

Manufacturing industries

1. Manufacturing industries significance for the overall Danish economy

Relatively constant share of the overall Danish economy since the 1960's

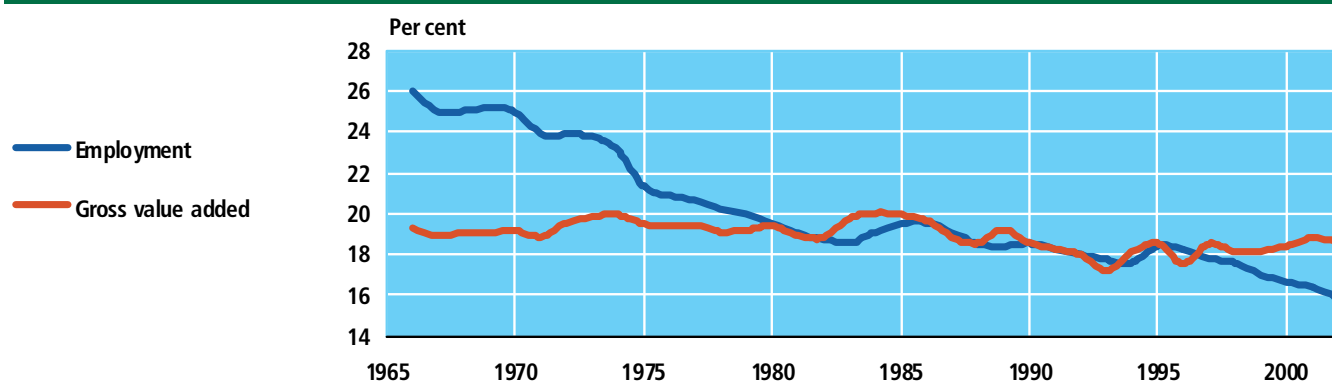
The significance of manufacturing industries for the Danish economy can be described by means of central statistics from the National Accounts. Up until 1980, manufacturing industries represented a more or less constant share of the total value added of 19 pct. Since then, this share has gradually fallen to a level of 18 pct. in 2002.

Manufacturing industries share of total employment is declining

Manufacturing industries has experienced a significant reduction in its share of total employment over the period 1966 to 1983, from 26 pct. to 19 pct. The significance of manufacturing industries to employment increased again until 1986; since then, there has been a general decline up to 2002, where manufacturing industries represented 16 pct. of total employment.

Figure 1

Manufacturing shares in per cent of total activity 1966-2002



2. Manufacturing industries trends

Production in manufacturing industries

Figure 2 provides an illustration of production in manufacturing industries by means of quantity indices for manufacturing sales excluding goods resold without further processing for the period 1990-2002. The period shown comprises a number of different business cycles, which are described in more detail below.

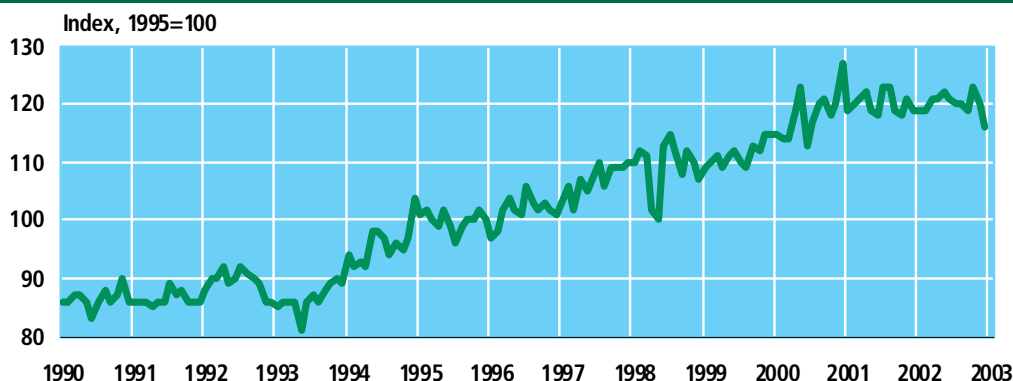
Moderate economic growth 1990-1991

The period 1990-1991 was characterised by moderate 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 instability in foreign exchange markets; this recession was also partly caused by the uncertainty, which followed in the wake of the referendum on the Maastricht treaty.

Manufacturing industries statistics

Figure 2

Production in manufacturing industries, seasonally adjusted values



Note: Quantity indexes for manufacturing sales, excluding goods resold without further processing, Mining and quarrying, manufacturing.

Economic recovery in 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 in 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 exchange 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.

Economic decline in 2001 and 2002

The decline in the world economy in 2001 has affected the Danish manufacturing production, which only experienced a very moderate increase. Despite the global economic decline manufacturing exports have remained at the same level as that from the middle of 2000, and the lower growth is also the result of a continuous weak domestic demand. Also in 2002, the increase in Danish manufacturing production was very moderate. The development was influenced by the weak foreign business cycles, but there was progress in the domestic demand.

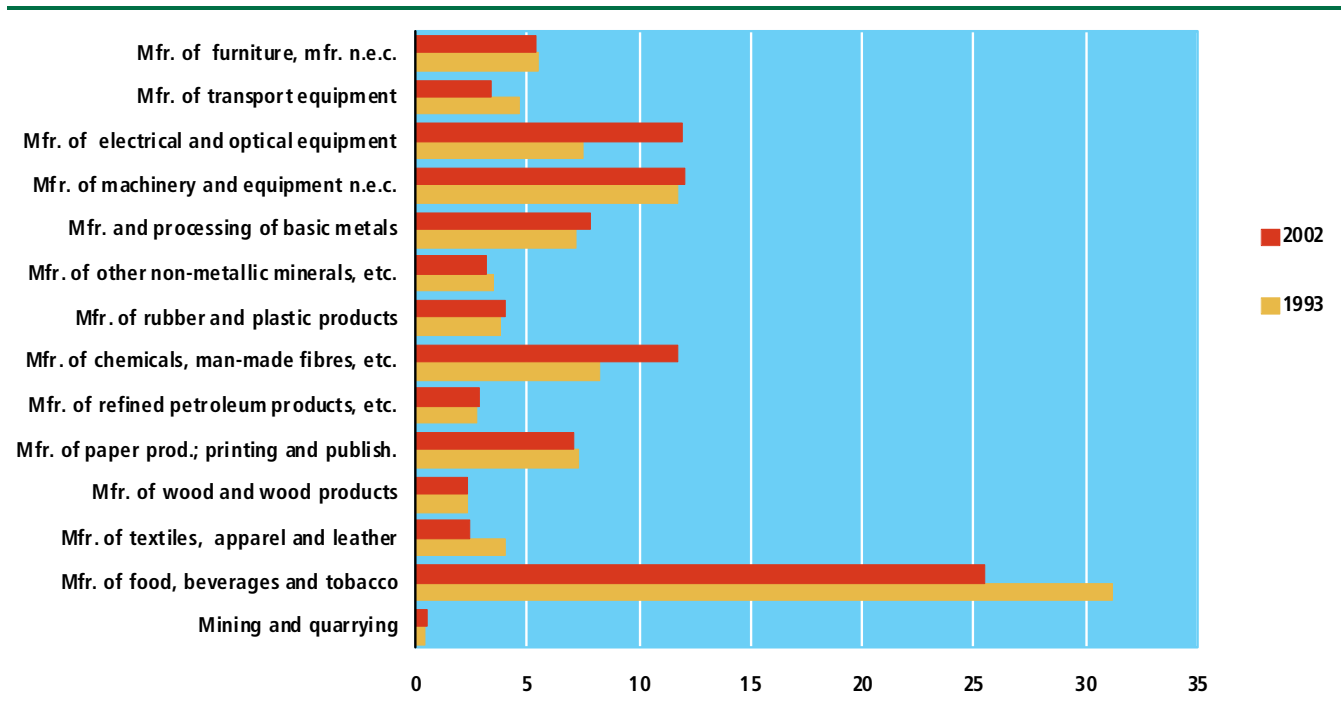
3. Manufacturing industries total turnover by main sectors

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 517 billion in 2002. Manufacturing of food, beverages and tobacco had the highest turnover.

Figure 3

Manufacturers' total turnover by groups of industries, per cent



Manufacturing industries sector profile in 2002

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 12 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 0.5 per cent of manufacturing industries total turnover.

Growth in the manufacture of electrical and optical equipment and pharmaceuticals

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

Manufacturing industries statistics

for approximately 7 to 12 per cent of the total manufacturing turnover, and to a lesser degree this also applies to the manufacture of chemicals, man-made fibres, etc. (including pharmaceuticals), which has seen an increase in its relative share from 8 to 12 per cent. Both of these groups of industries feature characteristics such as heavy reliance on technology and research and development.

Table 311

Manufacturers' sales, excluding goods resold without further processing

DB93	Commodity groups	Total sales		Sales, excl. goods resold without further processing	
		2001	2002	2001	2002
		DKK mio.			
1009+2	Mining, quarrying, and manufacturing	511 085	517 552	474 008	475 528
1009	Mining and quarrying	2 289	2 437	2 085	2 235
2	Manufacturing	508 796	515 116	471 923	473 293
15009	Mfr. of food, beverages and tobacco	123 638	131 628	114 117	116 604
151000	Production, etc. of meat and meat products	43 610	40 453	41 500	38 190
155000	Mfr. of dairy products	21 592	20 980	20 491	20 141
158909	Mfr. of other food products	44 890	56 447	40 224	45 828
159000	Mfr. of beverages	9 673	9 540	8 469	8 672
160000	Mfr. of tobacco products	3 874	4 207	3 433	3 774
17009	Mfr. of textiles, clothing and leather	14 003	12 687	13 084	11 659
170000	Mfr. of textile	7 336	6 777	6 862	6 235
180000	Mfr. of clothing	4 550	4 239	4 140	3 856
190000	Mfr. of leather and footwear	2 117	1 671	2 082	1 569
20000	Mfr. of wood and wood products	12 241	11 949	11 586	11 247
21009	Mfr. of paper products; printing, publishing	38 132	36 849	36 674	35 435
210000	Mfr. of pulp, paper and paper products	10 542	10 584	10 039	10 101
221200	Publishing of newspapers	7 521	6 849	7 477	6 812
221309	Publishing activities, excl. newspapers	9 438	9 071	8 836	8 463
222009	Printing activities, etc.	10 631	10 345	10 323	10 059
23000	Mfr. of refined petroleum products, etc.	15 949	14 550	15 902	14 483
24000	Mfr. of chemicals, man-made fibres, etc.	56 034	60 543	52 073	54 920
241009	Mfr. of chemical raw materials	9 679	10 075	8 833	9 220
243009	Mfr. of paints, soaps, cosmetics, etc.	14 667	14 710	12 115	12 019
244000	Mfr. of pharmaceuticals, etc.	31 688	35 758	31 125	33 681
25000	Mfr. of rubber and plastic products	20 021	20 626	18 647	19 338
26000	Mfr. of other non-metallic minerals, etc.	16 594	16 529	15 378	15 223
261009	Mfr. of glass and ceramic goods, etc.	2 781	2 691	2 704	2 605
263009	Mfr. of bricks, cement and concrete, etc.	13 813	13 838	12 673	12 618
27009	Mfr. and processing of basic metals	41 112	40 450	38 697	37 809
270000	Mfr. of basic metals	10 238	8 934	9 813	8 550
281009	Mfr. of construction materials of metal, etc.	17 456	18 098	16 726	17 288
286009	Mfr. hand tools, metal packaging, etc.	13 419	13 418	12 158	11 971
29000	Mfr. of machinery and equipment, n.e.s.	62 501	62 500	56 043	56 243
291000	Mfr. of marine engines, compressors, etc.	19 729	20 172	16 982	17 566
292000	Mfr. of general purpose machinery	20 092	20 866	18 446	19 200
293000	Mfr. of agricultural and forestry machinery	3 283	3 434	2 941	3 166
294009	Mfr. of machinery for industries, etc.	14 552	13 361	13 552	12 506
297000	Mfr. of domestic appliances, n.e.s.	4 845	4 667	4 122	3 805
30009	Mfr. of electrical and optical equipment	62 269	61 914	58 613	58 226
300009	Mfr. of computers, electric motors, etc.	31 357	31 124	30 059	29 647
320000	Mfr. of radio and communication equipment, etc.	14 294	15 029	13 135	13 858
330000	Mfr. of medical and optical appliances n.e.s.	16 618	15 762	15 419	14 721
35009	Mfr. of transport equipment	16 666	17 235	15 878	15 628
351000	Building and repairing of ships and boats	6 714	7 024	6 554	6 888
352009	Mfr. of transport equipment, excl. ships	9 952	10 211	9 323	8 740
36000	Mfr. of furniture; manufacturing n.e.s.	30 339	27 655	25 904	26 478
361000	Mfr. of furniture	20 434	19 642	19 627	18 758
365009	Mfr. of toys, gold and silver articles, etc.	9 905	8 013	6 277	7 720

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 312

Manufacturers' total turnover, by industry and concentration 2002

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	517 552	11.5	14.4	20.5
1009	Mining and quarrying	2 436	40.4	56.6	81.2
2	Manufacturing	515 116	11.5	14.4	20.5
15009	Mfr. of food, beverages and tobacco	132 628	35.6	40.5	49.8
151000	Production, etc. of meat and meat products	40 453	65.8	73.9	86.7
155000	Mfr. of dairy products	20 980	89.0	91.1	95.5
158909	Mfr. of other food products	56 447	22.8	27.7	38.3
159000	Mfr. of beverages	9 540	69.4	82.0	94.2
160000	Mfr. of tobacco products	4 207	93.5	100.0	100.0
17009	Mfr. of textiles, clothing and leather	12 687	17.6	23.7	32.3
170000	Mfr. of textile	6 777	20.8	26.9	39.8
180000	Mfr. of clothing	4 239	23.8	33.9	52.8
190000	Mfr. of leather, footwear and leather products	1 671	81.4	87.8	97.6
20000	Mfr. of wood and wood products	11 949	20.4	28.8	41.8
21009	Mfr. of paper products; printing and publishing	36 849	8.8	13.6	22.1
210000	Mfr. of pulp, paper and paper products	10 584	17.7	29.0	51.1
221200	Publishing of newspapers	6 849	45.1	60.0	83.3
221309	Publishing activities, excl. newspapers	9 071	28.3	38.7	52.4
222009	Printing activities, etc.	10 345	12.4	19.6	30.2
23000	Mfr. of refined petroleum products, etc.	14 549	99.6	100.0	100.0
24000	Mfr. of chemicals, man-made fibres, etc.	60 543	50.2	58.6	69.1
241009	Mfr. of chemical raw materials	10 075	62.5	73.4	88.0
243009	Mfr. of paints, soap, cosmetics, etc.	14 710	31.2	42.1	62.2
244000	Mfr. of pharmaceuticals, etc.	35 758	83.2	88.9	96.6
25000	Mfr. of rubber and plastic products	20 626	18.3	23.3	32.7
26000	Mfr. of other non-metallic mineral, etc.	16 529	18.5	25.9	38.5
261009	Mfr. of glass and ceramic goods, etc.	2 691	41.2	57.4	77.2
263009	Mfr. of bricks, cement and concrete	13 838	22.2	30.9	45.4
27009	Mfr. and processing of basic metals	40 450	6.8	10.5	17.3
270000	Mfr. of basic metals	8 934	25.5	38.3	59.6
281009	Mfr. of construction materials of metals	18 098	12.3	16.7	23.9
286009	Mfr. of hand tools, packaging of metal, etc.	13 418	13.1	18.2	27.4
29000	Mfr. of machinery and equipment, n.e.s.	62 500	17.8	22.7	30.1
291000	Mfr. of marine engines, compressors, etc.	20 172	55.1	67.4	76.5
292000	Mfr. of other general purpose machinery	20 866	15.3	21.7	32.4
293000	Mfr. of agricultural and forestry machinery	3 434	29.3	39.3	54.7
294009	Mfr. of machines for industries, etc.	13 361	9.7	14.8	24.9
297000	Mfr. of domestic appliances, n.e.s.	4 667	53.8	69.2	85.6
30009	Mfr. of electrical and optical equipment	61 914	26.6	34.6	45.6
300009	Mfr. of computers, electric motors, etc.	31 124	43.5	53.7	64.8
320000	Mfr. of radio and communication equipment, etc.	15 029	56.1	62.1	72.5
330000	Mfr. of medical and optical instruments	15 762	23.4	33.3	47.5
35009	Mfr. of transport equipment	17 235	38.9	46.6	57.0
351000	Building and repairing of ships and boats	7 024	69.5	79.3	89.9
352009	Mfr. of transport equipment, excl. ships	1 211	34.4	41.7	55.3
36000	Mfr. of furniture; manufacturing n.e.s.	28 601	31.0	56.7	45.8
361000	Mfr. of furniture	19 642	21.2	27.8	37.0
365009	Mfr. of toys, gold and silver articles, etc.	8 959	75.6	79.7	85.7

Table 313

Quantity index for manufacturers' sales of goods and services,
excluding goods resold without further processing

		2001	2002
		1995 = 100	
1009+2	Mining, quarrying, and manufacturing, total	120	120
1009	Mining and quarrying, total	97	122
2	Manufacturing, total	120	120
15009	Mfr. of food, beverages and tobacco	104	106
151000	Production, etc. of meat and meat products	109	102
155200	Mfr. of dairy products	110	107
158909	Mfr. of other food products	106	117
159000	Mfr. of beverages	78	85
160000	Mfr. of tobacco products	87	88
17009	Mfr. of textiles, clothing and leather	95	91
170000	Mfr. of textile	105	103
180000	Mfr. of clothing	83	77
190000	Mfr. of leather, footwear and leather products	88	73
20000	Mfr. of wood and wood products	109	114
21009	Mfr. of paper products; printing and publishing	115	111
210000	Mfr. of pulp, paper and paper products	94	93
221200	Publishing of newspapers	95	88
221309	Publishing activities, excl. newspapers	145	140
222009	Printing activities, etc.	120	116
23000	Mfr. of refined petroleum products, etc.	96	92
24000	Mfr. of chemicals, man-made fibres, etc.	176	186
241009	Mfr. of chemical raw materials	104	103
243009	Mfr. of paints, soap, cosmetics, etc.	122	130
244000	Mfr. of pharmaceuticals, etc.	243	259
25000	Mfr. of rubber and plastic products	119	116
26000	Mfr. of other non-metallic mineral, etc.	111	94
261009	Mfr. of glass and ceramic goods, etc.	114	66
263009	Mfr. of bricks, cement and concrete	111	104
27009	Mfr. and processing of basic metals	117	118
29000	Mfr. of machines and equipment, n.e.s.	109	110
30009	Mfr. of electrical and optical equipment	168	165
35009	Mfr. of transport equipment	89	86
351000	Building and repairing of ships and boats	59	57
352009	Mfr. of transport equipment, excl. ships	127	122
36000	Mfr. of furniture; manufacturing n.e.s.	115	118
361000	Mfr. of furniture	114	111
365009	Mfr. of toys, gold and silver articles, etc.	116	137