



Forestry Commission

Forestry Statistics 2016

A compendium of statistics about woodland, forestry and primary wood processing in the United Kingdom



Chapter 7: Employment and Business

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7 Employment & Businesses

Introduction

This chapter contains information on:

- employment in forestry and wood processing;
- health & safety; and
- numbers of businesses.

All of the statistics presented in this chapter relate to UK totals. Further information on the data sources and methodology used to compile the figures is provided in the Sources chapter.

Most of the statistics presented in this chapter have been previously released. Some of the figures on health and safety (Table 7.3 and Figure 7.1) have been revised since Forestry Statistics 2015. For further details on revisions, see the Employment section of the Sources chapter.

A copy of all Employment & Businesses tables is available to download from the Tables for Download page.

Key findings

The main findings are:

- The Annual Business Survey reported average employment in 2014 of 16 thousand in forestry and 27 thousand in primary wood processing.
- There was estimated to be a total of 7.5 thousand full time equivalent staff employed by primary wood processors in the UK in 2015, a 1% decrease from the total for 2014.
- Accident rates in forestry and wood products have tended to decline in recent years, but are still higher than the averages in agriculture and manufacturing respectively.
- There were 231 establishments in the primary wood processing industries in the UK using UK-grown roundwood in 2015.

7.1 Employment: Annual Business Survey (ABS)

The Annual Business Survey (ABS), carried out by the Office for National Statistics (ONS), includes statistics on employment broken down by Standard Industrial Classification (SIC 2007). In wood processing, SIC 16 (wood products) and SIC 17 (pulp, paper and paper products) have a much wider scope than the data on employment in primary wood processing (Table 7.2), as they include primary processing of imported material and also some secondary processing.

The Annual Business Survey recorded average employment in 2014 of 16 thousand in forestry and 27 thousand in primary wood processing (sawmilling, panels and pulp & paper) (Table 7.1).

Table 7.1 Employment in forestry and wood processing², 2010-2014

Standard Industrial Classification (SIC)¹	2010	2011	2012	2013	2014
thousands					
Forestry	14	14	15	14	16
Wood products					
Sawmilling	9	8	8	8	9
Panels	5	4	5	5	5
Secondary products	62	46	53	51	65
Total	76	58	66	64	79
Pulp, paper & paper products					
Pulp & paper	13	13	13	13	13
Articles of paper & paperboard	41	45	45	41	45
Total	54	58	58	54	58
Total wood processing	130	116	124	118	137
Total primary wood processing	27	25	26	26	27

Source: Annual Business Survey - average employment in year (Office for National Statistics, June 2016)

Notes:

1. Categories are based on the [UK Standard Industrial Classification \(SIC 2007\)](#) categories. Further details on the SIC codes used are provided in the Sources: Employment and businesses page.

2. Excludes other wood-using industries.

3. Pulp and paper breakdowns for 2010 to 2014 have been suppressed in the figures released by ONS. The figures shown here are estimated from 2008 figures.

7.2 Employment in primary wood processing

Information on employment in primary wood processing is obtained annually via the sources used to collect data on UK-grown timber (presented in Chapter 2).

There was estimated to be a total of 7.5 thousand full time equivalent staff employed by primary wood processors in the UK in 2015 (Table 7.2), a 1% decrease from the total for 2014.

Around three fifths (58%) of the total employment in 2015 worked in sawmills and over one quarter (28%) worked in wood-based panel mills.

Table 7.2 Employment in primary wood processing, 2011-2015

Year	Sawmills	Pulp & paper	Wood-based panels	Fencing	Total
2011	4 090	725	2 376	397	7 588
2012	4 131	716	2 076	370	7 293
2013	4 131	716	2 111	381	7 340
2014	4 380	703	2 091	407	7 581
2015	4 341	702	2 100	384	7 527

Source: industry surveys, industry associations.

Notes:

1. Some businesses operate sawmills and round fencing mills. Employment for such businesses may be recorded under sawmills, round fencing manufacturers or shared between the two categories.

7.3 Health & safety

From April 2012, accidents involving absence from work of at least seven days are required to be reported to the Health & Safety Executive (HSE). Prior to this time, reporting was required for absences of at least three days.

Accident rates in forestry and wood products have tended to decline in recent years, but are still higher than the averages in agriculture and manufacturing respectively (Table 7.3 and Figure 7.1).

Table 7.3 Accidents to employees in forestry and wood processing², 2010-11 - 2014-15

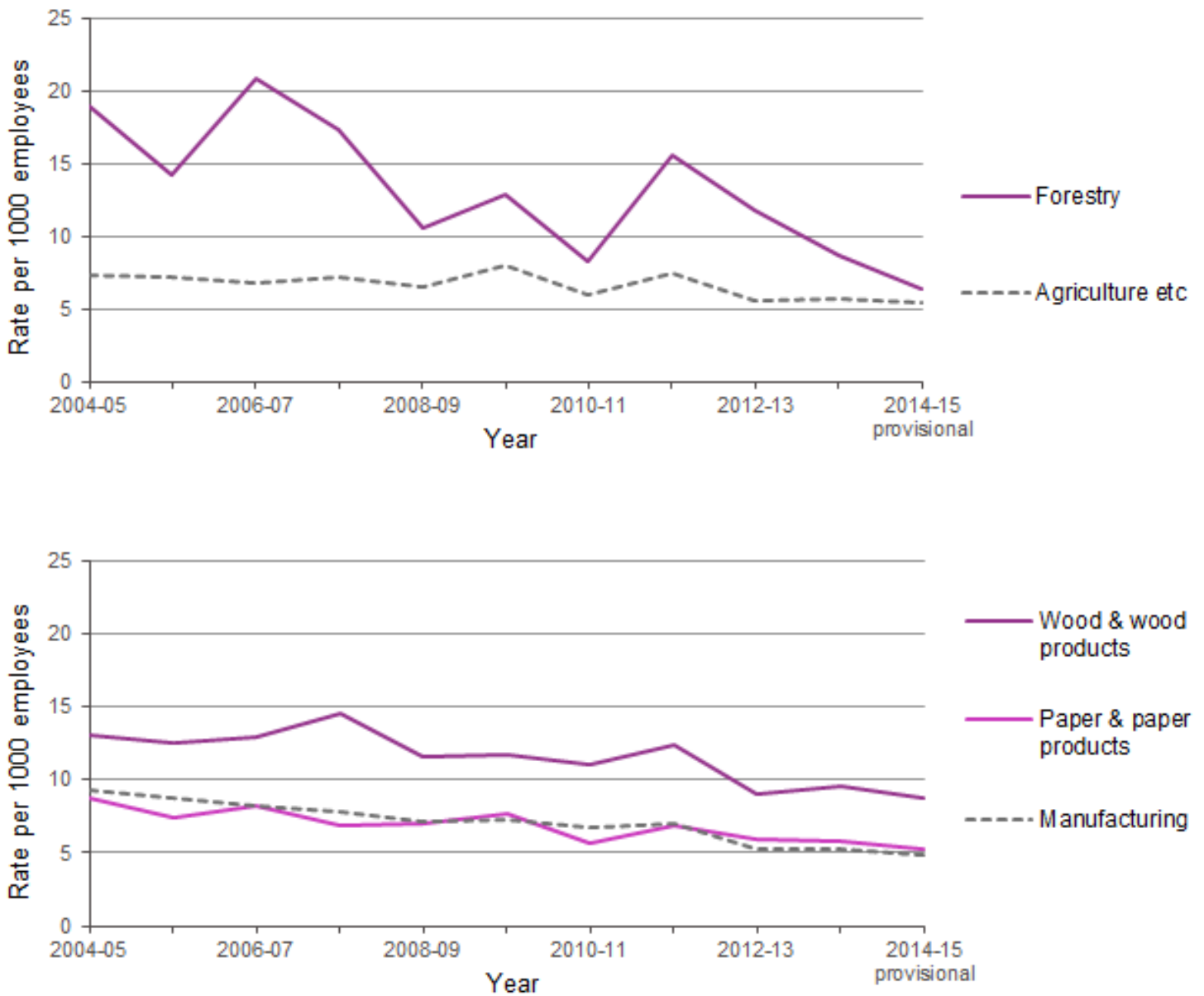
Standard Industrial Classification (SIC) ¹	Major Accidents ³		Total Reported	
	Number	Rate/ 1000 employees	Number	Rate/ 1000 employees
Forestry				
2010-11	43	3.2	110	8.3
2011-12	48	4.9	153	15.5
2012-13	54	5.1	125	11.8
2013-14	51	3.8	116	8.6
2014-15 provisional	26	1.7	100	6.4
Wood products				
2010-11	178	3.3	600	11.0
2011-12	161	3.1	654	12.4
2012-13	141	2.6	491	9.0
2013-14	155	2.8	523	9.6
2014-15 provisional	136	2.4	506	8.8
Pulp, paper & paper products				
2010-11	85	1.3	369	5.7
2011-12	90	1.6	393	6.9
2012-13	76	1.4	323	5.9
2013-14	85	1.5	322	5.8
2014-15 provisional	75	1.3	302	5.3

Source: Health & Safety Executive.

Notes:

1. Categories are based on the [UK Standard Industrial Classification \(SIC 2007\)](#) categories. Further details on the SIC codes used are provided in the Sources: Employment and businesses page.
2. Excludes other wood-using industries.
3. Major accidents include fatal accidents, which averaged around 1 per year for forestry and wood processing, and was lower for pulp, paper and paper products.
4. As a result of a change in reporting requirements, data from 2012-13 is not directly comparable with previous years.

Figure 7.1 Accidents to Employees : Total reported accidents per 1000 employees



Source: Health & Safety Executive.

Notes:

1. Categories are based on the [UK Standard Industrial Classification \(SIC 2007\)](#) categories. Further details on the SIC codes used are provided in the Sources: Employment and businesses page.

2. As a result of a change in reporting requirements, data from 2012-13 is not directly comparable with previous years.

7.4 Establishments in the primary wood processing industries

Table 7.4 shows the number of primary wood processors, according to the sampling frames used for Forestry Commission surveys of establishments using UK timber.

The figures in Table 7.4 do not correspond with the VAT and PAYE registration information given in Table 7.5. The figures here count establishments (sites) rather than businesses and include those that do not need to register for VAT or PAYE. They also have a different basis for classification, so some businesses that are excluded from Table 7.5 because of their VAT/PAYE classification are included in this table (typically businesses where primary wood processing is a small part of their total activity), and some businesses included in Table 7.5 are excluded here (usually because they do not use UK-grown timber).

The number of establishments in the primary wood processing industries using UK-grown roundwood has reduced from 292 in 2006 to 231 in 2015, a 21% decrease.

Table 7.4 Number of establishments in the primary wood processing industries using UK-grown roundwood

Year	Sawmills	Pulp & paper mills	Wood-based panel mills	Round fencing manufacturers	Total ¹
2006	213	2	8	69	292
2007	205	2	8	75	290
2008	197	2	8	67	274
2009	195	2	8	68	273
2010	189	2	7	65	263
2011	185	2	7	64	258
2012	181	2	7	61	251
2013	176	2	6	61	247
2014	174	2	6	57	239
2015	171	2	6	52	231

Source: industry surveys, industry associations

Notes:

1. A single mill may be recorded twice, as a sawmill and a round fencing manufacturer.

7.5 VAT and/or PAYE registered businesses

Table 7.5 shows the number of VAT and/or PAYE registered businesses classified under forestry and primary wood processing. The headings shown potentially include businesses not traditionally regarded as forestry or primary wood processing, and some businesses traditionally included in forestry and primary wood processing are excluded as they are classified to other headings of the Standard Industrial Classification (SIC).

A total of 3,925 forestry businesses, 555 sawmilling businesses, 125 wood-based panel businesses and 230 pulp & paper businesses were registered for VAT and/or PAYE purposes in the UK in 2015.

There has been an overall increase in forestry businesses over the last ten years, whilst sawmilling and pulp and paper businesses have declined.

Table 7.5 Number¹ of VAT and/or PAYE registered businesses by Standard Industrial Classification (SIC)², 2006-2015

Year	Forestry	Sawmilling	Panels	Pulp & paper
2006	2 585	735	130	275
2007	2 645	700	115	260
2008	3 020	730	140	310
2009	3 100	685	130	270
2010	3 095	640	135	255
2011	3 170	605	135	250
2012	3 375	585	135	255
2013	3 505	560	130	240
2014	3 685	555	130	230
2015	3 925	555	125	230

Source: UK Business: Activity, Size and Location (Office for National Statistics, October 2015).

Notes:

1. All figures are rounded by the Office for National Statistics (ONS) to the nearest multiple of 5.

2. Categories are based on the [UK Standard Industrial Classification \(SIC\)](#) categories. 2006-2008 data are based on SIC 2003; 2009-2015 data are based on SIC 2007. Given the changes in classifications, the time series may not be fully consistent. Further details on the SIC codes used are provided in the Sources: Employment and businesses page.

Sources: Employment and businesses

Data sources and methodology

Statistics on employment are obtained from:

- the Annual Business Survey (www.ons.gov.uk/ons/rel/abs/annual-business-survey/index.html), formerly the Annual Business Inquiry, (Office for National Statistics (www.ons.gov.uk)), an annual survey of UK businesses, and
- Industry surveys (Sawmill Survey, Survey of Round Fencing Manufacturers) and industry associations (UK Forest Products Association (www.ukfpa.co.uk), Wood Panel Industries Federation (www.wpif.org.uk)) - for employment in primary wood processing.

Statistics for accidents to employees are obtained from Health & Safety Executive statistics for Great Britain, available at www.hse.gov.uk/statistics.

Numbers of businesses are estimated from:

- Industry surveys (Sawmill Survey, Survey of Round Fencing Manufacturers) and industry associations (UK Forest Products Association, Wood Panel Industries Federation) - for businesses believed to be using UK-grown roundwood, and
- UK Business: Activity, Size and Location (Office for National Statistics) - for VAT and/or PAYE registered businesses (www.ons.gov.uk/ons/rel/business-register/uk-business/index.html).

Standard Industrial Classification (SIC)

The Annual Business Survey (Annual Business Inquiry prior to 2009), statistics on health and safety and statistics on VAT and/or PAYE registrations classify businesses by UK Standard Industrial Classification (SIC) code. Detailed information on the SIC is available at <https://www.ons.gov.uk/methodology/classificationsandstandards/ukstandardindustrialclassificationofeconomicactivities/uksic2007>. Businesses are classified to SIC codes according to their main activity. The SIC codes are revised periodically to take account of changes in the global economy. The following codes from SIC 2003 and SIC 2007 have been used in this edition of Forestry Statistics:

Standard Industrial Classification		
Title	SIC 2003	SIC 2007
Forestry	02 (forestry, logging & related services)	02 (forestry and logging)
Wood products	20 (manufacture of wood and wood products)	16 (manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials)

Standard Industrial Classification

Title	SIC 2003	SIC 2007
Sawmilling	20.1 (sawmilling and planning of wood, impregnation of wood)	16.1 (sawmilling and planning of wood)
Panels	20.2 (manufacture of veneer sheets, manufacture of plywood, laminboard, particleboard and other panels and boards)	16.21 (manufacture of veneer sheets and wood-based panels);
Secondary products	Other SIC 20 (manufacture of builders' carpentry and joinery, wooden containers, and other products of wood, straw and plaiting materials)	Other SIC 16 (manufacture of assembled parquet floors, other builders' carpentry and joinery, wooden containers, and other products of wood, straw and plaiting materials)
Pulp, paper & paper products	21 (manufacture of pulp, paper and paperboard).	17 (manufacture of paper and paper products)
Pulp & paper	21.1 (manufacture of pulp, paper and paper products)	17.1 (manufacture of pulp, paper and paperboard)
Articles of paper & paperboard	21.2 (manufacture of articles of paper and paperboard)	17.2 (manufacture of articles of paper and paperboard)
Total wood processing	SIC 20 + SIC 21	SIC 16 + SIC 17
Total primary wood processing	SIC 20.1 + SIC 20.2 + SIC 21.1	SIC 16.1 + SIC 16.21 + SIC 17.1

In addition figure 7.1, covering accidents to employees, also uses the following SIC 2003/2007 codes:

- Agriculture etc: 01/01 (agriculture, hunting) + 02/02 (forestry, logging & related services) + 05/03 (fishing, except sea fishing);
- Manufacturing: 15-37/10-33 (all categories of manufacturing).

Quality

The forestry and wood processing businesses covered by the Annual Business Survey (Table 7.1), accidents to employees (Table 7.3) and VAT and/or PAYE registered businesses (Table 7.5) differ from those covered by the timber industry surveys and enquiries (Chapter 2, Tables 7.2 and 7.4), as follows:

- Businesses below VAT and PAYE thresholds are excluded from the SIC-based statistics;

- businesses whose main activity is not forestry or wood processing will be allocated to other SIC codes and therefore excluded from the relevant tables on the Annual Business Survey, accidents and VAT and/or PAYE businesses;
- businesses that do not use UK-grown roundwood are excluded from the Forestry Commission's timber industry surveys and enquiries;
- businesses involved in secondary wood processing are excluded from the Forestry Commission's timber industry surveys and enquiries.

Reporting requirements for accidents have changed, with absences of at least 3 days to be reported until March 2012 and absences of at least 7 days to be reported from April 2012. As a result, accident data from 2012-13 are not fully consistent with figures for earlier years.

Revisions

Statistics on employment and businesses obtained from others are subject to revision whenever the source data are revised. Statistics from timber industry surveys and enquiries are subject to revision whenever the timber statistics are revised (see relevant pages within the Sources chapter for further information on revisions to industry surveys and enquiries).

The Forestry Commission's revisions policy sets out how revisions and errors to these statistics are dealt with, and can be found at:

[www.forestry.gov.uk/pdf/FCrevisions.pdf/\\$FILE/FCrevisions.pdf](http://www.forestry.gov.uk/pdf/FCrevisions.pdf/$FILE/FCrevisions.pdf).

Further information

For further information, please refer to our Employment statistics page at www.forestry.gov.uk/forestry/inf-d-7avhb2.

Release schedule

For information on the release schedules of statistics produced by others, see relevant websites (above).

"Forestry Statistics 2017" and "Forestry Facts & Figures 2017" will be released on 28 September 2017.