



department for
**culture, media
and sport**

2004-2006 Sport Satellite Account for the UK

Sport Industry Research Centre, Sheffield Hallam University

October 2011



improving
the quality
of life for all

Contents

Executive Summary

1. Introduction
2. Definition of sport
3. Value of sport in Austria, Cyprus and the UK in 2004
4. Consumer spending in Austria, Cyprus and the UK in 2004
5. Gross Value Added in Austria, Cyprus and the UK in 2004
6. Sport-related consumer spending in the UK, 2004-06
7. Sport-related gross value added in the UK, 2004-06
8. Sport-related employment in the UK, 2004-06
9. Value of sport in the UK
10. Next Steps

Appendix

Executive Summary

1. A Satellite Account System is aimed at measuring the economic importance of a specific industry which is not observable in the traditional system of National Accounts. This is because the industry does not correspond to a specific statistically delineated economic activity. Sport is one such area of economic activity.

2. On 11 July 2007, the European Commission adopted the White Paper on Sport, in which it announced that it would seek to develop a European statistical method for measuring the economic impact of sport. That method would be the construction of satellite accounts for sport in Member States which could, in time, lead to a European Satellite Account for Sport.

3. These initiatives have been coordinated by the EU Working Group on Sport and Economics which first met in September 2006 and has met nine times since, most recently in its new formation as the EU Expert Group on Sport Statistics. This Group established a common definition of sport (the 'Vilnius definition') where the preferred definition of sport is broad and includes all relevant parts of industries for which sport is an important input for their production processes.

4. The UK is one of several Member States that agreed to construct a satellite account for sport and, in January 2010, published the first results using 2004 data. This report presents the results for the UK covering the 2004 to 2006 period. Some figures from 2004 have been revised following corresponding revisions in the Office for National Statistics' (ONS) Input-Output tables, where sport is significantly related to 53 out of 123 Input-Output product groups.

5. The sports economy is presented in terms of consumer spending, Gross Value Added (GVA) and employment figures. Additionally, the report includes a comparative analysis of the three EU countries that have attempted sport satellite accounts using the same methodology for the year 2004, namely Austria, Cyprus and the UK. At the time of

writing these were the only three countries that had submitted comparable accounts (Poland recently published its first sport satellite account report and these results will be analysed comparatively in the next UK report). The comparison is at the level of consumer spending and GVA while the data sources and methodology used are identical to the UK's 2004 Sport Satellite Account report.

6. In 2004, sport accounted for 4% of total GVA in Austria, 2.4% in Cyprus, and 2.3% in the UK. The higher figure for Austria is attributed to the high value of sport tourism in the country. This was reflected in the value of the 'hotels and restaurants' sector in sport-related output in Austria which accounted for over 50% of total sport-related GVA whereas the same sector for the UK and Cyprus was around 2% of the total. Looking at consumer spending, there is not much difference in the value of sport in the three countries. The percentage of sports-related consumer spending in Austria, Cyprus and the UK was 3.6%, 3.7% and 3.2% respectively.

7. In the UK, in value terms, there has been a gradual increase of 2% in sport-related consumer spending from £23.6bn in 2004, to £23.9bn in 2005, and to £24.0bn in 2006. However, in constant prices, this represents a decrease of 2% over the period 2004 to 2006. In 2006, the highest spending category was 'sports betting' (£2.8bn), followed by 'wearing apparel' (£2.7bn), 'telecommunications' (£2.6bn) and 'health & fitness' (£2.05bn). In 2006, sport accounted for 2.9% of total consumer spending.

8. The UK's sports market increased significantly in terms of GVA. Between 2004 and 2006, the overall growth was 12% in value terms (equating to a 4% increase in real terms). Overall, the size of GVA increased in value from £24.3bn in 2004, to £25.9bn in 2005, and to £27.2bn in 2006. In 2006, sport accounted for 2.3% of total GVA. Sport-related employment in the UK, starting from a position of 592,000 in 2004, increased gradually to 619,000 in 2005 and to 632,000 in 2006. In 2006, sport accounted for 2.5% of total employment.

9. The small decline (2%) in the value of consumer spending, mainly due to a decline in the gambling market, did not negatively affect the value of sport in terms of employment and GVA. Sports-related employment as percentage of total employment increased marginally from 2.4% in 2004 to 2.5% in 2006 whereas the level of sports-related GVA compared to the national figure, remained unchanged at 2.3%.

1. Introduction

1.1 This report presents the value of the UK's sport sector for the years 2004, 2005 and 2006. Some figures presented in the previous 2004 report have been revised following corresponding revisions in the Office for National Statistics' (ONS) Input-Output Tables for the UK. The sports economy is presented in terms of consumer spending, Gross Value Added (GVA) and employment figures. Additionally, there is a comparative analysis with the two other EU Member States that have produced sport satellite accounts for 2004, namely Austria and Cyprus. This compares the level of consumer spending and GVA. A special reference is made to some sporting recreational activities as they are recorded in the three Member States. Data sources and the methodology used are identical to the UK's original 2004 Sport Satellite Account report¹.

2. Definition of Sport

2.1 At the fourth EU workshop in Vilnius, consensus was reached on the definition of sport. This is referred to as '**the Vilnius definition of sport**'. After a scrutinised examination of the Classification of Economic Activities in the European Community (NACE), it was jointly decided which categories or sub-categories are fully or partly related to sports and the definition to which they belong. In the third meeting (May 2007), the Classification of Products by Activity 2002 (CPA 2002) was used. The CPA relates directly to the classification structure under NACE. Specifically, the first four digits are identical. Given the fact that the CPA is a highly segregated classification of products, its use can provide further guidance in identifying and estimating the sport-related element of every NACE category.

2.2 A satellite account system is specifically aimed at subjects, themes, or sectors of the economy, which are not observable in the traditional system of national accounts, because they do not correspond to a specific statistically delineated economic activity.

¹ DCMS, 2004 Sport Satellite Account for the UK, 2010

In other words, a satellite account system is a robust statistical framework for measuring the economic importance of a specific industry, such as the sport sector, within the national economy. The Vilnius definition of sport applied to the system of national accounts forms the basis for the Sport Satellite Account.

3. Value of sport in Austria, Cyprus and the UK, in 2004

3.1 Table 1 illustrates the value of sport in Austria, Cyprus and the UK in terms of GVA and consumer spending. Note that the national currency values have been translated into Euros.

TABLE 1: VALUE OF SPORT, 2004

Member State	Austria	Cyprus	UK
Sport-related GVA (€m)	8,476	308.26	35,878
as % of total GVA	4.0%	2.4%	2.3%
Sport-related consumer spending (€m)	4,690	298.40	34,744
as % of total spending	3.6%	3.7%	3.2%

3.2 Looking at consumer spending, there is not much difference in the value of sport in the three Member States. The percentage of sport-related consumer spending in Austria, Cyprus and the UK is 3.6%, 3.7% and 3.2% respectively. However, looking at the value of sport in terms of GVA, we see two changes take place. First, the percentage share of Austria becomes considerably larger at 4%. This is attributed to the unusually high value of international sport tourism in the country. Second, the UK and Cyprus are closer together at 2.3% and 2.4% respectively.

4. Consumer Spending in Austria, Cyprus and the UK, 2004

TABLE 2: SPORT-RELATED CONSUMER SPENDING, 2004²

Member State	Austria		Cyprus		UK		NACE codes
	€m	%	€m	%	€m	%	
Food/drinks	45.34	0.97	2.83	0.95	352.29	1.01	15
Textiles	52.81	1.13	0.81	0.27	639.66	1.84	17
Wearing apparel	341.65	7.29	28.06	9.40	4072.66	11.72	18
Leather/footwear	71.00	1.51	27.95	9.37	2020.85	5.82	19
Publishing and printing	35.30	0.75	3.30	1.11	1291.22	3.72	22
Coke, petroleum	107.81	2.30	1.48	0.50	362.60	1.04	23
Pharmaceuticals	14.63	0.31	4.92	1.65	232.60	0.67	24
Various metal products	1.85	0.04	0	0.00	2.21	0.01	28
Machinery/weapons	0.25	0.01	2.63	0.88	22.11	0.06	29
Optical instruments	14.13	0.30	0.04	0.01	33.61	0.10	33
Motor vehicles	4.23	0.09	0.32	0.11	120.87	0.35	34
Boats/Aircraft/Cycles	70.27	1.50	7.47	2.50	2412.94	6.94	35
Sport goods	675.18	14.40	6.01	2.02	2471.90	7.11	36
Maintenance of motor vehicles	47.18	1.01	0	0.00	0.00	0.00	50
Hotels and restaurants	1762.19	37.58	1.49	0.50	3046.76	8.77	55
Land transport	7.12	0.15	0.03	0.01	131.19	0.38	60
Water transport	0.10	0.00	0	0.00	4.72	0.01	61
Air transport	22.05	0.47	0.47	0.16	169.51	0.49	62
Travel agencies	8.58	0.18	0.03	0.01	94.34	0.27	63
Telecommunications	0.00	0.00	0.00	0.00	3441.79	9.91	64
Insurance	45.43	0.97	3.71	1.24	67.27	0.19	66
Renting of Machinery and equipment	29.67	0.63	0.27	0.09	150.35	0.43	71
Education	109.01	2.32	17.07	5.72	255.00	0.73	80
Health and vet services	202.80	4.32	6.38	2.14	258.69	0.74	85
Sporting and recreational activities	976.07	20.81	183.12	61.37	13086.17	37.66	92-93
other	45.00	0.96	0	0.00	2.95	0.01	
TOTAL	4,690		298.40		34,744		

4.1 Table 2 above shows consumer spending in Austria, Cyprus and the UK in 2004. The size of total consumer spending in each country is affected greatly by the size of each national economy. Hence there is nothing significant in the fact that the UK, at

² Average exchange rates for 2004 were used: £/Euro = 1.474; C£/Euro = 1.703.

€34.7bn, is significantly greater than both Austria and Cyprus. The important statistics for a meaningful comparison appear in the percentage columns. This shows each element as a percentage of its total. For example, the 'food/drinks' category represents 0.97% of total consumer spending on sport in Austria, and 1.01% in the UK. The last column of the table shows the NACE categories used to define each category. At the end of the report we attach a table that shows the correspondence of the NACE categories used with the codes of the Input- Output publications in the UK.

4.2 The major categories in both UK and Cyprus economies are sporting and recreational activities which account for 38% and 61% of total sport spending respectively. This includes elements such as: 'dance schools', 'spectator sports', 'health and fitness', and 'sports betting'. In the case of Austria, the most important category is 'hotels and restaurants' at 38% of the market. This reflects the strong sports tourism element, particularly from German tourists. This is an element of the Austrian sports market which results from its own geography, and whilst the UK has its own snow sports industry, it is not comparable to the Alpine regions of mainland Europe.. After 'hotels and restaurants', the next most important sector in Austria is 'sporting activities', which accounts for 21% of the market. Some other sectors form an important component of the sports market. 'Health and vet services' are important in Austria and Cyprus, accounting for 4% and 2% of the market respectively. Similarly, sport-related 'education' is a strong factor in both these countries accounting for 2% in Austria and 6% in Cyprus. The commercialisation of television sport in the UK (mainly through BSkyB) resulted in a very large share of sport-related spending at 10% (note that this sector has not been recorded in the Austrian and Cyprus categories). 'Hotels and restaurants' is a large sport-related consumer sector in the UK at 9%, although it is much smaller in importance than in Austria. Spending on 'sport goods' is a strong sector in all countries, reaching 14%, 2% and 7% in Austria, Cyprus and the UK respectively. Spending on 'Boats/Aircrafts/Cycles' and sport-related 'publishing and printing' is particularly strong in the UK accounting for 7% and 4% of all spending respectively. This is not the case in Austria and Cyprus where these categories are much smaller in importance. As expected, spending on 'wearing apparel' is strong throughout,

accounting for 7%, 10% and 12% in Austria, Cyprus and the UK respectively. Finally spending on 'leather/footwear' is weak in Austria but very strong in Cyprus (10%) and the UK (6%).

TABLE 3: CONSUMER SPENDING ON SPORT ACTIVITIES, 2004

Member State	Austria		Cyprus		UK		NACE codes
	€m	% of sport spending	€m	% of sport spending	€m	% of sport spending	
Dancing schools	44.00	0.9	0.92	0.3	196.04	0.6	92.34
Swimming pools and stadiums	812.74	17.3	117.78	39.5	6568.14	18.9	92.61/2
Sports betting	11.88	0.3	30.92	10.4	4890.73	14.1	92.71
Massage and fitness centres	43.37	0.9	10.03	3.4	1283.85	3.7	93

4.3 Table 3 above shows some detailed sports activities that can be derived consistently from the satellite accounts of Austria, Cyprus and the UK. The table does not capture all the details of sports activities considered in the UK, such as boat renting, other participation and a distinction between massage centres and health & fitness. It is immediately apparent that, in Austria, the sports betting market is relatively small, while in Cyprus and the UK it accounts for 10% and 14% of total sport spending respectively. The category 'swimming pools and stadiums' includes 'health and fitness' and 'spectator sports'. This is extremely important in Cyprus (39%) followed by the UK (19%) and Austria (17%). Spending on 'massage and fitness centres' is highest in the UK accounting for 4% of total spending. The least significant category examined in spending terms is 'dancing schools' accounting for only 1% in both Austria and the UK.

5. Gross Value Added in Austria, Cyprus and the UK, in 2004

5.1 Table 4 below presents the results extracted from the three sport satellite accounts regarding final output. This is represented as GVA in the case of Austria and the UK, but as gross output in the case of Cyprus. Although a total figure of GVA is available for Cyprus (as presented in Table 1), a detailed breakdown was not possible.

TABLE 4: SPORT-RELATED OUTPUT, 2004

Member State	Austria		Cyprus		UK		NACE Codes
	€m	%	€m	%	€m	%	
Agriculture	3.58	0.04	1.39	0.31	577.81	1.61	1
Food/drinks	14.18	0.17	4.39	0.97	138.56	0.39	15
Textiles	17.99	0.21	0.38	0.08	168.04	0.47	17
Wearing apparel	19.43	0.23	8.14	1.81	165.09	0.46	18
Leather/footwear	8.09	0.10	3.43	0.76	13.27	0.04	19
Publishing and printing	32.58	0.38	6.64	1.48	543.91	1.52	22
Coke, petroleum	13.40	0.16	5.63	1.25	57.49	0.16	23
Pharmaceuticals	12.67	0.15	6.30	1.40	61.91	0.17	24
Rubber products	0.40	0.00	0.73	0.16	4.42	0.01	25
Various metal products	12.63	0.15	0.39	0.09	2.95	0.01	28
Machinery/weapons	0.72	0.01	2.30	0.51	30.22	0.08	29
Optical instruments	16.88	0.20	0.03	0.01	49.38	0.14	33
Motor vehicles	3.28	0.04	0.15	0.03	57.49	0.16	34
Boats/Aircraft	72.29	0.85	5.25	1.17	916.68	2.55	35
Sport goods	231.48	2.73	2.18	0.48	316.03	0.88	36
Construction	131.52	1.55	19.64	4.36	224.79	0.63	45
Maintenance of motor vehicles	61.52	0.73	1.39	0.31	82.10	0.23	50
Wholesale	303.33	3.58	7.51	1.67	492.61	1.37	51
Retail	539.49	6.36	18.26	4.06	985.22	2.75	52
Hotels and restaurants	4254.53	50.20	7.77	1.72	720.49	2.01	55
Land transport	16.30	0.19	1.62	0.36	169.36	0.47	60
Water transport	0.18	0.00	0	0.00	2.65	0.01	61
Air transport	16.87	0.20	2.37	0.53	81.66	0.23	62
Travel agencies	8.26	0.10	1.03	0.23	923.76	2.57	63
Telecommunications	0.00	0.00	3.09	0.69	3148.46	8.78	64
Financial intermediation	32.54	0.38	1.94	0.43	651.51	1.82	65
Insurance	32.44	0.38	6.06	1.34	48.05	0.13	66
Renting of Machinery /equipment	73.10	0.86	0.58	0.13	143.27	0.40	71
Research and development	1.57	0.02	0	0.00	39.50	0.11	73
Advertising, business activities	20.22	0.24	11.13	2.47	1337.21	3.73	74
Administration	83.46	0.98	1.30	0.29	44.22	0.12	75
Education	982.64	11.59	55.53	12.33	1603.71	4.47	80
Health and vet services	583.85	6.89	10.65	2.37	85.49	0.24	85
Sporting activities	874.15	10.31	223.26	49.58	21881.53	60.99	92-3
other	0.43	0.01	29.84	6.63	109.22	0.30	
TOTAL	8,476		450.29		35,878		

Hence, although the monetary values represent different concepts, the percentage distributions should be indicative of the structure of sport in each country.

Note that the Consumer Table has fewer categories, as financial activities around sport relate to commercial operators only, excluding households. For example, it is unlikely that consumers would pay directly for research and development.

5.2 The structure of consumer spending is similar to some extent in the case of output but with some interesting variations. As before, the most important sectors in Austria and the UK are 'hotels and restaurants' and 'sporting activities' respectively. However, their shares of sport output have increased dramatically, compared to the equivalent spending categories. In the case of Austria this is 50% and, in the case of the UK, this is 61%. The most likely explanation is that these sectors are extremely profitable because of international trade and/or intermediate demand; hence, their GVA share is inflated way above the consumption shares. In the case of Cyprus, the share of 'sporting activities', out of total sport output, is 50%. It is notable that 'wearing apparel', although very important in terms of consumer spending, is not a major category in terms of output. Austria has a very high level of GVA in the cases of 'sporting activities' and 'health and vet services' accounting for 10% and 7% correspondingly. Sport-related 'education' is very important in Austria and Cyprus reaching 12% in both countries, while in the UK it is at a lower level of 4%. The UK produces relatively more value added in 'telecommunications' (9%) and 'advertising, business activities' (4%), while Austria and Cyprus had a strong presence in the construction industry accounting for 4% of total sport-related output (compared to 0.6% in the UK)³.

³ We expect to see a significant increase in the contribution of the construction industry to the UK sports related output prior to 2012 as a result of construction work for the Olympic and Paralympic Games.

6. Sport-related consumer spending in the UK, 2004-2006

6.1 The detailed changes in sport-related consumer spending in the UK, in value terms, are illustrated in Table 5. There has been a gradual increase in spending from £23.6bn in 2004, to £23.9bn in 2005, and finally to £24.0bn in 2006. This represents an increase of 2% over the period 2004-2006 in value terms (but a decrease of 2% in real terms/constant prices). In 2006, the highest spending category was 'sports betting' at £2.8bn, followed by 'wearing apparel' (£2.7bn), 'telecommunications' (£2.6bn) and 'health & fitness' (£2.05bn). A similar spending pattern can be observed in 2004. By considering both the individual size of each sector and the rate of growth, it can be concluded that growth in the sport sector is driven by 'boats/aircraft', 'sport goods', 'telecommunications', and 'massage and fitness centres'.

6.2 In the fourth column of Table 5 below, 2006 values are converted to volumes using 2004 prices. The price deflators are derived from the ONS publication, *Consumer Trends*. Volumes are derived by adjusting the value of expenditure within each industry by the change in the price for each specific industry. These volume indices show the change in the level of consumption. For example, in the case of 'wearing apparel', a value of £2.7bn becomes £2.8bn in volume terms (2004 prices) as clothing became cheaper over the period. The price index moved from 100 in 2004 to 96.4 in 2006 (*Consumer Trends* code: AWLY) so the volume is: $2.729 \times 100 / 96.4$.

6.3 During the 2004-06 period, there was a reduction of the total sports market in real terms by almost 2%. The area of spending with the greatest decline was in 'sports betting' which suffered a 21% reduction in real terms from 2004 to 2006. This was due to a one-off sharp decrease, following the peak of spending in the betting market in 2005, due to changes to the tax regime for gambling in 2001. Significant declines were also registered for 'spectator sports' (-14%), 'travel agencies' (-20%), 'land transport' (-21%) and 'machinery/weapons' (-20%). In contrast, some sectors did show strong growth: 'dance schools' (62%), 'education' (22%), 'health and vet services' (15%), 'textiles' (23%) and 'food/drinks' (15%).

TABLE 5: SPORT-RELATED CONSUMER SPENDING IN THE UK, 2004-2006*

Consumer spending	2004 £m	2005 £m	2006 £m	2006 volume £m	2004-6 volume % change
Food/drinks	239	261	286	276	15
Textiles	434	452	538	536	23
Wearing apparel	2,763	2,658	2,729	2831	2
Leather/footwear	1,371	1,372	1,382	1425	4
Publishing and printing	876	848	820	785	-10
Coke, petroleum	246	248	248	217	-12
Pharmaceuticals	158	164	170	173	10
Various metal products	2	1	1	1	-20
Machinery/weapons	15	15	15	16	5
Optical instruments	23	22	24	38	68
Motor vehicles	82	84	83	86	4
Boats/Aircraft	897	1042	1066	1049	17
Cycles	740	788	774	804	9
Sport goods	1676	1736	1748	1838	10
Hotels and restaurants	2,067	2,051	2,045	1902	-8
Land transport	89	83	77	70	-21
Water transport	3	3	3	3	-6
Air transport	115	108	102	100	-13
Travel agencies	64	74	57	51	-20
Telecommunications	2,335	2,354	2,626	2400	3
Insurance	46	43	106	105	130
Renting of Machinery and equipment	102	89	98	89	-12
Education	173	184	231	211	22
Health and vet services	176	216	214	202	15
Sporting activities					
<i>Dance schools</i>	133	215	236	215	62
<i>Spectator sports</i>	756	720	710	648	-14
<i>Health and fitness</i>	1980	2015	2048	1869	-6
<i>Other participant sports</i>	1720	1655	1702	1553	-10
<i>Sports betting</i>	3318	3391	2828	2631	-21
<i>Boat renting</i>	100	107	114	120	20
<i>Massage, fitness</i>	871	913	950	864	-1
other	3	3	3	3	-10
TOTAL	23,571	23,913	24,034	23,111	-2

*The percentage changes are calculated from non-rounded figures.

7. Sport-related Gross Value Added in the UK, 2004-2006

7.1 The sports market increased significantly in terms of GVA. Between 2004 and 2006, the overall growth was 12% in value terms. Overall, the size of GVA increased from £24.3bn in 2004, to £25.9bn in 2005, and finally to £27.2bn in 2006. By taking into account both the size of the individual categories and the growth rates, we can conclude that, in terms of GVA, the sports market is driven by 'financial intermediation'; 'education'; 'boats/aircrafts'; 'advertising, business activities'; 'telecommunications' and 'construction'. Note that this trend is not related directly to consumer spending, as we do not have consumer spending on sport financial services or sports construction. Financial intermediation is defined in the Input-Output Tables (categories 100-114) and includes activities such as legal services, market research, and accounting services.

7.2 In the fourth column of Table 6 below, values are converted to volumes (2004=100) using, where possible, indices from the *Producer Price Index Bulletins* and the *Services Producer Price Index* (both ONS). As in the case of consumer spending, each market is associated with its own index. This indicates that, despite the reduction of sport-related consumer spending in real terms, sport-related GVA during the period 2004-06 grew in volume by 4%, as sports industry price indices increased less than general price inflation over this period.

8. Sport-related Employment in the UK, 2004-2006

8.1 Over the period 2004-2006, sport-related GVA increased from £24.34bn to £27.18bn, representing an increase of 4% in real terms. As in the case of GVA, sport-related employment fared much better than consumer spending, increasing by 7% over the period 2004-2006. Sport-related employment, starting from a position of 592,000 in 2004, increased gradually to 619,000 in 2005, and to 632,000 in 2006. The sectors that drive the sports market in terms of employment include: 'education' (29% growth), 'boats/aircraft' (17%), 'telecommunications' (8%) and 'sporting activities' (6%).

TABLE 6: SPORT-RELATED GROSS VALUE ADDED IN THE UK, 2004-2006

GVA	2004 £m	2005 £m	2006 £m	2006 Volume £m	2004-6 volume % change
Agriculture	392	278	287	276	-29
Food/drinks	94	101	113	111	18
Textiles	114	114	123	119	4
Wearing apparel	112	104	111	110	-2
Leather/footwear	9	9	10	10	8
Publishing and printing	369	352	356	358	-3
Coke, petroleum	39	33	26	22	-44
Pharmaceuticals	42	51	60	63	49
Rubber products	3	3	3	3	-7
Various metal products	2	1	1	1	-54
Machinery/weapons	21	24	27	26	22
Optical instruments	33.5	32.3	35.1	37	10
Motor vehicles	39	40	40	39	1
Boats/Aircraft	576.4	568.8	733.5	705	22
Cycles	46	43	50	52	13
Sport goods	214	271	237	249	16
Construction	152.5	160.7	171.4	163	7
Maintenance of motor vehicles	55.7	62	64.9	60	8
Wholesale	334.2	372	389.4	372	11
Retail	668.4	744	778.8	743	11
Hotels and restaurants	489	526	548	510	4
Land transport	114.9	104	96.1	87	-24
Water transport	1.8	1.6	1.3	1	-26
Air transport	55.4	49.2	45.1	44	-20
Travel agencies	626.7	694	540	483	-23
Telecommunications	2,136	2,247	2,473	2261	6
Financial intermediation	442	502	641	610	38
Insurance	32.6	31	37.3	37	13
Renting of Machinery and equipment	97.2	99.9	103	94	-3
Research and development	26.8	29.4	32.1	31	16
Advertising, business activities	907.2	961.7	1088.5	1045	15
Administration	30	32.3	33.5	34	12
Education	1088	1200	1493	1362	25
Health and vet services	58	71	69	65	12
Sporting activities	14845	15943	16274	14970	1
other	74.1	83.4	83.2	79	7
TOTAL	24,340	25,940	27,176	25,230	4

TABLE 7: SPORT RELATED EMPLOYMENT IN THE UK, 2004-2006

Employment	2004 000s	2005 000s	2006 000s	change %
Agriculture	7.86	8.05	8.29	5
Food/drinks	1.57	1.67	1.65	6
Textiles	4.38	4.11	3.85	-12
Wearing apparel	4.09	3.37	3.10	-24
Leather/footwear	0.32	0.29	0.32	0
Publishing and printing	8.02	7.47	7.14	-11
Coke, petroleum	0.41	0.37	0.27	-33
Pharmaceuticals	0.62	0.64	0.68	10
Rubber products	0.07	0.07	0.08	14
Various metal products	0.05	0.03	0.04	-23
Machinery/weapons	0.52	0.53	0.57	8
Optical instruments	0.72	0.69	0.67	-7
Motor vehicles	1.01	0.96	0.91	-9
Boats/Aircraft	16.04	17.84	18.84	17
Cycles	1.00	0.88	0.83	-17
Sport goods	6.11	5.95	6.79	11
Construction	3.11	3.20	3.21	3
Maintenance of motor vehicles	1.53	1.57	1.53	0
Wholesale	7.64	7.84	7.67	0
Retail	15.28	15.68	15.33	0
Hotels and restaurants	29.49	30.64	30.86	5
Land transport	3.16	2.79	2.42	-23
Water transport	0.02	0.02	0.02	-30
Air transport	0.81	0.74	0.67	-17
Travel agencies	14.73	15.74	11.29	-23
Telecommunications	33.40	34.77	36.18	8
Financial intermediation	6.20	6.51	7.27	17
Insurance	0.40	0.46	0.47	17
Renting of Machinery and equipment	2.57	2.54	2.58	1
Research and development	0.59	0.63	0.63	7
Advertising, business activities	25.74	26.42	26.59	3
Administration	0.64	0.68	0.70	10
Education	56.14	60.57	72.71	29
Health and vet services	1.72	2.06	2.04	19
Sporting activities	334.23	350.65	354.10	6
other	2.27	2.34	2.08	-8
TOTAL	592.40	618.80	632.40	7

9. Value of sport in the UK

9.1 Table 8 below compares the position of the UK's sports market during the years 2004 and 2006. The main conclusion is that the small decline in the value of sport spending, mainly due to the gambling market decline, did not negatively affect the value of sport in terms of employment and GVA. Sports-related employment as a percentage of total employment increased marginally from 2.4% in 2004 to 2.5% in 2006; the level of sports-related GVA compared to the national figure, remained unchanged at 2.3%.

TABLE 8: VALUE OF SPORT IN THE UK, 2004-2006

	2004	2006
Sport related GVA, £m	24,340	27,176
as % of total GVA	2.3%	2.3%
Sport related consumer spending £m	23,571	24,034
as % of total spending	3.2%	2.9%
Sport related employment, 000s	592.4	632.4
as % of total employment	2.4%	2.5%

Note that the total number of people employed in the UK is taken from the *Labour Force Survey* and is calculated using full time equivalents. Following this method, the numbers of total employment in 2004 and 2006 are 24.510 million and 25.106 million correspondingly. Finally, the GVA total is taken from the Input-Output Tables and the consumer spending total from the publication *Consumer Trends*.

10. Next steps

A further report in 2012 will take this analysis to 2008 and will include statistics on Foreign Trade. The international element will be enhanced by the inclusion of Poland which recently published its first sport satellite account report. Germany is expected to do similar in 2012. In a separate development, the construction of a multiregional EU sport satellite account (funded by the EU) should provide a strong incentive for more countries to construct national sport satellite accounts.

APPENDIX: INPUT-OUTPUT v SIC(03)/NACE CATEGORIES⁴

	123	Industry Product Groups	SIC (03)
Agriculture	1	Agriculture, hunting and related service Activities	1
	2	Forestry, logging and related service activities	2
	3	Fishing, fish farming and related service activities	5
Mining and quarrying	4	Mining of coal and lignite; extraction of peat	10
	5	Extraction of crude petroleum and natural gas; service activities incidental to oil and gas ...	11+12
	6	Mining of metal ores	13
	7	Other mining and quarrying	14
Manufacturing	8	Production, processing and preserving of meat and meat products	15.1
	9	Processing and preserving of fish and fish products; fruit and vegetables	15.2+15.3
	10	Vegetable and animal oils and fats	15.4
	11	Dairy products	15.5
	12	Grain mill products, starches and starch products	15.6
	13	Prepared animal feeds	15.7
	14	Bread, rusks and biscuits; pastry goods and cakes	15.81+15.82
	15	Sugar	15.83
	16	Cocoa; Chocolate and sugar confectionary	15.84
	17	Other food products	15.85 to 15.89
	18	Alcoholic beverages - alcohol and malt	15.91 to 15.97
	19	Production of mineral waters and soft drinks	15.98
	20	Tobacco products	16
	21	Preparation and spinning of textile fibres	17.1
	22	Textile waving	17.2
	23	Finishing of textiles	17.3
	24	Made-up textile articles, except apparel	17.4
	25	Carpets and rugs	17.51
	26	Other textiles	17.52 to 17.54
	27	Knitted and crocheted fabrics and articles	17.6+17.7
	28	Wearing apparel; dressing and dyeing of fur	18
	29	Tanning and dressing of leather; luggage, handbags, saddlery and harness	19.1+19.2
	30	Footwear	19.3
	31	Wood and wood products, except furniture	20
	32	Pulp, paper and paperboard	21.1
	33	Articles of papers and paperboard	21.2
	34	Publishing, printing and reproduction of recorded media	22
	35	Coke, refined petroleum products and nuclear fuel	23
	36	Industrial gases, dyes and pigments	24.11+24.12
	37	Other inorganic basic chemicals	24.13
	38	Other organic basic chemicals	24.14

⁴ Categories with sports element are in bold.

39	Fertilisers and nitrogen compounds	24.15
40	Plastics and synthetic rubber in primary forms	24.16+24.17
41	Pesticides and other agro-chemical products	24.2
42	Paints, varnishes and similar coatings, printing ink and mastics	24.3
43	Pharmaceuticals, medicinal chemicals and botanical products	24.4
44	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	24.5
45	Other chemical products	24.6
46	Man-made fibres	24.7
47	Rubber products	25.1
48	Plastic products	25.2
49	Glass and glass products	26.1
50	Ceramic goods	26.2+26.3
51	Bricks, tiles and construction products in baked clay	26.4
52	Cement, lime and plaster	26.5
53	Articles of concrete plaster and cement; cutting, shaping and finishing of stone; manufacture ...	26.6 to 26.8
54	Basic Iron and steel and of ferro-alloys; manufacture of tubes and other first processing of iron ...	27.1 to 27.3
55	Basic precious and non-ferrous metals	27.4
56	Casting of metals	27.5
57	Structural metal products	28.1
58	Tanks, reservoirs and containers of metal; central heating radiators and boilers; steam ...	28.2+28.3
59	Forging, pressing, stamping and roll forming of metal; powder metallurgy; treatment and ...	28.4+28.5
60	Cutlery, tools and general hardware	28.6
61	Other fabricated metal products	28.7
62	Machinery for the production and use of mechanical power; except aircraft, vehicle and cycle ...	29.1
63	Other general purpose machinery	29.2
64	Agricultural and forestry machinery	29.3
65	Machine tools	29.4
66	Other special purpose machinery	29.5
67	Weapons and ammunition	29.6
68	Domestic appliances not elsewhere classified	29.7
69	Office machinery and computers	30
70	Electric motors, generators and transformers; manufacture of electricity distribution and ...	31.1+31.2
71	Insulated wire and cable	31.3
72	Electrical equipment not elsewhere classified	31.4 to 31.6
73	Electronic valves and tubes and other electronic components	32.1
74	Television and radio transmitters and apparatus for line telephony and line telegraphy	32.2
75	Television and radio receivers, sound or video recording or reproducing apparatus and ...	32.3
76	Medical, precision and optical instruments, watches and clocks	33
77	Motor vehicles, trailers and semi-trailers	34
78	Building and repairing of ships and boats	35.1
79	Other transport equipment	35.2+35.4+35.5
80	Aircraft and spacecraft	35.3
81	Furniture	36.1
82	Jewellery and related articles; musical instruments	36.2+36.3

	83	Sports goods, games and toys	36.4+36.5
	84	Miscellaneous manufacturing not elsewhere classified; recycling	36.6+37
Electricity, gas and water supply	85	Production, transmission and distribution of electricity	40.1
	86	Gas; distribution of gaseous fuels through mains; steam and hot water supply	40.2+40.3
	87	Collection, purification and distribution of water	41
Construction	88	Construction	45
Wholesale and retail trade	89	Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel	50
	90	Wholesale trade and commission trade, except of motor vehicles and motorcycles	51
	91	Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods	52
	92	Hotels and restaurants	55
Transport and communication	93	Transport via railways	60.1
	94	Other land transport; transport via pipelines	60.2+60.3
	95	Water transport	61
	96	Air transport	62
	97	Supporting and auxiliary transport activities; activities of travel agencies	63
	98	Post and courier activities	64.1
	99	Telecommunications	64.2
Financial Intermediation	100	Financial intermediation, except insurance and pension funding	65
	101	Insurance and pension funding, except compulsory social security	66
	102	Activities auxiliary to financial intermediation	67
	103	Real estate activities with own property; letting of own property, except dwellings	70.1+70.2(pt)
	104	Letting of dwellings, including imputed rent	70.2(pt)
	105	Real estate activities on a fee or contract basis	70.3
	106	Renting of machinery and equipment without operator and of personal and household goods	71
	107	Computer and related activities	72
	108	Research and development	73
	109	Legal activities	74.11
	110	Accounting, book-keeping and auditing activities; tax consultancy	74.12
	111	Market research and public opinion polling; business / management consultancy activities; ...	74.13 to 74.15
	112	Architectural and engineering activities and related technical consultancy; technical testing and ...	74.2+74.3
	113	Advertising	74.4
114	Other business services	74.5 to 74.8	
Public administration	115	Public administration and defence; compulsory social security	75
Education, health and social work	116	Education	80
	117	Human health and veterinary activities	85.1+85.2
	118	Social work activities	85.3
Other services	119	Sewage and refuse disposal, sanitation and similar activities	90
	120	Activities of membership organisations not elsewhere classified	91
	121	Recreational, cultural and sporting activities	92
	122	Other Service Activities	93
	123	Private households employing staff and undifferentiated production activities of households ...	95 to 97