**	**3,935**	**4,405**	**4,120**	**38,180**
	North East's Net Registrations Change	**-360**	**-600**	**-45**	**225**	**260**	**260**	**440**	**-295**	**80**	**-35**
										Average: -4	

Source: Small Business Service

Table A5: Gateshead Business Registrations, 1994 to 2001

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	0	0	0	0	5	0	0	0	5	10
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	40	30	40	35	25	30	25	25	25	275
F	Construction	25	25	35	35	25	40	30	30	30	275
G	Retailing & Wholesale	95	95	90	75	75	80	95	80	100	785
H	Hotels & catering	45	35	40	50	40	40	55	65	70	440
I	Transport & Communication	15	20	20	20	20	10	15	25	30	175
J	Finance	5	5	0	5	0	0	0	0	5	20
K	Business Services	65	65	60	70	70	80	110	80	105	705
L,O	Public Admin. & Other Services	40	35	25	35	35	20	15	15	20	240
M,N	Education & Health	10	5	5	0	5	5	5	5	10	50
	Total	**340**	**320**	**315**	**320**	**310**	**305**	**355**	**330**	**395**	**2,990**

Source: Small Business Service

Table A6: Gateshead Business De-registrations, 1994 to 2004

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	5	5	5	0	0	5	0	0	0	20
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	30	40	25	30	35	25	20	20	35	260
F	Construction	55	40	45	25	25	30	25	25	35	305
G	Retailing & Wholesale	140	125	105	105	85	85	80	95	85	905
H	Hotels & catering	50	40	30	40	45	45	40	55	45	390
I	Transport & Communication	20	20	15	15	15	25	10	10	20	150
J	Finance	0	5	5	0	0	0	5	0	0	15
K	Business Services	35	35	40	35	40	40	45	50	75	395
L,O	Public Admin. & Other Services	35	35	35	25	25	20	20	15	20	230
M,N	Education & Health	0	10	5	10	5	0	5	5	0	40
	Gateshead's Net Registrations Change	**-30**	**-40**	**5**	**30**	**30**	**20**	**105**	**50**	**70**	**240**
									Average: 27		

Source: Small Business Service

Table A7: Newcastle Business Registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	5	5	5	0	0	0	0	0	0	15
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	45	60	60	40	35	35	40	30	25	370
F	Construction	40	45	40	45	40	45	45	40	30	370
G	Retailing & Wholesale	135	120	135	140	115	120	110	115	105	1,095
H	Hotels & catering	80	90	65	85	65	85	85	80	70	705
I	Transport & Communication	20	30	20	25	25	15	30	15	35	215
J	Finance	5	5	0	0	0	5	5	5	5	30
K	Business Services	175	145	165	160	180	160	175	170	185	1,515
L,O	Public Admin. & Other Services	75	80	45	75	45	40	40	35	45	480
M,N	Education & Health	20	15	10	15	5	5	10	5	5	90
	Total	**595**	**590**	**540**	**580**	**510**	**520**	**540**	**500**	**515**	**4,890**

Source: Small Business Service

Table A8: Newcastle Business De-registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	5	5	5	5	5	10	5	5	0	45
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	45	55	55	50	50	65	55	55	60	490
F	Construction	60	55	45	65	75	50	45	55	45	495
G	Retailing & Wholesale	200	180	145	150	140	115	150	155	130	1,365
H	Hotels & catering	100	75	75	75	65	85	60	85	65	685
I	Transport & Communication	20	20	30	30	25	25	30	25	25	230
J	Finance	0	10	5	10	0	0	5	5	5	40
K	Business Services	85	125	105	115	115	140	130	145	120	1,080
L,O	Public Admin. & Other Services	50	55	50	50	45	40	45	40	40	415
M,N	Education & Health	5	20	5	15	10	5	5	10	5	80
	Total	**575**	**595**	**520**	**565**	**535**	**535**	**530**	**575**	**500**	**4,930**
	Newcastle's Net Registrations Change	**20**	**-5**	**20**	**15**	**-25**	**-15**	**10**	**-75**	**15**	**-40**
									Average: -4		

Source: Small Business Service

Table A9: North Tyneside Business Registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	0	0	0	0	0	0	5	0	5	10
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	15	20	20	25	10	25	20	25	25	185
F	Construction	20	25	30	35	30	25	30	35	40	270
G	Retailing & Wholesale	70	65	80	70	65	80	65	65	80	640
H	Hotels & catering	45	40	40	35	30	55	65	50	60	420
I	Transport & Communication	15	15	10	10	15	15	20	20	15	135
J	Finance	5	0	0	5	0	0	0	0	0	10
K	Business Services	55	75	75	70	90	85	85	80	70	685
L,O	Public Admin. & Other Services	40	25	25	35	25	20	25	10	15	220
M,N	Education & Health	5	5	0	5	10	5	0	0	5	35
	Total	**270**	**265**	**285**	**290**	**285**	**320**	**320**	**285**	**320**	**2640**

Source: Small Business Service

Table A10: North Tyneside Business De-registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	5	5	5	5	0	0	0	5	5	30
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	25	30	25	15	20	20	25	25	20	205
F	Construction	50	35	30	45	30	25	25	20	25	285
G	Retailing & Wholesale	110	115	90	90	80	90	95	80	50	800
H	Hotels & catering	40	55	50	25	40	30	35	50	50	375
I	Transport & Communication	15	10	15	15	5	10	15	15	10	110
J	Finance	0	0	0	0	0	0	0	0	0	0
K	Business Services	50	55	60	55	40	55	45	70	65	495
L,O	Public Admin. & Other Services	30	35	25	20	30	15	15	15	10	195
M,N	Education & Health	0	5	10	5	5	5	10	5	5	50
	Total	**335**	**350**	**310**	**270**	**250**	**250**	**260**	**280**	**235**	**2,540**
	North Tyneside's Net Registrations Change	**-65**	**-85**	**-25**	**20**	**35**	**70**	**60**	**5**	**85**	**100**
									Average: 11		

Source: Small Business Service

Table A11: South Tyneside Business Registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	0	0	0	0	0	0	0	0	0	0
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	20	15	20	15	10	25	15	10	15	145
F	Construction	10	10	15	15	20	15	15	25	30	155
G	Retailing & Wholesale	80	50	55	55	50	50	40	35	65	480
H	Hotels & catering	35	30	30	25	40	35	35	50	25	305
I	Transport & Communication	10	5	5	5	5	10	10	15	15	80
J	Finance	0	0	0	0	0	0	0	0	0	0
K	Business Services	30	40	30	45	50	40	45	45	55	380
L,O	Public Admin. & Other Services	25	15	10	20	20	10	15	5	5	125
M,N	Education & Health	5	0	5	5	0	0	0	0	0	15
	Total	220	165	170	190	200	190	185	185	210	1,715

Source: Small Business Service

Table A12: South Tyneside Business De-registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	5	0	0	0	0	5	0	0	0	10
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	20	25	20	15	10	15	10	15	20	150
F	Construction	30	15	20	20	15	20	15	20	20	175
G	Retailing & Wholesale	75	70	65	55	60	50	55	50	60	540
H	Hotels & catering	35	30	40	30	20	30	40	30	25	280
I	Transport & Communication	15	5	10	10	0	5	10	15	15	85
J	Finance	0	5	0	0	0	0	0	0	0	5
K	Business Services	30	20	40	20	25	25	35	35	40	270
L,O	Public Admin. & Other Services	15	15	15	10	10	5	15	15	10	110
M,N	Education & Health	5	5	5	5	0	0	0	0	0	20
	Total	230	185	210	165	140	155	185	175	200	1,645
	South Tyneside's Net Registrations Change	**-10**	**-20**	**-40**	**25**	**60**	**35**	**0**	**10**	**10**	**70**
										Average: 8	

Source: Small Business Service

Table A13: Sunderland Business Registrations, 1994 to 2002

SIC 92	Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
A,B	Agriculture	0	5	0	0	5	0	0	0	0	10
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	30	35	45	30	40	35	25	40	35	315
F	Construction	50	40	50	40	40	50	50	40	40	400
G	Retailing & Wholesale	125	100	110	105	100	120	85	105	110	960
H	Hotels & catering	70	70	65	70	65	65	70	80	75	630
I	Transport & Communication	25	25	25	25	30	30	20	20	45	245
J	Finance	5	0	5	0	0	5	0	0	0	15
K	Business Services	80	75	105	110	100	105	110	95	95	875
L,O	Public Admin. & Other Services	60	45	35	35	40	25	25	15	20	300
M,N	Education & Health	15	5	5	5	5	5	5	5	5	55
	Total	**455**	**395**	**435**	**425**	**430**	**435**	**395**	**405**	**430**	**3,805**

Source: Small Business Service

Table A14: Sunderland Business De-registrations, 1994 to 2002

SIC 92	Industry	1,994	1,995	1,996	1,997	1,998	1,999	2,000	2,001	2,002	Total
A,B	Agriculture	0	0	5	0	0	0	0	5	5	15
C,E	Mining & Utilities	0	0	0	0	0	0	0	0	0	0
D	Manufacturing	50	45	25	35	35	45	30	35	45	345
F	Construction	80	65	45	40	30	45	40	50	40	435
G	Retailing & Wholesale	140	155	140	105	120	135	115	145	130	1,185
H	Hotels & catering	85	70	60	55	55	55	55	75	55	565
I	Transport & Communication	15	15	20	20	20	20	30	30	25	195
J	Finance	5	5	0	0	0	5	5	0	0	20
K	Business Services	65	55	45	65	65	75	90	90	95	645
L,O	Public Admin. & Other Services	35	50	35	35	20	30	25	25	25	280
M,N	Education & Health	5	10	10	5	5	10	5	5	0	55
	Total	485	465	395	360	360	420	395	460	420	3,760
	Sunderland's Net Registrations Change	**-30**	**-70**	**40**	**65**	**70**	**15**	**0**	**-55**	**10**	**45**
										Average: 5	

Source: Small Business Service

Appendix 15

VAT Registration Thresholds	**Threshold (£)**
Operative Dates	
1st April 1973 - 30th Sept 1977	5,000
1st Oct 1977 - 11 April 1978	7,500
12th April 1978 - 26th March 1980	10,000
27th March 1980 - 10th March 1981	13,500
11th March 1981 - 9th March 1982	15,000
10th March 1982 - 15th March 1983	17,000
16th March1983 - 13th March 1984	18,000
14th March 1984 - 19th March 1985	18,700
20th March 1985 - 18th March 1986	19,500
19th March 1986 - 17th March 1987	20,500
18th March 1987 - 15th March 1988	21,300
16th March 1988 - 14th March 1989	22,100
15th March 1989 - 20th March 1990	23,600
21st March 1990 - 19th March 1991	25,400
20 March 1991 - 10th March 1992	35,000
11th March 1992 - 16th March 1993	36,600
17th March 1993 - 30th Nov 1993	37,600
1 Dec 1993 - 29th Nov 1994	45,000
30th Nov 1994 - 28th Nov 1995	46,000
29th Nov 1995 - 26th Nov 1996	47,000
27th Nov 1996 - 30th Nov 1997	48,000
1st Dec 1997 - 31st March 1998	49,000
1st April 1998 - 31st March 1999	50,000
1st April 1999 - 31st March 2000	51,000
1st April 2000 - 31st March 2001	52,000
1st April 2001 - 24th April 2002	54,000
25th April 2002 - 9th April 2003	55,000
10th April 2003 -	56,000

Source: Small Business Service