

Manufacturing industries

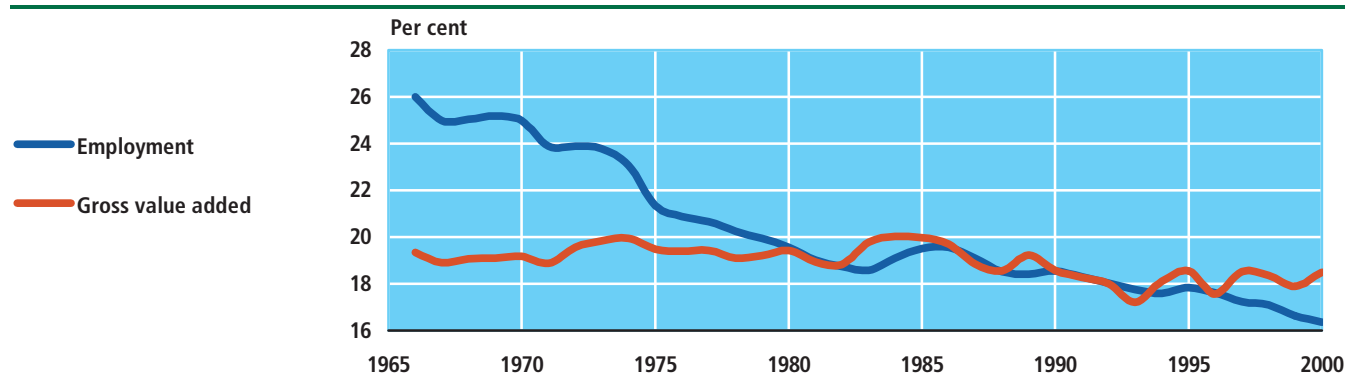
1. Manufacturing industries significance for the overall Danish economy

National Accounts

The significance of manufacturing industries for the Danish economy can be described by means of central statistics from National Accounts. Figure 1 shows manufacturing as a percentage of total activity for the period 1966-2000.

Figure 1

Manufacturing statistics in per cent of total activity



Employment in manufacturing

Manufacturing industries has experienced a significant reduction in its proportionate share of total employment from 1966 up to 1983, from approximately 26 per cent to approximately 19 per cent. The significance of manufacturing industries to employment increased again until 1986; since then, there has been a general decline up to 2000, where manufacturing industries represented approximately 16 per cent of total employment.

Value added

Figure 1 shows the significance of manufacturing industries to the Danish economy in terms of gross value added. When considering these statistics, rather than employment statistics, a somewhat different image of the significance of manufacturing industries emerges. Up until 1980, manufacturing industries represented a more or less constant share of the total value added, approximately 19 per cent. Since then, this figure has gradually fallen to a level of approximately 18 per cent.

2. Manufacturing industries trends 1990-2000

Production in manufacturing industries

Figure 2 provides an elucidation of manufacturers' production in manufacturing industries by means of quantity indices for manufacturing sales, excluding goods resold without further reprocessing for the period 1990-2000. The monthly indices have been adjusted for seasonal fluctuations.

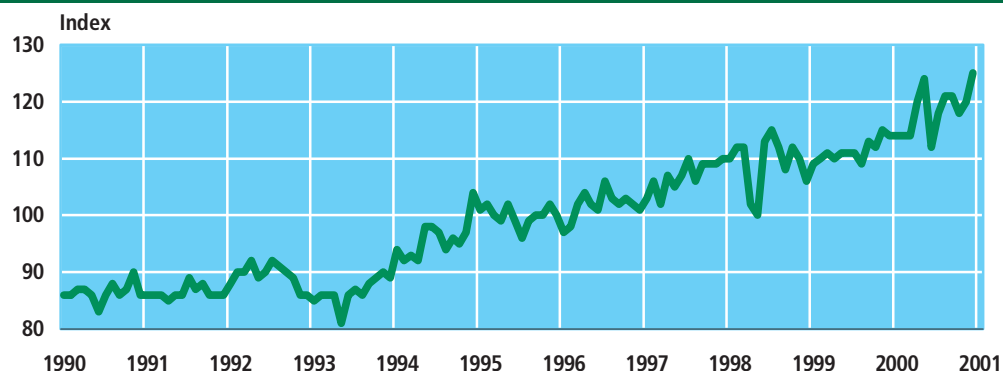
The period shown comprises a number of different business cycles, which are described in more detail below.

Manufacturing industries statistics

Figure 2

Production in manufacturing industries, seasonally adjusted values

Quantity indexes for manufacturing sales, excluding goods resold without further processing (1995=100).
Mining and quarrying, manufacturing



Limited economic growth 1990-1991

The period 1990-1991 was characterised by limited economic growth, which was significantly influenced by the Gulf War in the autumn of 1990 and the beginning of 1991. In the autumn of 1992, a period of economic recession followed the international upheaval in foreign exchanges; this recession was also partly caused by the uncertainty which followed in the wake of the referendum on the Maastricht treaty.

Economic recovery 1993-1995

The following period of economic recovery, which was partly caused by record-breaking private consumption induced by the 1993 tax reform, began in the middle of 1993, peaked in the spring of 1995 and was followed by a six-month period (approx.) of zero growth.

Renewed growth 1996-1997

The zero-growth period was followed by a period of renewed growth in 1996 and 1997, primarily caused by an increase in domestic demand.

Declining trends in 1998

In 1998, the Danish economy lost its impetus after a five-year period of more or less uninterrupted growth. The large-scale labour market conflict during the end of April and the beginning of May caused a great lapse of production for manufacturing industries, and during the autumn, the Danish economy was affected by the global financial unrest and a decrease in competitiveness, which affected manufacturing exports.

Growth in 1999 and 2000

Manufacturing production rates saw a moderate increase again during 1999, a fact which was primarily brought about by positive developments within the export markets, while domestic demand was moderated as a result of the 1998 "Whitsun Package", which entered into force on 1 January. There was a considerably heavier increase in the manufacturing production rates in 2000 which was still due the positive international economic trends. Furthermore, exports of manufactured goods are influenced by the falling effective krone rate, which is the result of the Danish fixed exchange rate policy vis-à-vis the euro, which was substantially weakened vis-à-vis the US dollar

Manufacturing industries statistics

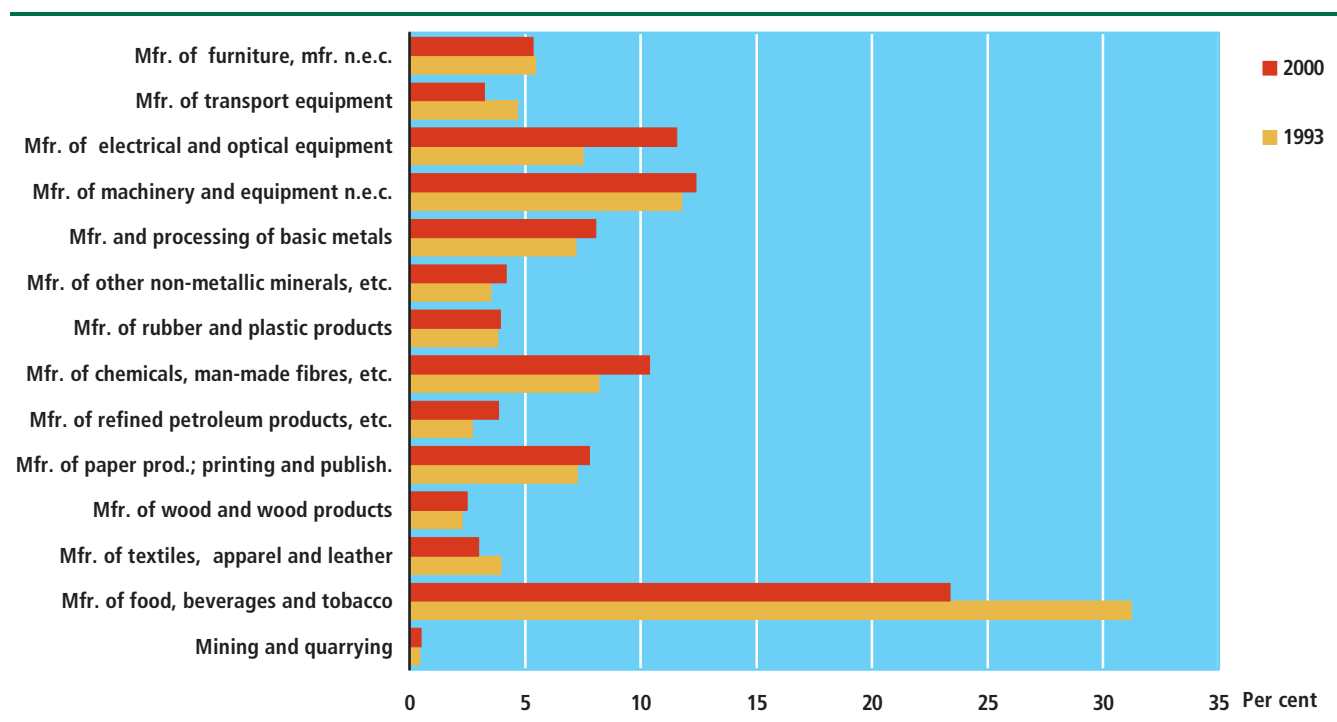
3. Manufacturing industries total turnover by main sectors

Manufacturing industries total turnover

Since 1993, manufacturing industries total turnover (at current prices) for enterprises with 10 employees or more has increased from approximately DKK 344 billion to approximately DKK 450 billion in 1999. In 1999, *Manufacturing of food, beverages and tobacco* had the highest turnover.

Figure 3

Manufacturers' total turnover by groups of industries



Manufacturing industries sector profile in 2000

As was mentioned in the above, in 2000 manufacturing of food, beverages and tobacco accounted for the bulk of activity; approximately one-quarter of the total turnover. This was followed by manufacturing of machinery and equipment, manufacturing of electrical and optical equipment, and manufacturing of chemicals, man-made fibres, etc.; each of these accounted for approximately 10 per cent, while manufacturing of paper products, printing and publishing as well as manufacturing and processing of basic metals both accounted for approximately 8 per cent of manufacturing industries total turnover. Mining and quarrying, which does not include oil and gas extraction in these statistics, accounted for less than 0.5 per cent of manufacturing industries total turnover.

Changes to manufacturing sector profile since 1993

The relative composition of Danish manufacturing industries has not seen radical changes since 1993, where manufacturing of food, beverages and tobacco also held the dominant position among manufacturers. This dominant position has, however, diminished in terms of relative importance, as the proportionate share of the manufacturers' total turnover has been reduced from almost one third to the 25 per cent mentioned above.

This means that other main groups of industries have increased in terms of relative significance. This is particularly true of the manufacture of electrical and optical equipment, which has risen from accounting for approximately 7 per cent to 11 per cent of the total manufacturing turnover; and to a lesser degree this also applies to the

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manufacture of chemicals, man-made fibres, etc. (including pharmaceuticals), which has seen an increase in its relative share of total manufacturing turnover from approximately 8 per cent to 10 per cent. Both of these groups of industries feature characteristics such as heavy reliance on technology and research.

Table 300

Manufacturers' sales, excluding goods resold without further processing

DB93	Commodity groups	Total sales		Sales, excl. goods resold without further processing	
		1999	2000	1999	2000
DKK mio.					
1009+2	Mining, quarrying, and manufacturing	448 840	485 529	414 679	451 522
1009	Mining and quarrying	1 742	2 417	1 603	2 201
2	Manufacturing	447 098	483 112	413 076	449 321
15009	Mfr. of food, beverages and tobacco	109 571	114 706	98 731	105 393
151000	Production, etc. of meat and meat products	34 991	40 052	34 374	38 295
155000	Mfr. of dairy products	23 964	21 841	18 150	19 499
158909	Mfr. of other food products	37 644	39 308	34 500	35 688
159000	Mfr. of beverages	9 419	9 858	8 496	8 635
160000	Mfr. of tobacco products	3 553	3 647	3 211	3 276
17009	Mfr. of textiles, clothing and leather	13 873	14 496	13 093	13 802
170000	Mfr. of textile	7 134	7 551	6 769	7 163
180000	Mfr. of clothing	4 758	4 884	4 397	4 608
190000	Mfr. of leather and footwear	1 981	2 061	1 927	2 031
20000	Mfr. of wood and wood products	11 717	12 115	12 212	11 596
21009	Mfr. of paper products; printing and publis- ing	36 130	37 840	34 475	36 151
210000	Mfr. of pulp, paper and paper products	9 799	10 405	9 393	10 021
221200	Publishing of newspapers	7 229	7 329	7 159	7 204
221309	Publishing activities, excl. newspapers	8 910	9 362	8 059	8 565
222009	Printing activities, etc.	10 192	10 744	9 863	10 361
23000	Mfr. of refined petroleum products, etc.	9 984	18 592	9 853	18 564
24000	Mfr. of chemicals, man-made fibres, etc.	45 510	50 206	41 752	46 546
241009	Mfr. of chemical raw materials	9 223	9 920	8 423	9 155
243009	Mfr. of paints, soaps, cosmetics, etc.	12 949	14 246	10 592	11 786
244000	Mfr. of pharmaceuticals, etc.	23 338	26 040	22 737	25 605
25000	Mfr. of rubber and plastic products	17 719	19 231	16 722	18 055
26000	Mfr. of other non-metallic minerals, etc.	17 744	18 337	16 614	17 140
261009	Mfr. of glass and ceramic goods, etc.	4 351	4 046	4 243	3 978
263009	Mfr. of bricks, cement and concrete, etc.	13 393	14 290	12 371	13 162
27009	Mfr. and processing of basic metals	35 866	39 217	33 937	37 064
270000	Mfr. of basic metals	9 919	10 746	9 533	10 274
281009	Mfr. of construction materials of metal, etc.	14 224	15 811	13 780	15 221
286009	Mfr. hand tools, metal packaging, etc.	11 723	12 660	10 624	11 569
29000	Mfr. of machinery and equipment, n.e.s.	55 849	60 693	50 959	54 592
291000	Mfr. of marine engines, compressors, etc.	17 167	19 017	15 157	16 569
292000	Mfr. of general purpose machinery	17 657	18 151	16 198	16 773
293000	Mfr. of agricultural and forestry machinery	5 119	4 580	4 738	3 990
294009	Mfr. of machinery for industries, etc.	11 427	14 101	10 646	13 169
297000	Mfr. of domestic appliances, n.e.s.	4 478	4 845	4 220	4 090
30009	Mfr. of electrical and optical equipment	50 896	55 953	46 982	52 336
300009	Mfr. of computers, electric motors, etc.	23 821	25 651	21 869	24 471
320000	Mfr. of radio and communication equipment, etc.	14 069	14 045	12 966	12 824
330000	Mfr. of medical and optical appliances n.e.s.	13 006	16 257	12 147	15 041
35009	Mfr. of transport equipment	16 935	15 424	16 129	14 597
351000	Building and repairing of ships and boats	7 817	5 932	7 688	5 735
352009	Mfr. of transport equipment, excl. ships	9 118	9 493	8 441	8 862
36000	Mfr. of furniture; manufacturing n.e.s.	25 305	26 204	22 619	23 484
361000	Mfr. of furniture	18 594	20 308	17 876	19 493
365009	Mfr. of toys, gold and silver articles, etc.	6 711	5 896	4 743	3 991

Note. Manufacturing enterprises with at least 10 employees. Turnover of own goods and services includes sales of own products, salaried work, as well as repair and installation work carried out for others.

Table 301

Manufacturers' total turnover, by industry and concentration 2000

DB93	Group of industry	Total turnover	Percentage of total turnover		
			The three largest groups	The five largest groups	The ten largest groups
		DKK mio.	per cent		
1009+2	Mining, quarrying and manufacturing	485 529	10,9	14,7	19,3
1009	Mining and quarrying	2 417	40,9	56,2	79,3
2	Manufacturing	483 112	10,9	14,7	19,3
15009	Mfr. of food, beverages and tobacco	114 705	38,1	43,5	52,3
151000	Production, etc. of meat and meat products	40 052	72,1	77,9	87,5
155000	Mfr. of dairy products	21 841	88,4	90,6	95,0
158909	Mfr. of other food products	39 308	12,6	18,6	30,5
159000	Mfr. of beverages	9 858	71,3	82,0	93,8
160000	Mfr. of tobacco products	3 647	93,6	99,3	100,0
17009	Mfr. of textiles, clothing and leather	14 496	17,4	23,0	31,9
170000	Mfr. of textile	7 551	17,2	22,6	33,3
180000	Mfr. of clothing	4 884	23,3	32,8	49,6
190000	Mfr. of leather, footwear and leather products	2 061	85,5	90,5	98,3
20000	Mfr. of wood and wood products	12 215	19,4	28,2	42,1
21009	Mfr. of paper products; printing and publishing	37 840	10,6	15,4	23,7
210000	Mfr. of pulp, paper and paper products	10 405	18,4	29,4	50,2
221200	Publishing of newspapers	7 329	54,6	66,2	85,4
221309	Publishing activities, excl. newspapers	9 362	26,5	35,4	51,9
222009	Printing activities, etc.	10 744	11,0	16,4	26,2
23000	Mfr. of refined petroleum products, etc.	18 592	99,7	100,0	100,0
24000	Mfr. of chemicals, man-made fibres, etc.	50 206	42,7	51,8	63,6
241009	Mfr. of chemical raw materials	9 920	60,5	71,7	85,3
243009	Mfr. of paints, soap, cosmetics, etc.	14 246	29,0	41,1	66,3
244000	Mfr. of pharmaceuticals, etc.	26 040	80,2	86,5	95,9
25000	Mfr. of rubber and plastic products	19 231	13,1	18,4	29,2
26000	Mfr. of other non-metallic mineral, etc.	18 337	20,2	27,0	39,4
261009	Mfr. of glass and ceramic goods, etc.	4 046	49,5	64,1	83,6
263009	Mfr. of bricks, cement and concrete	14 290	23,0	30,5	43,2
27009	Mfr. and processing of basic metals	39 217	8,1	11,4	18,2
270000	Mfr. of basic metals	10 746	27,2	37,5	57,5
281009	Mfr. of construction materials of metals	15 811	10,8	14,7	22,1
286009	Mfr. of hand tools, packaging of metal, etc.	12 660	12,6	17,8	28,2
29000	Mfr. of machinery and equipment, n.e.s.	60 693	17,7	22,7	29,2
291000	Mfr. of marine engines, compressors, etc.	19 017	56,5	69,3	78,1
292000	Mfr. of other general purpose machinery	18 151	12,9	20,1	30,5
293000	Mfr. of agricultural and forestry machinery	4 580	35,7	46,9	62,9
294009	Mfr. of machines for industries, etc.	14 101	11,5	16,9	26,8
297000	Mfr. of domestic appliances, n.e.s.	4 849	57,3	73,8	88,5
30009	Mfr. of electrical and optical equipment	55 953	20,2	29,2	40,5
300009	Mfr. of computers, electric motors, etc.	25 651	40,9	49,2	60,5
320000	Mfr. of radio and communication equipment, etc.	14 045	42,3	48,8	61,7
330000	Mfr. of medical and optical instruments	16 257	28,2	37,5	53,6
35009	Mfr. of transport equipment	15 424	39,3	44,9	56,1
351000	Building and repairing of ships and boats	5 932	68,8	79,2	89,3
352009	Mfr. of transport equipment, excl. ships	9 493	34,1	41,6	53,8
36000	Mfr. of furniture; manufacturing n.e.s.	26 204	21,5	27,8	37,7
361000	Mfr. of furniture	20 308	14,6	21,7	32,8
365009	Mfr. of toys, gold and silver articles, etc.	5 896	69,9	73,7	80,1

Table 302
excluding

**Quantity index for manufacturer' sales of goods and services,
goods resold without further processing**

		1999	2000
		1995 = 100	
1009+2	Mining, quarrying, and manufacturing, total	111	118
1009	Mining and quarrying, total	94	95
2	Manufacturing, total	112	119
15009	Mfr. of food, beverages and tobacco	102	105
151000	Production, etc. of meat and meat products	102	110
155200	Mfr. of dairy products	126	120
158909	Mfr. of other food products	101	104
159000	Mfr. of beverages	82	82
160000	Mfr. of tobacco products	92	91
17009	Mfr. of textiles, clothing and leather	101	105
170000	Mfr. of textile	106	116
180000	Mfr. of clothing	93	88
190000	Mfr. of leather, footwear and leather products	101	108
20000	Mfr. of wood and wood products	114	122
21009	Mfr. of paper products; printing and publishing	112	116
210000	Mfr. of pulp, paper and paper products	95	96
221200	Publishing of newspapers	102	98
221309	Publishing activities, excl. newspapers	141	149
222009	Printing activities, etc.	109	117
23000	Mfr. of refined petroleum products, etc.	85	95
24000	Mfr. of chemicals, man-made fibres, etc.	142	162
241009	Mfr. of chemical raw materials	98	104
243009	Mfr. of paints, soap, cosmetics, etc.	115	122
244000	Mfr. of pharmaceuticals, etc.	179	216
25000	Mfr. of rubber and plastic products	115	117
26000	Mfr. of other non-metallic mineral, etc.	116	115
261009	Mfr. of glass and ceramic goods, etc.	120	119
263009	Mfr. of bricks, cement and concrete	115	113
27009	Mfr. and processing of basic metals	105	119
29000	Mfr. of machines and equipment, n.e.s.	100	105
30009	Mfr. of electrical and optical equipment	143	160
35009	Mfr. of transport equipment	87	85
351000	Building and repairing of ships and boats	64	55
352009	Mfr. of transport equipment, excl. ships	115	123
36000	Mfr. of furniture; manufacturing n.e.s.	110	111
361000	Mfr. of furniture	118	122
365009	Mfr. of toys, gold and silver articles, etc.	89	83