

Summary

The 2008 Regional and 2007 Sub Regional Gross Value Added (GVA) data are released today by the Office for National Statistics. The latest release includes revisions to earlier years. Estimates of GVA by industry up to 2007 are also published in this release. All estimates in this release are in current price terms and have not been adjusted for inflation (see Sources & definitions).

Regional GVA – 2008

- Total GVA in the North West was £120.7bn, up from £116.5bn in 2007. The annual increase of 3.6% was down from 4.6% in 2007, and compared with 3.5% for the UK (excluding Extra regio) as a whole.
- GVA per head in the North West was £17,555, up from £16,967 in 2007. The annual increase of 3.5% was down from 4.4% in 2007 and compared with 2.9% for the UK (excluding Extra regio).
- Indexed GVA per head (with UK=100) was 85.6 in the North West.

Comparisons with other regions

- In 2008, London had by far the highest total GVA and GVA per head, followed by the South East. In terms of total GVA the NW ranked 3rd, and in GVA per head it was 6th – an increase of one place - among English regions and 7th among UK regions/nations.
- The NW annual increase of 3.5% for GVA per head was the highest of the English regions. The annual increase of 3.6% for total GVA between 2007 and 2008 was joint second highest (with the South West) of the English regions. London (4.1%) was the only English region to have a greater annual increase in total GVA between 2007 and 2008.

Sub-regional GVA – 2007

- Among the five 'NUTS2' sub-regions, Greater Manchester had the largest GVA in 2007 (£46.2bn, almost two fifths of the NW total) and Cumbria the smallest (£7.4bn).
- At the 'NUTS2' level, GVA per head was highest in Cheshire (6.5% above the UK - excluding Extra regio - average) and lowest in Merseyside (29.1% below). GVA per head can be distorted by the effects of commuting, especially for smaller areas (see Sources and definitions).
- Between 2006 and 2007 Liverpool (6.2%) was the only 'NUTS3' area in the North West that had a growth rate above that of the UK (5.6%) for Total GVA.

Industry GVA

- In 2007, Real estate, renting and business activities (21.8%), and Manufacturing (16.8%) continued to dominate the North West economy at the 15 industry level.

Table 1: Regional GVA, 2008¹

	Total GVA ² (£m)	Increase on 2007 (%)	GVA per Head (£m)	Increase on 2007 (%)	Per head index (UK =100)
North East	40,916	3.2%	15,887	2.8%	77.4
North West	120,702	3.6%	17,555	3.5%	85.6
Yorkshire & Humber	89,122	3.3%	17,096	2.5%	83.3
East Midlands	79,977	3.2%	18,041	2.4%	87.9
West Midlands	94,494	3.0%	17,463	2.5%	85.1
East of England	111,555	3.3%	19,473	2.0%	94.9
London	265,063	4.1%	34,786	3.2%	169.5
South East	181,750	3.0%	21,688	2.1%	105.7
South West	97,840	3.6%	18,782	3.0%	91.5
England	1,081,418	3.5%	21,020	2.7%	102.4
Wales	45,610	3.0%	15,237	2.6%	74.3
Scotland	103,814	4.7%	20,086	4.2%	97.9
Northern Ireland	28,734	3.0%	16,188	2.1%	78.9
UK ³	1,259,576	3.5%	20,520	2.9%	100.0

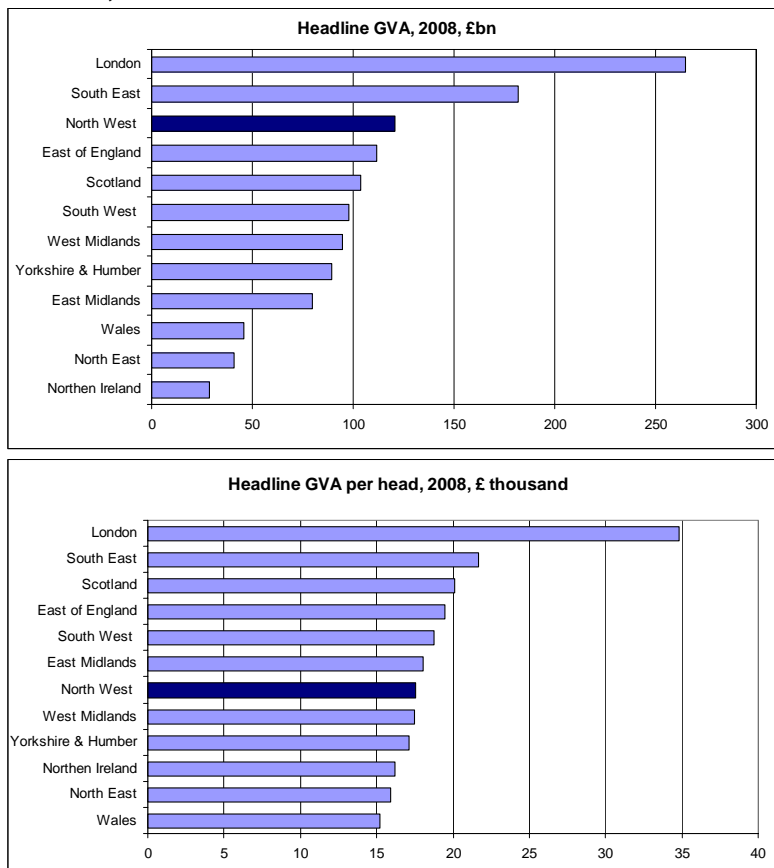
Notes:

¹ Headline GVA at current basic prices on workplace basis. 2008 estimates are provisional.

² Components may not sum to totals due to rounding.

³ Excluding statistical discrepancy and Extra regio (off-shore contribution to GVA that cannot be assigned to any region).

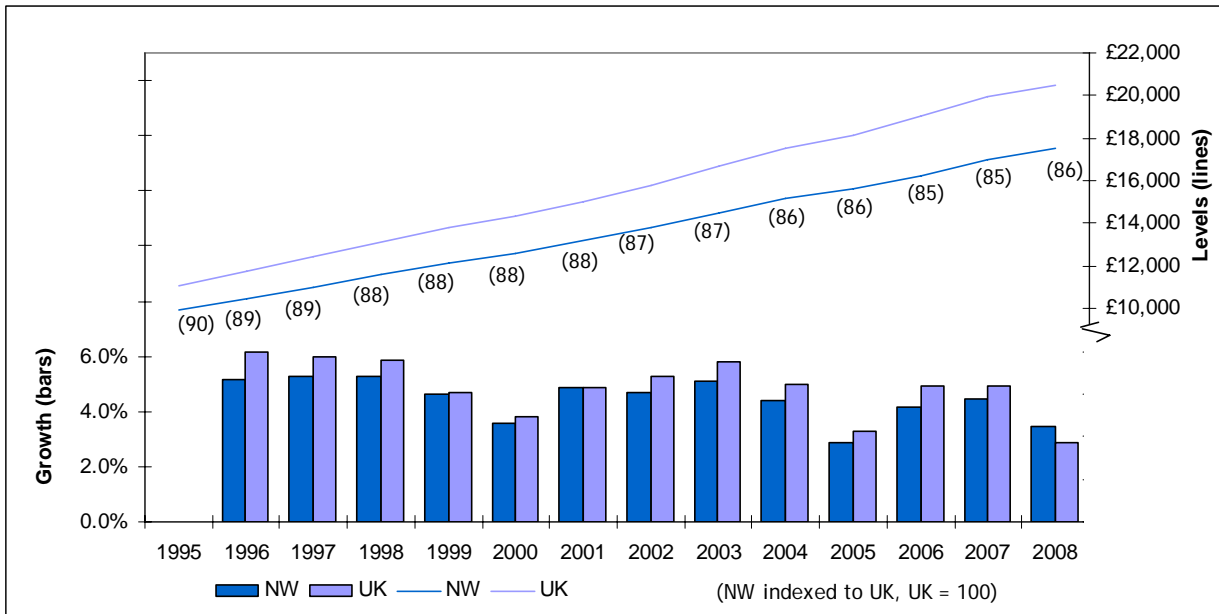
Figure 1: Regional GVA, 2008¹



Notes:

¹ Headline GVA at current basic prices on workplace basis. 2008 estimates are provisional.

Figure 2: GVA¹ per head²: levels and growth, 1995-2008



Notes:

¹ Headline GVA at current basic prices on workplace basis. 2008 estimates are provisional.

² Numbers have been indexed to UK (excluding statistical discrepancy and Extra region) and rounded to whole numbers.

Regional & sub-regional GVA

Table 2: Sub-regional GVA¹ in the North West, selected years, £million

NUTS ² 2	Cumbria		Cheshire		Greater Manchester		Lancashire			Merseyside			
1997	5,184		13,689		28,987		14,851			12,247			
2002	5,668		17,057		36,865		18,405			15,664			
2003	6,016		17,914		38,992		19,357			16,483			
2004	6,387		18,735		40,915		20,260			17,096			
2005	6,640		19,365		42,291		20,807			17,572			
2006	7,018		20,346		44,089		21,637			18,240			
2007	7,379		21,317		46,189		22,470			19,112			
NUTS ² 3	West	East	Halton & Warrington	Cheshire	South	North	Blackburn with Darwen	Blackpool	Lancs CC	East	Liverpool	Sefton	Wirral
1997	2,420	2,763	4,375	9,314	18,200	10,787	1,509	1,329	12,013	2,495	4,923	2,370	2,459
2002	2,503	3,165	5,731	11,326	23,857	13,007	1,762	1,561	15,082	3,444	6,220	2,967	3,033
2003	2,610	3,406	6,052	11,862	25,284	13,708	1,845	1,593	15,918	3,593	6,620	3,088	3,182
2004	2,721	3,666	6,269	12,466	26,593	14,321	1,907	1,629	16,724	3,696	6,945	3,172	3,283
2005	2,816	3,824	6,438	12,928	27,653	14,638	1,952	1,655	17,201	3,802	7,271	3,186	3,314
2006	2,966	4,052	6,718	13,628	29,110	14,979	2,011	1,706	17,920	3,954	7,682	3,226	3,377
2007	3,117	4,261	7,027	14,290	30,718	15,471	2,085	1,765	18,620	4,141	8,160	3,319	3,491

Notes:

¹ Headline GVA at current basic prices on a workplace basis.

² Nomenclature of Units for Territorial Statistics (Eurostat classification).

Table 3: Sub-regional GVA¹ per head in the North West, selected years, £

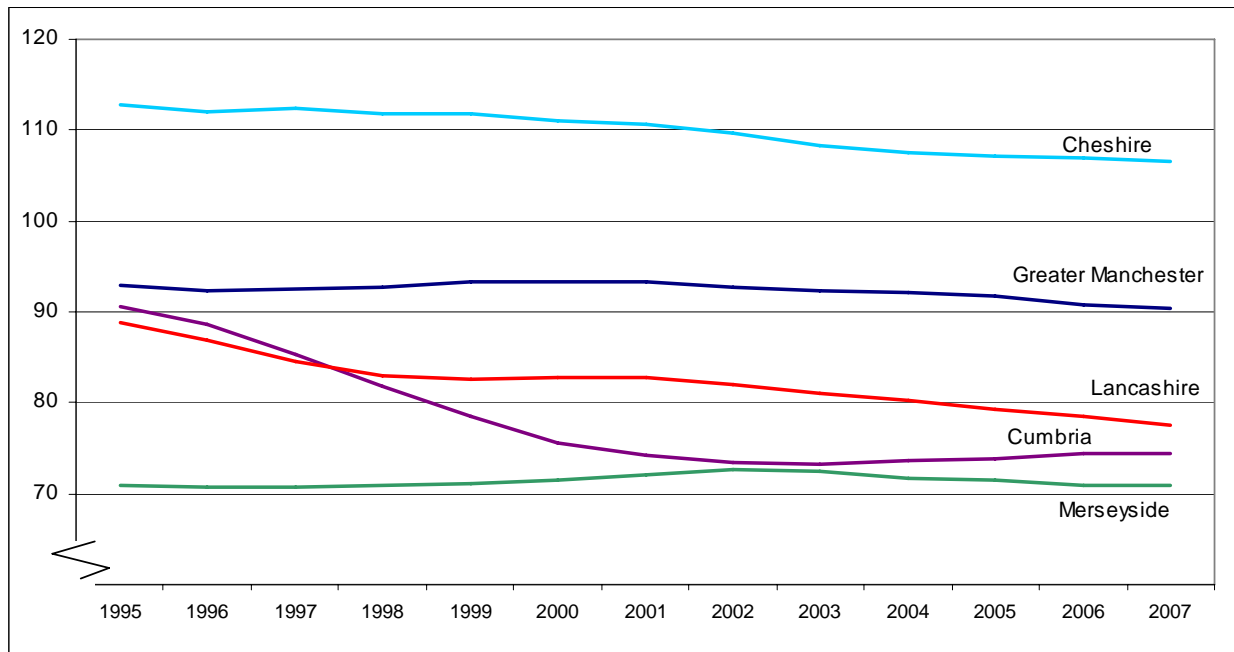
NUTS² 2	Cumbria		Cheshire		Greater Manchester		Lancashire				Merseyside			
1997	10,618		13,972		11,494		10,520				8,793			
2002	11,603		17,315		14,640		12,944				11,480			
2003	12,250		18,110		15,425		13,529				12,106			
2004	12,918		18,868		16,149		14,074				12,579			
2005	13,396		19,426		16,628		14,384				12,946			
2006	14,145		20,348		17,264		14,925				13,475			
2007	14,848		21,242		18,027		15,481				14,155			
NUTS² 3	West	East	Halton & Warrington	Cheshire	South	North	Blackburn with Darwen	Blackpool	Lancs CC	East	Liverpool	Sefton	Wirral	
1997	10,202	11,012	14,122	13,902	13,407	9,264	10,875	9,130	10,656	7,570	10,785	8,275	7,676	
2002	10,674	12,461	18,499	16,772	17,695	11,119	12,648	10,971	13,226	10,509	14,116	10,538	9,643	
2003	11,102	13,306	19,489	17,480	18,666	11,684	13,181	11,170	13,864	10,965	15,085	10,989	10,132	
2004	11,520	14,196	20,141	18,286	19,563	12,197	13,542	11,402	14,469	11,272	15,886	11,307	10,472	
2005	11,920	14,740	20,601	18,889	20,223	12,448	13,819	11,565	14,800	11,561	16,637	11,410	10,609	
2006	12,547	15,599	21,426	19,856	21,142	12,727	14,239	11,952	15,372	12,023	17,616	11,629	10,852	
2007	13,171	16,374	22,324	20,748	22,172	13,147	14,800	12,390	15,940	12,613	18,737	12,017	11,257	

Notes:¹ Headline GVA at current basic prices on a workplace basis.² Nomenclature of Units for Territorial Statistics (Eurostat classification).**Table 4: Sub-regional GVA per head¹ in the North West, Indices (UK² = 100), selected years**

NUTS³ 2	Cumbria		Cheshire		Greater Manchester		Lancashire				Merseyside			
1997	85.4		112.4		92.5		84.6				70.7			
2002	73.5		109.6		92.7		81.9				72.7			
2003	73.3		108.4		92.3		81.0				72.5			
2004	73.6		107.5		92.0		80.2				71.7			
2005	73.9		107.2		91.8		79.4				71.4			
2006	74.4		107.0		90.8		78.5				70.9			
2007	74.4		106.5		90.4		77.6				70.9			
NUTS³ 3	West	East	Halton & Warrington	Cheshire	South	North	Blackburn with Darwen	Blackpool	Lancs CC	East	Liverpool	Sefton	Wirral	
1997	82.1	88.6	113.6	111.8	107.8	74.5	87.5	73.4	85.7	60.9	86.8	66.6	61.7	
2002	67.6	78.9	117.1	106.2	112.0	70.4	80.1	69.4	83.7	66.5	89.4	66.7	61.0	
2003	66.4	79.6	116.6	104.6	111.7	69.9	78.9	66.8	83.0	65.6	90.3	65.8	60.6	
2004	65.7	80.9	114.8	104.2	111.5	69.5	77.2	65.0	82.5	64.2	90.5	64.4	59.7	
2005	65.8	81.3	113.7	104.2	111.6	68.7	76.3	63.8	81.7	63.8	91.8	63.0	58.5	
2006	66.0	82.1	112.7	104.4	111.2	66.9	74.9	62.9	80.9	63.2	92.7	61.2	57.1	
2007	66.0	82.1	111.9	104.0	111.1	65.9	74.2	62.1	79.9	63.2	93.9	60.2	56.4	

Notes:¹ Headline GVA at current basic prices on a workplace basis.² Excluding statistical discrepancy and Extra regio (off-shore contribution to GVA that cannot be assigned to any region).³ Nomenclature of Units for Territorial Statistics (Eurostat classification).

Figure 3: GVA per head¹ in NW (NUTS 2) sub-regions, Indices (UK²=100), 1995 to 2007



Notes:

¹ Headline GVA at current basic prices on a workplace basis.

² Excluding statistical discrepancy and Extra regio (off-shore contribution to GVA that cannot be assigned to any region).

Industry GVA

Data are available for the years 1989 to 2007 for 31 industries at NUTS 1; for the years 1995 to 2007 for 17 industries at NUTS 2 and 6 industries at NUTS 3. The industry groupings are based on the Standard Industrial Classification (2003) and are comparable with those used in the UK National Accounts (Blue Book) Chapter 2.

Table 5: North West Headline¹ GVA², by industry groups, selected years, £million

Industry	1992	1997	2002	2003	2004	2005	2006	2007
Agriculture, hunting & forestry	855	729	627	678	796	549	594	672
Fishing	10	9	9	10	10	9	9	11
Mining and quarrying	140	170	128	123	151	172	185	191
Manufacturing	16,306	19,119	18,829	18,555	18,566	18,785	19,250	19,561
Electricity, gas and water supply	1,476	1,669	1,500	1,394	1,290	1,338	1,596	1,656
Construction	3,168	3,823	5,416	5,944	6,612	7,034	7,478	8,013
Wholesale and retail trade (inc motor trade)	7,324	9,534	12,086	12,828	13,529	13,621	13,827	14,227
Hotels and restaurants	1,434	2,040	2,949	3,086	3,182	3,192	3,265	3,341
Transport, storage and communication	4,621	5,437	7,319	7,764	8,029	8,172	8,274	8,540
Financial intermediation	2,793	3,515	4,616	5,160	5,401	5,697	6,445	7,296
Real estate, renting and business activities	8,625	12,635	18,454	20,034	21,350	22,308	23,703	25,333
Public administration and defence ³	3,079	3,625	4,258	4,513	4,832	5,226	5,453	5,572
Education	3,412	4,347	6,069	6,334	6,656	7,002	7,255	7,644
Health and social work	3,847	5,320	7,141	7,735	8,161	8,641	9,117	9,467
Other services	2,066	2,985	4,258	4,604	4,828	4,927	4,878	4,941
Total	59,155	74,957	93,659	98,762	103,393	106,675	111,329	116,466

Notes:

¹ Headline GVA at current basic prices on workplace basis.

² Components may not sum to totals due to rounding.

³ Public administration, national defence and compulsory social security.

Table 6: Headline¹ GVA² in the NW sub regions (NUTS³) by industry groups, 2007

Industry						£million
	Cumbria	Cheshire	Greater Manchester	Lancashire	Merseyside	Total
Agriculture, hunting & forestry	145	192	68	224	44	672
Fishing	8	-1	1	3	0	11
Mining and quarrying	60	78	18	29	6	191
Manufacturing	1,960	4,449	5,875	4,969	2,307	19,561
Electricity, gas and water supply	184	431	331	537	173	1,656
Construction	542	1,362	3,330	1,529	1,249	8,013
Wholesale and retail trade (including motor trade)	906	2,547	5,821	2,761	2,192	14,227
Hotels and restaurants	387	499	1,189	743	523	3,341
Transport, storage and communication	475	1,448	3,938	1,249	1,430	8,540
Financial intermediation	136	1,426	3,532	715	1,487	7,296
Real estate, renting and business activities	885	5,299	11,677	3,874	3,598	25,333
Public administration and defence ⁴	312	559	2,011	1,224	1,466	5,572
Education	454	1,019	2,922	1,639	1,611	7,644
Health and social work	598	1,274	3,535	2,013	2,048	9,467
Other services	327	735	1,941	960	977	4,941
Total	7,379	21,317	46,189	22,470	19,112	116,466

Notes:

¹ Headline GVA at current basic prices on workplace basis.

² Components may not sum to totals due to rounding.

³ Nomenclature of Units for Territorial Statistics (Eurostat classification).

⁴ Public administration, national defence and compulsory social security.

Table 7: Headline¹ GVA² in the NW sub regions (NUTS³) by industry groups, 2007

NUTS ³	Agriculture, forestry and fishing	Production	Construction	Distribution, transport and communication	Business services and finance	Public administration, education, health and other services	£million
							Total
West Cumbria	50	1,146	203	562	450	707	3,117
East Cumbria	102	1,059	340	1,207	571	983	4,261
Halton and Warrington	16	1,234	526	1,752	2,359	1,141	7,027
Cheshire CC	175	3,723	836	2,744	4,366	2,446	14,290
Greater Manchester Sth	33	3,324	1,770	6,952	11,858	6,782	30,718
Greater Manchester Nrth	36	2,900	1,560	3,996	3,352	3,628	15,471
Blackburn with Darwen	4	548	108	432	367	627	2,085
Blackpool	2	138	104	510	291	721	1,765
Lancashire CC	222	4,850	1,317	3,812	3,931	4,489	18,620
East Merseyside	16	880	427	975	804	1,040	4,141
Liverpool	7	761	336	1,696	2,575	2,784	8,160
Sefton	11	257	251	746	842	1,213	3,319
Wirral	10	589	234	727	864	1,067	3,491
Total	683	21,408	8,013	26,109	32,629	27,624	116,466

Notes:

¹ Headline GVA at current basic prices on workplace basis.

² Components may not sum to totals due to rounding.

³ Nomenclature of Units for Territorial Statistics (Eurostat classification).

Table 8: Contribution to NW Headline¹ regional GVA² by industry and NUTS³ area, 2007

NUTS ³ area	Agriculture, forestry and fishing	Production	Construction	Distribution, transport and communication	Business services and finance	Public administration, education, health and other services	Percent
							Total
NUTS³ 2							
Cumbria	0.1	1.9	0.5	1.5	0.9	1.5	6.3
Cheshire	0.2	4.3	1.2	3.9	5.8	3.1	18.3
Greater Manchester	0.1	5.3	2.9	9.4	13.1	8.9	39.7
Lancashire	0.2	4.8	1.3	4.1	3.9	5.0	19.3
Merseyside	0.0	2.1	1.1	3.6	4.4	5.2	16.4
Total	0.6	18.4	6.9	22.4	28.0	23.7	100.0
NUTS³ 3							
West Cumbria	0.0	1.0	0.2	0.5	0.4	0.6	2.7
East Cumbria	0.1	0.9	0.3	1.0	0.5	0.8	3.7
Halton and Warrington	0.0	1.1	0.5	1.5	2.0	1.0	6.0
Cheshire CC	0.2	3.2	0.7	2.4	3.7	2.1	12.3
Greater Manchester Sth	0.0	2.9	1.5	6.0	10.2	5.8	26.4
Greater Manchester Nth	0.0	2.5	1.3	3.4	2.9	3.1	13.3
Blackburn with Darwen	0.0	0.5	0.1	0.4	0.3	0.5	1.8
Blackpool	0.0	0.1	0.1	0.4	0.2	0.6	1.5
Lancashire CC	0.2	4.2	1.1	3.3	3.4	3.9	16.0
East Merseyside	0.0	0.8	0.4	0.8	0.7	0.9	3.6
Liverpool	0.0	0.7	0.3	1.5	2.2	2.4	7.0
Sefton	0.0	0.2	0.2	0.6	0.7	1.0	2.8
Wirral	0.0	0.5	0.2	0.6	0.7	0.9	3.0
Total	0.6	18.4	6.9	22.4	28.0	23.7	100.0

Notes:

¹ Headline GVA at current basic prices on workplace basis.

² Components may not sum to totals due to rounding.

³ Nomenclature of Units for Territorial Statistics (Eurostat classification).

Table 9: Contribution to NW Headline¹ industry GVA², selected industry and NUTS³ area, 2007

NUTS ³ area	Agriculture, forestry and fishing	Production	Construction	Distribution, transport and communication	Business services and finance	Percent
						Public administration, education, health and other services
NUTS³ 2						
Cumbria	22.3	10.3	6.8	6.8	3.1	6.1
Cheshire	28.0	23.2	17.0	17.2	20.6	13.0
Greater Manchester	10.1	29.1	41.6	41.9	46.6	37.7
Lancashire	33.3	25.9	19.1	18.2	14.1	21.1
Merseyside	6.4	11.6	15.6	15.9	15.6	22.1
Total	100	100	100	100	100	100
NUTS³ 3						
West Cumbria	7.3	5.4	2.5	2.2	1.4	2.6
East Cumbria	14.9	4.9	4.2	4.6	1.8	3.6
Halton and Warrington	2.4	5.8	6.6	6.7	7.2	4.1
Cheshire CC	25.6	17.4	10.4	10.5	13.4	8.9
Greater Manchester Sth	4.8	15.5	22.1	26.6	36.3	24.5
Greater Manchester Nth	5.2	13.5	19.5	15.3	10.3	13.1
Blackburn with Darwen	0.6	2.6	1.4	1.7	1.1	2.3
Blackpool	0.2	0.6	1.3	2.0	0.9	2.6
Lancashire CC	32.5	22.7	16.4	14.6	12.0	16.2
East Merseyside	2.3	4.1	5.3	3.7	2.5	3.8
Liverpool	1.0	3.6	4.2	6.5	7.9	10.1
Sefton	1.6	1.2	3.1	2.9	2.6	4.4
Wirral	1.5	2.8	2.9	2.8	2.6	3.9
Total	100	100	100	100	100	100

Notes:

¹ Headline GVA at current basic prices on workplace basis

² Components may not sum to totals due to rounding

³ Nomenclature of Units for Territorial Statistics (Eurostat classification)

Note on revisions to previously published figures

- There have been no significant methodological changes this year. In line with National Accounts revisions policy, there are no revisions at the UK level for the years 2003 and earlier. However, as more data has become available, there have been improvements to the allocation to regions leading to minor changes.
- For 2007, the GVA for the North West has been revised downwards from £119.7bn to £116.5bn, a revision of -£3.2bn or -2.7%. Estimated GVA per head in the North West is revised down from £17,433 to £16,967 (-2.7%).
- See last year's briefing for a note of the significant changes back to 1989 caused by the introduction of new methodology for allocating Financial Intermediation Services Indirectly Measured (FISIM) and the reinstatement of UK Supply & Use Table compilation and balancing in the National Accounts for the 2008 Blue Book. Estimates of regional GVA published here are not directly comparable with those published in December 2007 and earlier.

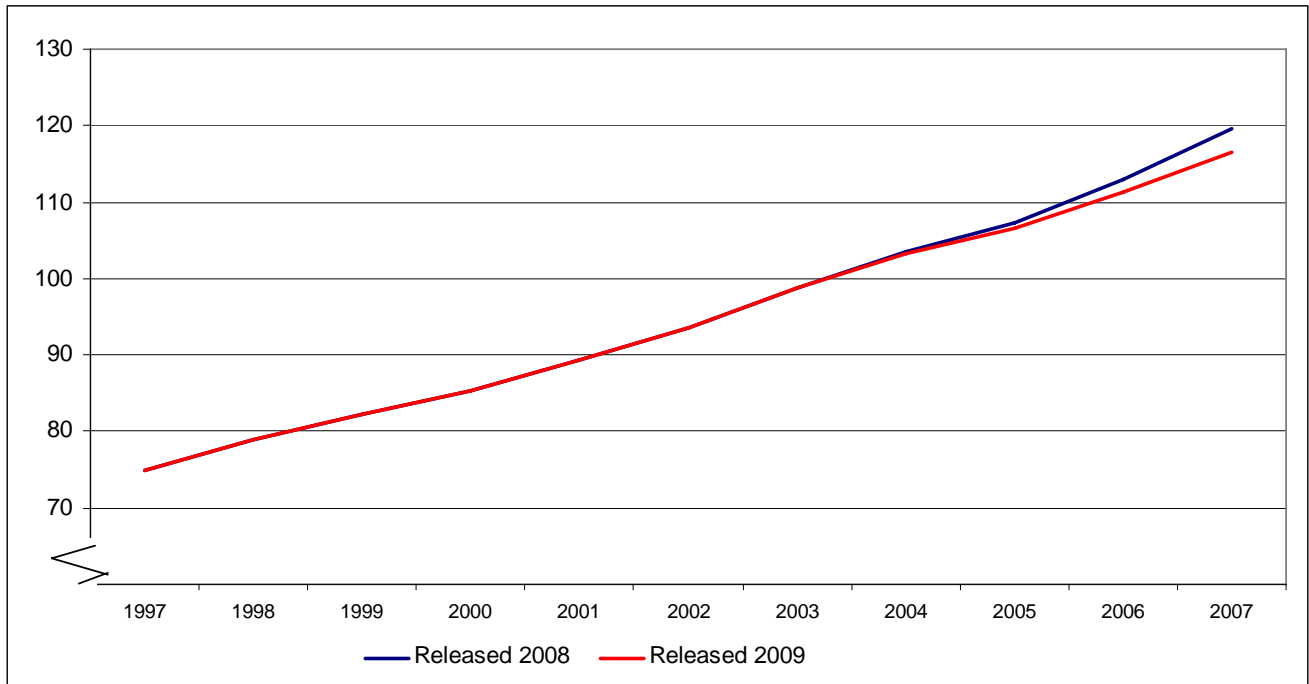
Table 10: Revisions to previously published GVA¹ for the North West, 1997-2007

Year	Total GVA Released		Revision		GVA per head Released		Revision	
	Dec-08 (£m)	Dec-09 (£m)	(£m)	(%)	(£)	(£)	(£)	(%)
1997	74,944	74,957	13	0.0%	11,030	11,032	2	0.0%
1998	78,860	78,907	47	0.1%	11,610	11,617	7	0.1%
1999	82,256	82,323	67	0.1%	12,145	12,154	10	0.1%
2000	85,196	85,264	68	0.1%	12,576	12,587	10	0.1%
2001	89,332	89,394	62	0.1%	13,190	13,199	9	0.1%
2002	93,627	93,659	32	0.0%	13,813	13,818	5	0.0%
2003	98,804	98,762	-42	0.0%	14,529	14,523	-6	0.0%
2004	103,631	103,393	-238	-0.2%	15,196	15,161	-35	-0.2%
2005	107,376	106,675	-701	-0.7%	15,699	15,596	-102	-0.7%
2006	112,955	111,329	-1,626	-1.4%	16,482	16,245	-237	-1.4%
2007	119,667	116,466	-3,201	-2.7%	17,433	16,967	-466	-2.7%

Notes:

¹ Headline GVA at current basic prices on workplace basis

Figure 4: Revisions to GVA¹ for the North West, 1997-2007, £bn



Notes:

¹ Headline GVA at current basic prices on workplace basis

Sources and definitions

1 The latest regional Gross Value Added (GVA) data can be found on the ONS website via: www.statistics.gov.uk/statbase/Product.asp?vlnk=14650

This includes a 'Statistical Bulletin' highlighting the key data and definitions, and a full document giving detailed tables (which are also available as Excel files).

2 Gross Value Added (GVA) represents the incomes generated by economic activity within the UK economy. GVA data presented in the Regional Accounts uses the income approach or GVA(I) and comprises:

- compensation of employees (wages and salaries, national insurance contributions, pension contributions, redundancy payments etc);
- gross operating surplus (self-employment income, gross trading profits of partnerships and corporations, gross trading surplus of public corporations, rental income etc).

A full definition of GVA(I) can be found in the UK National Accounts (Blue Book).

3 Estimates are at current basic prices and do not allow for inflation or differences in regional price levels. The headline GVA series have been calculated using a 5-year moving average to remove some volatility. The unadjusted series are also provided on the ONS website.

4 The Nomenclature of Units for Territorial Statistics (NUTS) provides a single uniform breakdown for the production of regional statistics for the European Union. There are three levels of NUTS in the UK:

- NUTS1: 12 areas – Nine Government Office Regions in England, and Wales, Scotland, Northern Ireland.

- NUTS2: 37 areas – mainly groups of counties and unitary authorities; can be referred to as sub regions (please note that in some cases these do not correspond exactly to the sub regions in the Regional Economic Strategy).
- NUTS3: 133 areas – principally individual counties and unitary authorities; also known as local areas.

5 Extra Regio is offshore economic activity and the contribution of UK embassies abroad and UK forces stationed overseas, which cannot be allocated to specific regions.

6 Estimates are shown for 31 industries at NUTS1, for 17 industries at NUTS2 and for six industries at NUTS3.

7 Methodological changes made to the National and Regional Accounts in 2008 mean that Regional GVA and GVA by industry cannot be compared directly to estimates released in 2007 and earlier.

8 When making comparisons between regions, especially at lower geographical levels, GVA per head can be distorted by the effects of demographic differences and commuting. Therefore the measure of regional and sub regional productivity preferred by ONS is GVA per job or per hour worked. See Knight, J; Oguz, S (2009); Regional economic indicators with a focus on industries in the UK regions, *Economic and Labour Market Review*, Vol.3 No.11, November 2009.

www.statistics.gov.uk/CCI/article.asp?ID=2308

Also see Dunnell, K (2009); National Statistician's article: measuring regional economic performance, *Economic & Labour Market Review*, vol 3, no 1, January 2009.

www.statistics.gov.uk/cci/article.asp?ID=2103

For further guidance on the uses of regional GVA please see the ONS Productivity Handbook:

www.ons.gov.uk/about-statistics/user-guidance/productivity-handbook/index.html

9 National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

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