

Eurostat regional yearbook 2007



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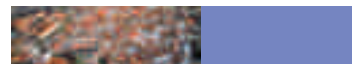
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Preface

Dear Reader,

Once again Eurostat is pleased to provide you with an overview of the most recent developments in the regions of the European Union, covering as far as possible the current 27 Member States as well as EFTA countries. The themes selected represent those that we consider to have something interesting to show about the various facets of economic, social and demographic development across Europe's regions. For the first time we have included a contribution on the GDP aspect, authored in cooperation with the Regional Policy DG, our primary client for regional data.

This is a very significant moment in regional policy in that it is the first year of implementation of the new cohesion policy of the Union, which runs until 2013 and carries with it the largest ever investment the Community has made in regional development, some EUR 347 billion. These regional statistics will form part of the yardstick against which the development of the EU regions will be measured. You will also find in this publication a chapter on urban statistics, which is the result of our cooperation with the Regional Policy DG on the Urban Audit exercise. This is an increasingly important component of the regional development policy initiative.

Meanwhile, in cooperation with our ESS partners we shall continue to progressively expand the regional information, both in terms of detail and coverage that we have available, to provide an increasingly complete picture of the complexities of regional development across the EU.

I wish you a pleasant and interesting reading.



Hervé Carré
Director-General, Eurostat



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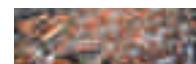
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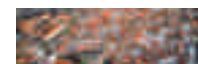


Contents

INTRODUCTION	9
Only regional statistics give the complete picture	10
The NUTS classification	10
Coverage	10
More regional information	10
Data extraction.....	11
1 POPULATION	13
Unveiling the regional pattern of demography	14
The drivers behind population change	14
Demographic ageing: the situation today	17
... and its impact in the future	21
<i>Methodological notes</i>	23
2 GROSS DOMESTIC PRODUCT	25
Large regional disparities in GDP per inhabitant.....	26
Cohesion policy 2007–13	26
GDP growth is accelerating outside the EU's core.....	28
The EU is converging but what is happening within Member States?	28
Conclusion.....	31
<i>Methodological notes</i>	31
3 HOUSEHOLD ACCOUNTS.....	35
Introduction: measuring wealth	36
Private household income	36
Results for 2004	36
Primary income	36
Disposable income.....	37
Dynamic development on the edge of the Union	42
Executive summary.....	42
<i>Data availability</i>	45
4 LABOUR MARKET	47
EU employment objectives	48
Target 1: Overall employment rate above 67 %	48
Target 2: Female employment rate above 57 %.....	51
Target 3: Older workers above 50 %	51
Gender gap narrowing	53
Unemployment	56
Conclusion.....	59
<i>Methodological notes</i>	59
<i>Definitions</i>	59



5	LABOUR PRODUCTIVITY	61
	Introduction	62
	Still considerable differences in regional labour productivity	62
	Differing productivity growth rates are leading to increased convergence	62
	Labour productivity in manufacturing industry and the services sector	65
	Conclusion	67
	<i>Methodological notes</i>	70
6	URBAN STATISTICS	73
	Introduction	74
	Measuring quality of life in cities	74
	The spatial units	74
	Time	74
	Indicators	74
	Exploring the patterns of population change	74
	The perceived picture	81
	Beyond the growth rates	81
7	SCIENCE, TECHNOLOGY AND INNOVATION	85
	Introduction	86
	Research and development	86
	Human resources in science and technology	89
	High-tech industries and knowledge-intensive services	89
	Patents	92
	Patstat	92
	Patenting in the regions	92
	Conclusion	94
	<i>Methodological notes</i>	95
8	STRUCTURAL BUSINESS STATISTICS	97
	Introduction	98
	The most specialised regions in different activities	98
	Specialisation in business services	100
	Employment growth in business services	103
	Characteristics of the top 30 most specialised regions in business services	107
	Conclusion	107
	<i>Methodological notes</i>	109
9	TRANSPORT	111
	Introduction	112
	Transport infrastructure	112
	Transport equipment	112
	Maritime transport	115
	Road freight	117
	Air transport	119



Conclusion.....	119
<i>Methodological notes</i>	121
10 TOURISM	123
Introduction	124
Accommodation capacity.....	124
Capacity utilisation data	126
Tourism intensity.....	128
The development of tourism 2000–05	128
Inbound international tourism	130
Outlook.....	130
<i>Methodological notes</i>	133
11 EDUCATION	135
Introduction	136
Participation of 4-year-olds in education.....	136
Students in upper secondary education and post-secondary non-tertiary education	136
Students in tertiary education.....	138
Tertiary educational attainment	141
Participation in lifelong learning	141
Conclusion.....	141
<i>Methodological notes</i>	144
12 AGRICULTURE	147
Introduction	148
Contribution of agriculture to GDP	148
Labour productivity of agriculture	148
Income diversification in the farming community	151
Use of chemicals in agriculture	151
Agricultural productivity.....	151
Conclusion.....	155
<i>Methodological notes</i>	157
ANNEX	159
European Union: NUTS 2 regions	159
EFTA countries: Statistical regions at level 2	162

Introduction



Only regional statistics give the complete picture

Regional statistics are of the utmost importance for understanding economic and social trends in the European Union. The enormous Structural Funds budget of EUR 347 billion for 2007–13 highlights how much importance the EU attaches to reducing the gaps between regions in terms of their economic and social development.

Should you want to dig deeper into the way the regions of Europe are evolving in a host of very different statistical domains, this is the publication for you! The texts and statistical maps offer a wealth of information on life in the European regions. In its second chapter (on gross domestic product), this edition of the regional yearbook also gives for the first time an overview of the European Union's cohesion policy, written by a specialist from the Directorate-General for Regional Policy, one of the main users of statistics at a regional level.

This year we also see the welcome reappearance of statistics on tourism and on education, two very interesting topics we are happy to address again. The chapter on labour productivity, which appeared for the first time last year, focuses this year on productivity in different business areas. And of course, when we analyse regional trends in Europe, we also cover the situation in European cities; hence the chapter on urban statistics, this time concentrating on demographic trends in cities.

The NUTS classification

All statistics at regional level within the EU are based on the nomenclature of territorial units for statistics (NUTS). The NUTS classification has been used for many decades for regional statistics, and was always the base for regional funding policy. It was only in 2003, though, that NUTS acquired a legal basis, when the NUTS regulation was adopted by the Parliament and the Council ⁽¹⁾.

Whenever new Member States join the EU, the NUTS regulation is of course amended to include the regional classification in those countries. This was the case in 2004, when the EU took in 10 new Member States. Bulgaria and Romania became members of the European Union on 1 January 2007. Both countries have had statistical regions, similar to NUTS, since 1998. For NUTS purposes, though, they acquired new codes, and these have been valid since 1 January 2007.

The NUTS regulation provides for a review to be conducted every three years whereby the regional classification can be changed and adapted to new administrative boundaries or economic circumstances. In 2006, this exercise took place for the first time, but since the resultant changes to the NUTS classification will only be put into practice at the beginning of 2008, this edition still follows the 2003 version of NUTS. Next year's edition will thus see a number of changes to the regional classification of countries.

With this publication you will find a folding map showing all the regions corresponding to NUTS level 2 in the 27 Member States of the EU (EU-27) and the EFTA countries, and in Annex 1 you will find the full list with the codes and names of these regions.

Coverage

This regional yearbook contains statistics for all 27 Member States of the European Union, including the two new Member States, Bulgaria and Romania. This year coverage has been extended to take in the EFTA countries, so you will now also find commentaries on regional developments in Iceland, Liechtenstein, Norway and Switzerland.

Regions in the EFTA countries are called statistical regions and follow the same rules as the NUTS regions in the EU, except that there is no legal base. Data from the EFTA countries are still unavailable in some policy areas, but the data availability situation is improving, and next year we hope to have even better coverage. It is often interesting to compare regional data from the EFTA countries with the neighbouring Member States, for instance to compare Norway with Sweden or Switzerland with Austria. Of course there are many similarities between neighbouring regions in different countries, but sometimes the disparities can be just as interesting.

Data from the three candidate countries, Croatia, the former Yugoslav Republic of Macedonia and Turkey, have not been included in this year's edition of the regional yearbook, because we still have too little data at regional level.

More regional information

Under the theme 'General and regional statistics' on the Eurostat website you will find tables with statistics on both 'Regions' and the 'Urban Audit' with more detailed time series (some of them going back as far as 1970) and more

⁽¹⁾ More information on the NUTS classification can be found on the Internet (http://ec.europa.eu/eurostat/ramon/nuts/splash_regions.html).



detailed statistics than in this yearbook. You will also find a number of indicators at NUTS level 3 (such as area, demography, gross domestic product and labour market data). This is important because there are currently eight Member States (Denmark, Estonia, Cyprus, Latvia, Lithuania, Luxembourg, Malta and Slovenia) that do not have a NUTS level 2 classification. Next year, when the amended NUTS classification comes into use, Denmark too will have NUTS level 2 regions.

For more detailed information on the contents of the regional and urban databases please consult the Eurostat publication *European regional and urban statistics — Reference Guide — 2007 edition*, which you can download from the Eurostat website.

Previously, a CD-ROM was always attached to this publication. This tradition has now been stopped as all the information that used to be on the CD-ROM can now be found on the Eurostat website. This includes the specific data used for producing the maps in this regional yearbook, which can be found as Excel tables on the website.

Data extraction

The statistical data set out in the *Eurostat regional yearbook 2007* were extracted during the first few months of 2007; the final closure date was 15 May 2007, so the data represent the latest available information at that time. For the very latest statistics on each subject, please consult the Eurostat website (<http://ec.europa.eu/eurostat>).

Structural business statistics

8

Introduction

What effects do the European Union's economic and regional policies have on the business structure of the regions? Which sectors are growing, which are contracting and which regions are likely to be most affected? What are the differences in wage levels and what effects will this have on the future location of business activities? A detailed analysis of the structure of the European economy can only be made at regional level. Regional structural business statistics (SBS) provide data with a detailed sectoral breakdown which can be used for this kind of analysis.

This chapter starts by looking at the different activities that make up the regional business economy and which of all European regions are the most specialised in the different activities. The remainder of the chapter focuses on one particular type of activity — 'business services'. The considerable political interest in business services, often seen as a driver of the knowledge-based economy, has been triggered by the sector's high growth rates and its complex relationship with clients elsewhere in the economy. Moreover, its labour-intensive nature has also attracted interest as a potential provider of new jobs in the future. Business services are services that are usually (but not always) provided to other businesses — examples include software development, auditing of accounts, preparation of building plans by an architect, or labour recruitment. Some of these services are also performed in-house. However, there has been a growing trend to outsource more and more of these activities, leading to an increase in the demand for business services.

The most specialised regions in different activities

Table 8.1 shows which of all regions in the EU-27 and Norway (data for Bulgaria, Greece, Malta and Luxembourg are not available) is the single most 'specialised' region in different parts of the business economy (excluding financial services), on the basis of shares of the total workforce. There are a number of factors that contribute to regional concentrations and specialisation. Geographical and geological factors help explain why some regions are particularly specialised in mining and quarrying, energy production or the forest-based activities of wood and paper manufacturing. Śląskie (Poland) and Bratislavský kraj (Slovakia) are centres of coal production, while

over 70 % of Norra Mellansverige (Sweden) and Itä-Suomi (Finland) are covered by forests, around which much of the local economy has developed. In a similar vein, it is not surprising that Bretagne (France) is the most specialised region for food and beverage manufacturing; it is a largely rural area with a long coastline and a high proportion of agricultural land. The weather, landscape and location are key factors driving relative specialisation within the hotels and restaurants sector, where the most specialised regions are all popular holiday destinations. Location close to a critical mass of clients (other enterprises or private consumers), as well as a concentrated skills base help explain why many of the knowledge-intensive service sectors (such as research and development, computer services or other business services) tend to be concentrated within capitals or other densely populated regions. In many activities there are strategic clusters of enterprises, such as manufacturers of motor vehicles and their parts around Stuttgart or Wolfsburg in Braunschweig, or communications in Köln (all Germany). It should be stressed that specialisation ratios in relatively small regions, and for relatively small activities, can be heavily influenced by the location of a few specific producers.

In most activities, the leading region has retained its position since 2003, although in several cases there was a decline in the number of persons employed in 2004. Among these, the publishing and printing sector of Inner London in the United Kingdom (– 12.8 %) and the clothing industry of Nord-Est in Romania (– 9.2 %) recorded the largest reductions. In contrast, strong growth of over 10 % was recorded in the hotels and restaurants sector in the Illes Balears (Spain), medical, precision and optical instruments manufacturing in Border, Midlands and Western (Ireland), recycling in Sud-Est (Romania), and wholesale trade in Flevoland (Netherlands). A change in the top position occurred in pulp and paper and motor trades, where Norra Mellansverige (Sweden) and Brandenburg — Südwest (Germany) both moved up from third place. In four activities, the former number two has taken over the top position: fabricated metal products (Arnsberg, Germany), office machinery and computers (Southern and Eastern, Ireland), computer services (Berkshire, Bucks and Oxfordshire, United Kingdom) and research and development (Oberbayern, Germany). Finally, in construction and distributive trades, the two now leading Spanish regions (País Vasco and Ciudad Autónoma de Ceuta) were not among the top 20 in 2003.

Table 8.1: Most specialised region by activity, EU-27 and Norway, 2004
Percentage of total non-financial business economy employment

ACTIVITY (NACE)	REGION (NUTS 2)	% of total
MINING AND QUARRYING (C 10-14)	Śląskie (PL22)	11.5
MANUFACTURING (D 15-37)	Západné Slovensko (SK02)	61.7
Food products and beverages (DA 15)	Bretagne (FR52)	c
Tobacco (DA 16)	Trier (DEB2)	c
Textiles (DB 17)	Prov. West-Vlaanderen (BE25)	6.5
Clothing (DB 18)	Nord-Est (RO21)	11.9
Leather (DC 19)	Marche (ITE3)	8.4
Wood (DD 20)	Itä-Suomi (FI13)	6.3
Pulp and paper (DE 21)	Norra Mellansverige (SE06)	5.0
Publishing and printing (DE 22)	Inner London (UK11)	4.7
Coke, refined petroleum products, nuclear fuels (DF 23)	Cumbria (UKD1)	c
Chemicals (DG 24)	Rheinessen-Pfalz (DEB3)	c
Rubber and plastics (DH 25)	Auvergne (FR72)	9.1
Other non-metallic mineral products (DH 26)	Centro (PT16)	5.5
Basic metals (DJ 27)	Východné Slovensko (SK04)	c
Fabricated metal products (DJ 28)	Arnsberg (DEA5)	9.0
Machinery and equipment (DK 29)	Tübingen (DE14)	12.2
Office machinery and computers (DL 30)	Southern and Eastern (IE02)	1.6
Electrical machinery and apparatus (DL 31)	Západné Slovensko (SK02)	10.0
Radio, TV and communication equipment (DL 32)	Pohjois-Suomi (FI1A)	6.8
Medical, precision and optical equipment (DL 33)	Border, Midlands and Western (IE01)	5.6
Motor vehicles, trailers and semi-trailers (DM 34)	Braunschweig (DE91)	c
Other transport equipment (DM 35)	Agder og Rogaland (NO04)	6.5
Furniture and other manufacturing (DN 36)	Warmińsko-Mazurskie (PL62)	8.1
Recycling (DN 37)	Sud-Est (RO22)	0.6
ELECTRICITY, GAS AND WATER SUPPLY (E 40-41)	Bratislavský kraj (SK01)	7.6
Energy (E 40)	Bratislavský kraj (SK01)	c
Water supply (E 41)	Stredné Slovensko (SK03)	3.8
CONSTRUCTION (F 45)	País Vasco (ES21)	26.6
DISTRIBUTIVE TRADES (G 50-52)	Ciudad Autónoma de Ceuta (ES63)	43.0
Motor trades (G 50)	Brandenburg — Südwest (DE42)	7.4
Wholesale trade (G 51)	Flevoland (NL23)	15.4
Retail trade (G 52)	Ciudad Autónoma de Ceuta (ES63)	26.4
HOTELS AND RESTAURANTS (H 55)	Illes Balears (ES53)	27.7
TRANSPORT AND COMMUNICATIONS (I 60-64)	Åland (FI20)	48.7
Land transport (I 60)	Bratislavský kraj (SK01)	18.0
Water transport (I 61)	Åland (FI20)	39.1
Air transport (I 62)	Outer London (UK12)	3.6
Supporting transport activities, travel agencies (I 63)	Bremen (DE50)	10.5
Post and telecommunications (I 64)	Köln (DEA2)	26.2
REAL ESTATE, RENTING, BUSINESS ACTIVITIES (K 70-74)	Inner London (UK11)	46.8
Real estate (K 70)	Latvia (LV00)	5.1
Renting (K 71)	Guadeloupe (FR91)	2.1
Computer services (K 72)	Berkshire, Bucks and Oxfordshire (UKJ1)	7.7
Research and development (K 73)	Oberbayern (DE21)	2.0
Other business services (K 74)	Inner London (UK11)	36.0

Notes:

BG, EL, LU, MT not available

CY excluding Real estate (K 70) and Research and development (K 73). NO excluding Water supply (E 41)

CY national data based on enterprises instead of local units

c: confidential data

Specialisation in business services

Services are an important and growing area of the EU economy which has in recent years attracted increasing political and economic interest. This interest has to some degree been focused on the area of business services, where growth has been rapid due to the outsourcing phenomenon. These services can be produced either internally by the enterprise itself or they can be purchased. Many enterprises have outsourced some of their services activities previously produced in-house in order to procure these services on a competitive market, with the objective of reducing costs and gaining in flexibility. Business services enterprises enable their clients to focus on their core business activities and reduce their need to occupy their own personnel on ancillary or supporting functions.

Map 8.1 shows how specialised different regions are in one of the two main segments of business services — computer services. Computer services (NACE Division 72) cover consultancy activities for hardware or software, data processing activities, database activities and the maintenance and repair of office and information technology machinery. This sector is at the forefront of the information society, with enterprises that support clients in a broad range of areas, in almost all economic activities. It is quite common for enterprises to outsource their requirements for hardware and software to specialist providers. The possibility to trade such services across borders has been increased by improved telecommunications, notably growing access to broadband Internet.

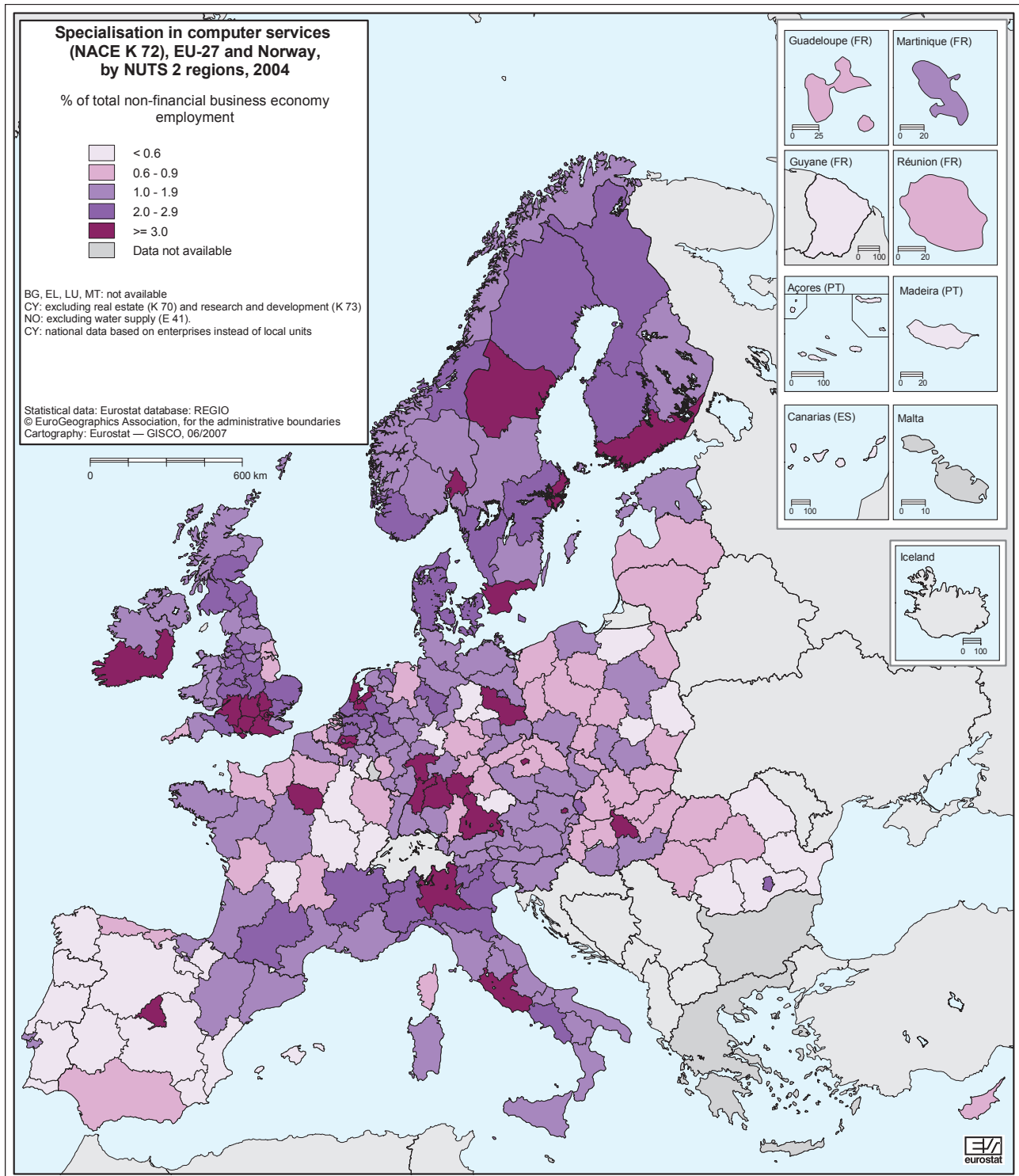
Computer services are particularly concentrated in north-western and central parts of Europe, with generally high degrees of specialisation in most regions in Scandinavia, the United Kingdom, Ireland and the Netherlands. There are two important clusters of regions with very high specialisation in computer services (above 3 % of total employment), one in the South-East (United Kingdom) around London, the other in southern Germany, in a belt from the south-eastern part of Bayern to Darmstadt in Hessen. Within the countries, computer services are generally most developed in and around the capital or other major cities. Ten capital regions were among the 31 regions where computer services accounted for over 3 % of total employment. In fact, the capital region was the most specialised region in all countries except Germany, Belgium, the Netherlands and the United Kingdom. However, it should be noted that also in these countries

more than 2.5 % of the persons employed in the capital region worked in computer services. The capital regions have a high degree of specialisation also in south-western and eastern Europe, where computer services are generally less developed. For example, in Comunidad de Madrid (Spain), computer services account for 3.9 % of total employment and in Bucureşti – Ilfov (Romania) the share is 2.4 %, both around 2.5 times the national average. An interesting exception is Mellersta Norrland in the northern part of Sweden, where 4.1 % of the persons employed work in computer services. This is a region where the population density is very low, although there are large differences between the interior and the more populated coastal areas.

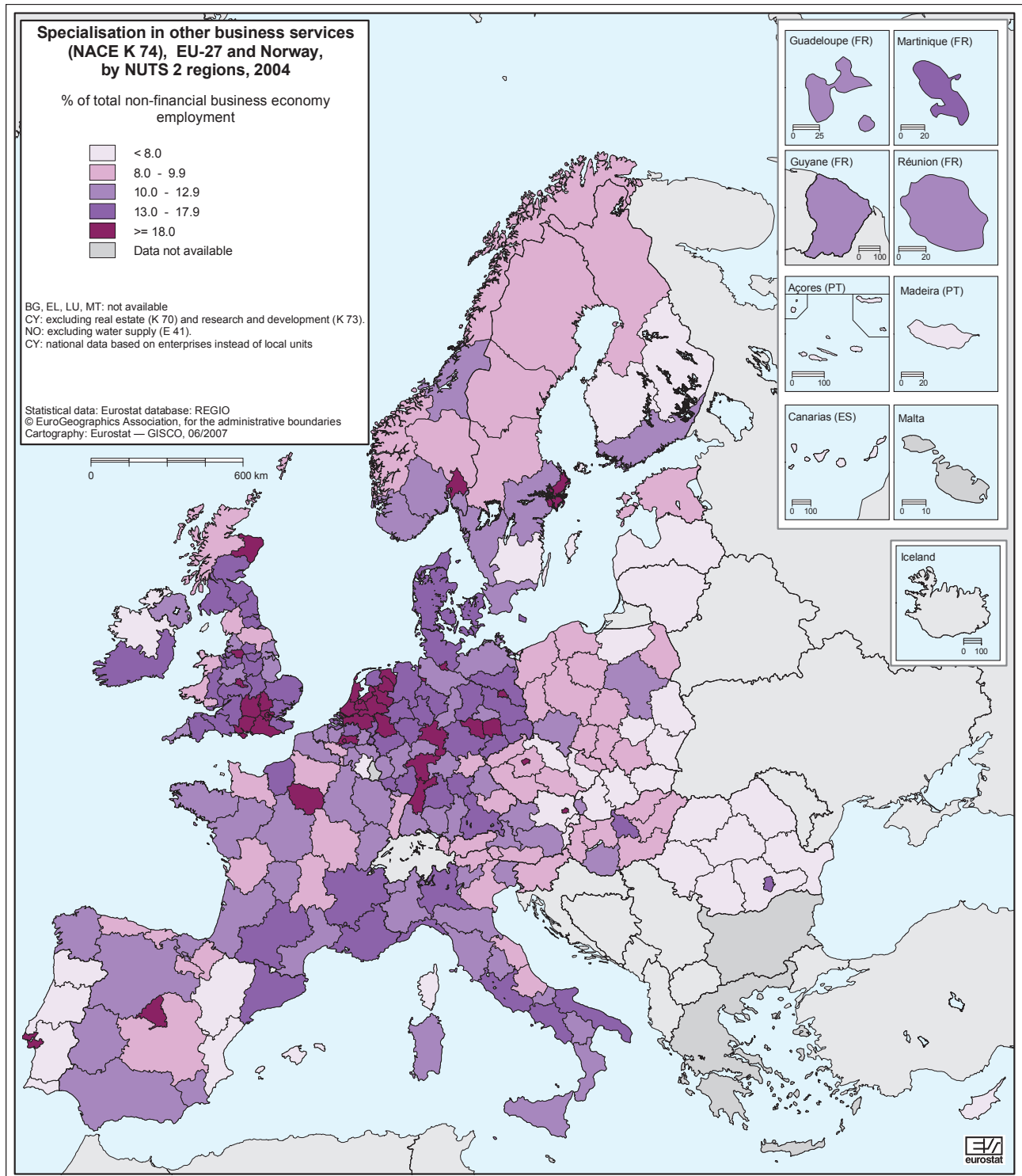
Map 8.2 shows the degree of specialisation in other business services (NACE Division 74). Other business services include many highly specialised knowledge-intensive activities such as legal, accounting and management services, architectural and engineering activities, advertising, and the supply of personnel and placement services provided by labour recruitment enterprises. Security and industrial cleaning services are also included, as well as the provision of secretarial, translation, packaging and other professional business services. Other business services are also highly concentrated on large metropolitan areas. The capital region is the most specialised region in all countries except the Netherlands, where Noord-Holland (which includes Amsterdam) was just behind Utrecht. Three quarters of the regions with the highest specialisation (above 18 % of the persons employed) are located in the Netherlands, Germany or the United Kingdom. The Netherlands is particularly specialised in this activity, which accounts for over 15 % of persons employed in all regions. In the United Kingdom, there is a high degree of specialisation in the regions around London and other metropolitan areas such as Greater Manchester and West Midlands. There is also a relatively high share of persons employed in other business services in Scotland, partly stemming from the location of many call centres in the region.

Figure 8.1 shows the difference in the degree of specialisation in total business services (sum of computer services and other business services) across countries, as well as between the regions with the highest and lowest value in each country. The graph also shows clearly the dominance of the capital region, which is the most specialised in all countries except the Netherlands. There are just as large differences in specialisation within these countries as there are between them.

Map 8.1: Specialisation in computer services (NACE K 72), EU-27 and Norway, by NUTS 2 regions, 2004
 Percentage of total non-financial business economy employment



Map 8.2: Specialisation in other business services (NACE K 74), EU-27 and Norway, by NUTS 2 regions, 2004
 Percentage of total non-financial business economy employment



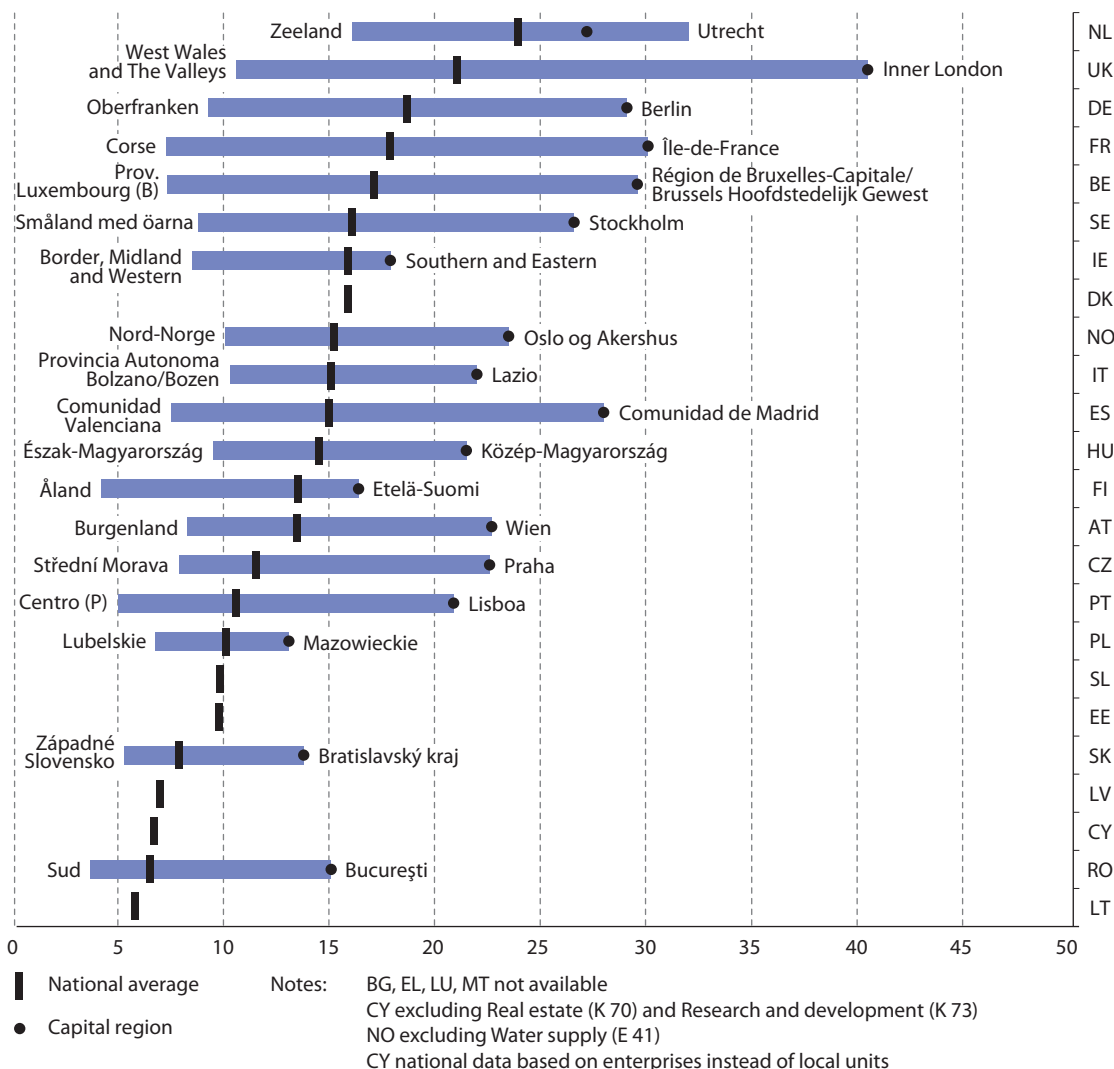
Business services in the most specialised country, the Netherlands, account on average for 24 % of persons employed, around four times more than in the least specialised country, Lithuania. The same factor also differentiates the most and least specialised region in the four countries with the largest regional disparities. Interestingly, these include two of the countries with the lowest average specialisation, Portugal and Romania, and also two of the most specialised countries, France and Belgium. At the other end of the scale are the Netherlands and Poland, with a factor of 2 differentiating the regions with the highest and lowest values. It should be noted that the Netherlands, the United Kingdom, Belgium and France are countries that all have relatively strongly de-

veloped markets in labour recruitment (NACE 74.50). As personnel hired by enterprises in other economic sectors are counted as being employed by labour recruitment enterprises, this contributes to higher labour-intensity ratios in the business services sector of these countries.

Employment growth in business services

Employment in business services generally (the sum of computer services and other business services) in the EU-27 grew by an impressive 43 % between 1998 and 2006, according to short-term statistics (STS). Employment in

Figure 8.1: Specialisation in business services (NACE K 72 and K 74), EU-27 and Norway, by NUTS 2 regions, 2004
Highest and lowest value per country, percentage of total non-financial business economy employment



computer services grew by nearly 57 %, while employment in other business services grew by around 40 %. Employment in computer services grew particularly strongly up to 2001 and then stabilised, while there was steady growth in employment in other business services over this period. In contrast, employment in manufacturing declined by 11 % in the same period, at the same time as the value added generated steadily increased. This is partly because of technological gains, but also a result of outsourcing, where tasks which partly used to be performed in-house are instead purchased from other sectors, not least from business services providers. In 2004, around 20 % of the turnover in business services came from services provided to manufacturing clients. This includes people employed by labour recruitment enterprises that work directly in manufacturing enterprises. In 2004, around a quarter of the turnover of labour recruitment enterprises came from the supply of industrial personnel (4).

(4) Data refer to an average of the 15 countries with data available, limited to the knowledge-intensive parts of the sector, i.e. excluding security, cleaning and similar services (NACE 74.6 to 8).

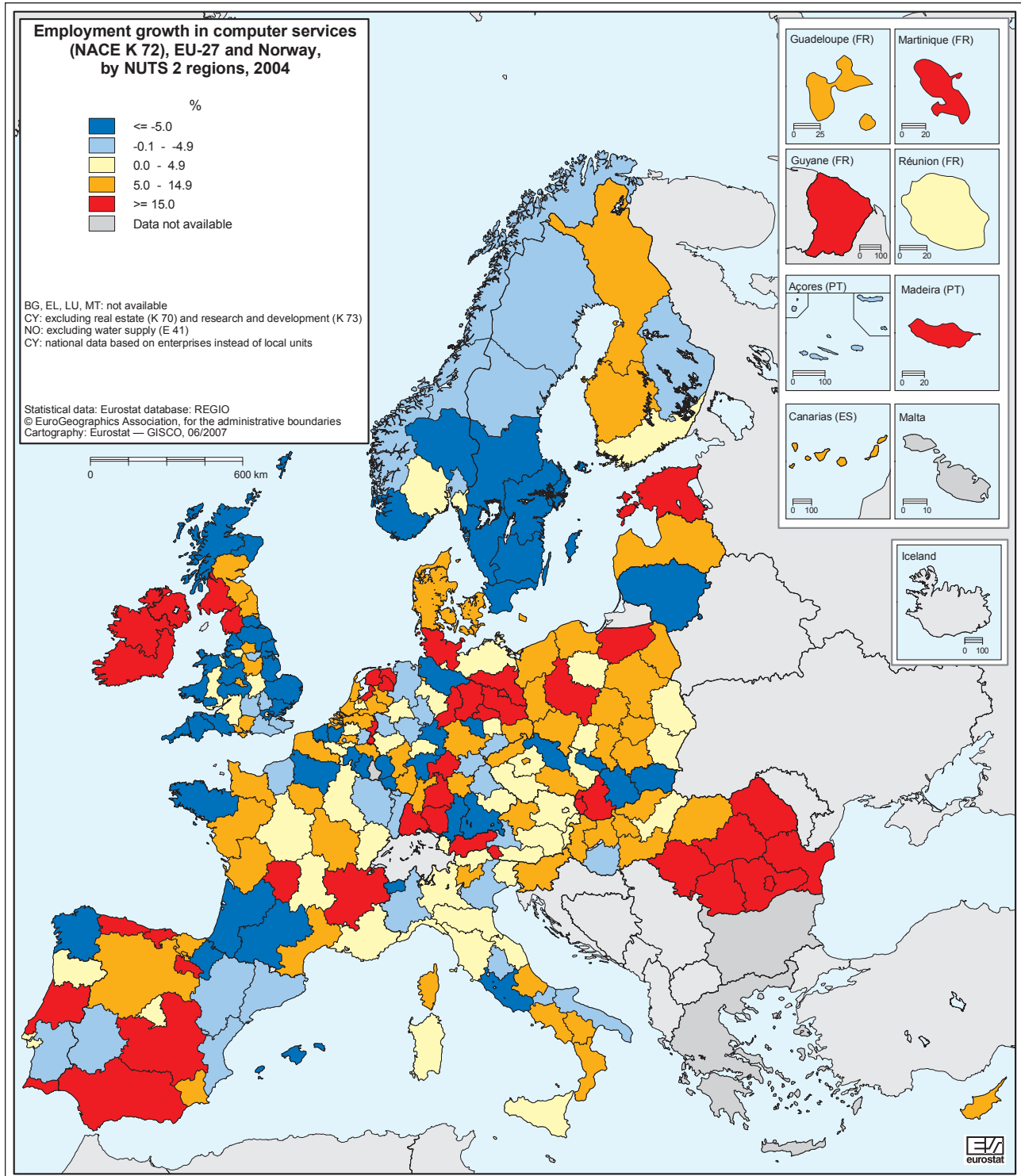
Maps 8.3 and 8.4 show the growth rate of employment in 2004 in computer services and other business services respectively. The pattern for computer services is to a large extent the opposite of that for specialisation shown on Map 8.1. Regions with the highest growth rates are predominantly in eastern or southern Europe, including several of the regions in Romania, Poland, Spain and Portugal. Many of these are among the least specialised regions in computer services. Conversely, regions where employment is decreasing are predominantly in the northern and central parts of Europe, including all regions in Sweden and large parts of the southern half of the United Kingdom. However, although some jobs may have moved to the east and south, there has been a net increase in employment also in the northern and central parts of Europe. In 2004, there was a total net increase of 68 000 persons employed in the regions of the countries with data available. There was a relatively large net increase of 23 000 persons employed in the regions of the Member States (MS) that joined the EU in 2004, equal to a growth rate of 10.3 %. In the regions of Spain and Portugal employment grew by 3.3 % on average, which means a net increase of close to 7 000 people. However, there was also a net increase of around 28 000 people in the regions of the remaining Member States and Norway, although the average growth rate there was clearly lower (+ 1.4 %).

Map 8.3 shows clearly that there are large differences in the evolution of employment between neighbouring regions, not least in the northern

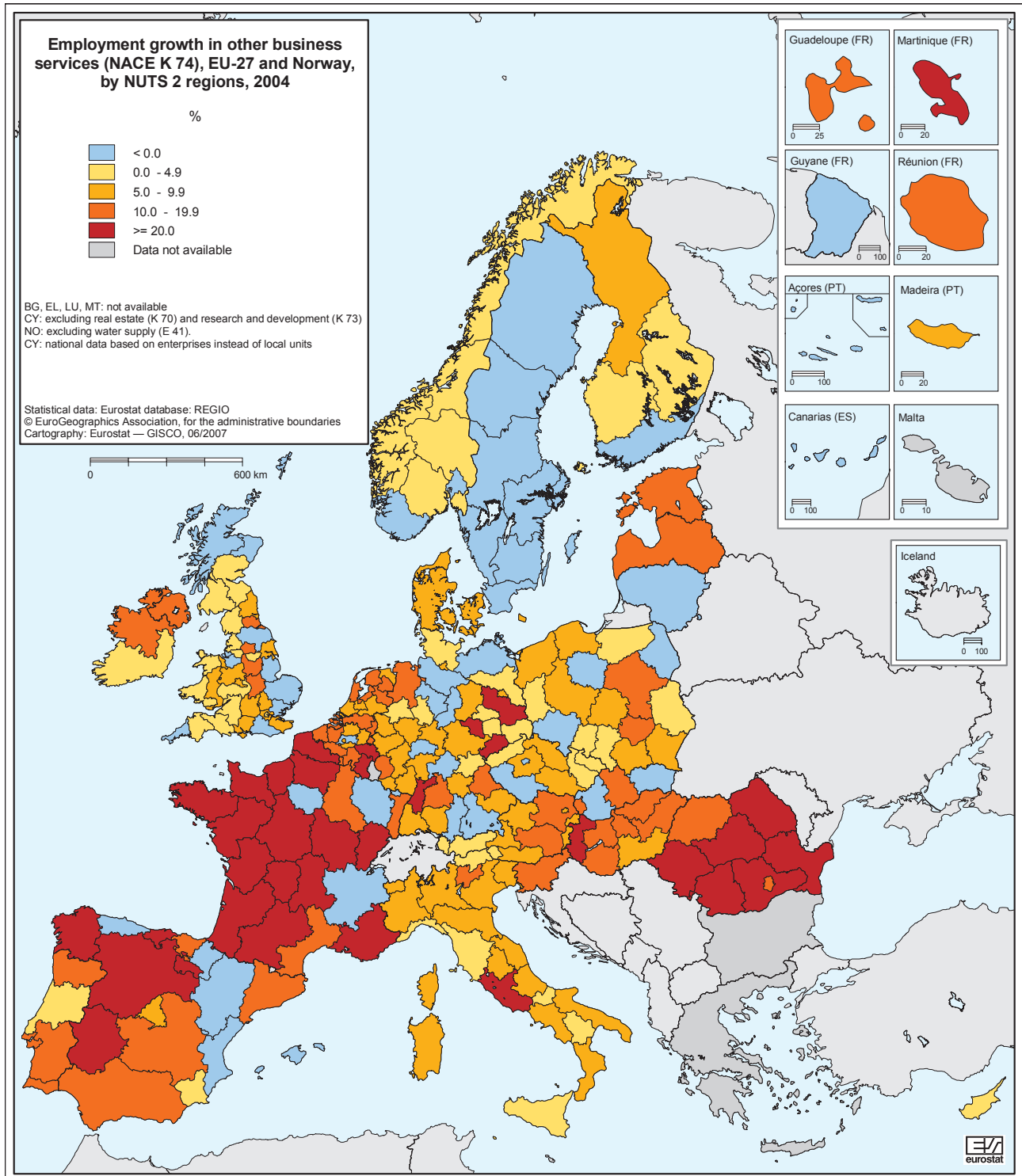
and central parts of Europe. One example is the United Kingdom, where there was an average decrease in employment of 2.2 % in England and Wales, at the same time as there were very high average growth rates in Scotland and Northern Ireland (+ 13.9 %), as well as in neighbouring Ireland (+ 16.9 %). There are no signs that the capital regions are losing importance as a base for the providers of business services. There was a net gain of 35 000 persons employed in the 24 capital regions (including countries where there is only one NUTS 2 region), compared with a total net gain of 23 000 in the remaining 230 regions. Capital regions thus accounted for around 60 % of the total net gains in employment, around twice their share in the total persons employed. Consequently, the share of the capital regions in total employment actually increased from 31.6 % in 2003 to 32.2 % in 2004.

Most regions with a high growth rate of employment in other business services (Map 8.4) are located in the southern half of Europe, with predominantly high growth rates in the regions of Spain and Portugal, Romania, Hungary and particularly France. In 2004, there was a total net increase of 900 000 persons employed in other business services in the regions of the countries with data available. The growth rate of employment in the Member States that joined the EU in 2004 was high, 8.4 %, although clearly lower than in computer services. The employment growth in the regions of Spain and Portugal was almost as high, 8.1 %. Employment grew by 5.1 % on average in the regions of the remaining Member States and Norway, three and a half times as high as in computer services. Interestingly, the high growth rates in many regions in France were offset by a reduction in the persons employed in the capital region, Île-de-France, leading to a comparatively low national average growth rate of 4.1 %. Contrary to the situation for computer services, the capital regions were somewhat losing importance in relation to other regions as a location for other business services providers. There was a net gain of 175 000 persons employed in the 24 capital regions (including countries where there is only one NUTS 2 region), which is around 19 % of the total net gains in employment in the regions of the countries with data available. However, the average growth rate of employment in the capital regions was 4.1 % in 2004, compared with 6.4 % on average in the remaining 230 regions. Consequently, the share of the capital regions in total employment actually decreased, from 26.9 % in 2003 to 26.5 % in 2004.

Map 8.3: Employment growth in computer services (NACE K 72), EU-27 and Norway, by NUTS 2 regions, 2004
Percentage



Map 8.4: Employment growth in other business services (NACE K 74), EU-27 and Norway, by NUTS 2 regions, 2004
Percentage



Characteristics of the top 30 most specialised regions in business services

Table 8.2 provides some key indicators for the top 30 most specialised regions in business services (sum of computer services and other business services). The most specialised region of all regions with data available is Inner London (United Kingdom), where around 600 000 people are employed in these activities, which means over 40 % of the total non-financial business economy workforce. Two regions from the countries that joined the EU in 2004 are on the top 30 list, with the capital regions of the Czech Republic and Hungary in 25th and 28th places respectively. The number of persons employed also grew considerably in many of the top-ranked regions in 2004, with by far the highest growth rate, + 23 %, in Karlsruhe (Germany). Strong growth of over 10 % was also recorded in Flevoland, Noord-Brabant and Noord-Holland (Netherlands), as well as the capital regions of Lazio (Italy) and Közép-Magyarország (Hungary). In contrast, large reductions in persons employed in business services were recorded in particular in Stockholm, Sweden (– 10 %) and Prov. Vlaams-Brabant in Belgium (– 21 %). In Stockholm, there was a decline in both subsectors, while in Prov. Vlaams-Brabant there was actually a growth in computer services, which dampened somewhat a huge drop, – 26 %, in employment in other business services. The table also shows clearly the huge variations in average wage costs that exist within Europe. Business services enterprises in Inner London (United Kingdom) had the high-

est average wage costs among these top-ranked regions, with an average of EUR 44 800 per person employed in 2004, followed by Oslo og Akershus (Norway) with EUR 39 200. This can be compared with average wage costs of 5 200 in the Hungarian capital region and 6 900 in Praha (Czech Republic). It should be noted that these figures do not take into account differences in purchasing power or differences in employment characteristics such as the number of unpaid workers, part-time work, or hours worked.

Conclusion

Regional structural business statistics offer users wanting to know more about the structure and development of the regional business economy a detailed, harmonised data source, describing for each activity: the number of workplaces, number of persons employed, wage costs and investments made. This chapter has shown how some of these data can be used to analyse different regional business characteristics: the focus, diversity and specialisation of the regional business economies and the nature and characteristics of regional business services activities. The analysis in this chapter has generally confirmed the positive expectations for the business services sector, reinforcing the belief that this area will remain one of the key drivers of competitiveness and job creation within the EU economy in the coming years. Globalisation, international market liberalisation and further technological gains are likely to lead to further integration among Europe's regions (and beyond), bringing buyers and sellers of these services closer together.

Table 8.2: Top 30 most specialised regions in business services (NACE K 72 and K 74), EU-27 and Norway, 2004
 Percentage of total non-financial business economy employment

Region (NUTS 2)		Persons employed in business services (NACE K 72 and K 74), 2004					Average wages EUR 1 000 per employed
		Total	% computer services (NACE K 72)	% other business services (NACE K 74)	% of total employed in nonfinancial business economy (NACE C-I+K)	Growth rate (%)	
1	Inner London (UKI1)	596 915	11	89	40.5	2.1	44.8
2	Utrecht (NL31)	120 270	23	77	32.0	5.9	22.8
3	Berkshire, Buckinghamshire and Oxfordshire (UKJ1)	259 194	25	75	30.8	3.6	32.3
4	Île-de-France (FR10)	1 181 527	18	82	30.1	-2.4	34.7
5	Région de Bruxelles-Capitale / Brussels Hoofdstedelijk Gewest (BE10)	109 726	10	90	29.6	6.8	26.8
6	Berlin (DE30)	184 146	9	91	29.1	8.9	22.9
7	Comunidad de Madrid (ES30)	734 718	14	86	28.0	5.4	16.7
8	Noord-Holland (NL32)	227 524	11	89	27.2	10.5	20.2
9	Stockholm (SE01)	171 592	27	73	26.6	-10.1	29.1
10	Surrey, East and West Sussex (UKJ2)	204 526	19	81	26.5	-2.8	29.6
11	Zuid-Holland (NL33)	251 822	11	89	26.2	8.6	20.8
12	Hamburg (DE60)	137 376	8	92	26.1	9.0	24.8
13	Bedfordshire and Hertfordshire (UKH2)	138 873	18	82	25.2	4.2	28.4
14	Outer London (UKI2)	297 870	14	86	25.1	4.1	33.1
15	Darmstadt (DE71)	277 531	13	87	25.0	4.3	30.9
16	Flevoland (NL23)	19 312	16	84	24.1	14.0	c
17	Karlsruhe (DE12)	173 516	19	81	23.9	23.1	22.9
18	Groningen (NL11)	32 359	12	88	23.7	9.8	20.2
19	Düsseldorf (DEA1)	312 929	9	91	23.6	7.2	22.8
20	Prov. Vlaams-Brabant (BE24)	57 958	22	78	23.6	-21.0	33.3
21	Hampshire and Isle of Wight (UKJ3)	133 086	22	78	23.5	7.3	33.2
22	Oslo og Akershus (NO01)	86 246	23	77	23.5	-1.2	39.2
23	Wien (AT13)	114 290	19	81	22.7	4.1	27.1
24	Greater Manchester (UKD3)	183 624	13	87	22.6	1.2	25.2
25	Praha (CZ01)	134 776	16	84	22.6	-1.7	6.9
26	Lazio (ITE4)	301 648	19	81	22.0	15.3	14.2
27	Kassel (DE73)	61 483	2	98	21.8	6.0	15.2
28	Közép-Magyarország (HU10)	206 042	18	82	21.5	13.8	5.2
29	Leipzig (DED3)	39 787	6	94	21.2	4.2	14.4
30	Noord-Brabant (NL41)	156 902	9	91	21.2	11.8	19.6

Notes:

BG, EL, LU, MT not available

CY excluding Real estate (K 70) and Research and development (K 73); NO excluding Water supply (E 41)

CY national data based on enterprises instead of local units

c: Confidential data

Methodological notes

Regional structural business statistics (SBS) are collected on the basis of Council Regulation (EC, Euratom) No 58/97 concerning structural business statistics. The data cover all the EU Member States and Norway. (Bulgarian data is not presented here as, at the time of writing, data is only available according to pre-accession regional breakdowns.) These and other SBS data sets are available on the Eurostat website (<http://ec.europa.eu/eurostat/>) under the 'Industry, trade and services' theme (in the data navigation tree under 'Industry, trade and services — Horizontal view'/'Structural business statistics'). Selected publications, data and background information are available in the section of the Eurostat website dedicated to European business, located directly under the 'Industry, trade and services' theme — see the special topic regional structural business statistics. Most data series are continuously updated and revised where necessary. This chapter reflects the data situation as of March 2007.

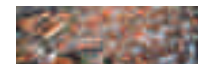
Structural business statistics are presented by sectors of activity according to the NACE Rev. 1.1 classification, with a breakdown down to the two-digit level (NACE divisions). The data presented here are restricted to the non-financial business economy. The non-financial business economy includes Sections C (Mining and quarrying), D (Manufacturing), E (Electricity, gas and water supply), F (Construction), G (Wholesale and retail trade), H (Hotels and restaurants), I (Transport, storage and communication) and K (Real estate, renting and business activities). It excludes agricultural, forestry and fishing activities and public administration and other non-market services (which are currently not covered by the SBS), as well as financial services (NACE Section J), which are for the time being only collected on a voluntary basis. These activities together accounted for around 20 % of total EU-25 value added in 2004, according to national accounts. They could, however, represent a substantially larger share in certain countries or regions.

The observation unit for the regional SBS data is the local unit, which is an enterprise or part of one situated in one geographically identified place. Local units are classified into sectors (by NACE) according to their main activity. At national level, the statistical unit is the enterprise. As an enterprise can consist of several local units, it is possible for the principal activity of the local unit to differ from that of the enterprise to which it belongs. Hence, national and regional structural business statistics are not entirely comparable. It should be noted that in some countries the activity code assigned is based on the principal activity of the enterprise in question.

Regional data are available at the NUTS 2 level for a limited set of variables: the number of local units, wages and salaries, the number of persons employed and investments in tangible goods. The latter variable is collected on an optional basis, except for Industry (Nace Sections C to E), which results in more limited data availability than for the other variables. Variables are defined according to Commission Regulation (EC) No 2700/98. Below are summary definitions for the variables presented in this publication:

Number of persons employed: This is the total number of persons who work (paid or unpaid) in the observation unit, as well as persons working outside the unit who belong to it and are paid by it. It includes working proprietors, unpaid family workers, part-time workers, seasonal workers, etc.

Wages and salaries: This concerns the total remuneration, in cash or in kind, payable to all persons on the payroll (including home workers) in return for work done during the accounting year. Wages and salaries include the value of any social contributions, income taxes, etc. payable by the employee, even if they are paid directly by the employer. Wages and salaries do not include social contributions payable by the employer.



Annex

European Union: NUTS 2 regions

Belgium

BE10 Région de Bruxelles-Capitale/
Brussels Hoofdstedelijk Gewest
BE21 Prov. Antwerpen
BE22 Prov. Limburg (B)
BE23 Prov. Oost-Vlaanderen
BE24 Prov. Vlaams-Brabant
BE25 Prov. West-Vlaanderen
BE31 Prov. Brabant Wallon
BE32 Prov. Hainaut
BE33 Prov. Liège
BE34 Prov. Luxembourg (B)
BE35 Prov. Namur

Bulgaria

BG31 Severozapaden
BG32 Severen tsentralen
BG33 Severoiztochen
BG34 Yugoiztochen
BG41 Yugozapaden
BG42 Yuzhen tsentralen

Czech Republic

CZ01 Praha
CZ02 Střední Čechy
CZ03 Jihozápad
CZ04 Severozápad
CZ05 Severovýchod
CZ06 Jihovýchod
CZ07 Střední Morava
CZ08 Moravskoslezsko

Denmark

DK00 Danmark

Germany

DE11 Stuttgart
DE12 Karlsruhe

DE13 Freiburg
DE14 Tübingen
DE21 Oberbayern
DE22 Niederbayern
DE23 Oberpfalz
DE24 Oberfranken
DE25 Mittelfranken
DE26 Unterfranken
DE27 Schwaben
DE30 Berlin
DE41 Brandenburg — Nordost
DE42 Brandenburg — Südwest
DE50 Bremen
DE60 Hamburg
DE71 Darmstadt
DE72 Gießen
DE73 Kassel
DE80 Mecklenburg-Vorpommern
DE91 Braunschweig
DE92 Hannover
DE93 Lüneburg
DE94 Weser-Ems
DEA1 Düsseldorf
DEA2 Köln
DEA3 Münster
DEA4 Detmold
DEA5 Arnsberg
DEB1 Koblenz
DEB2 Trier
DEB3 Rheinessen-Pfalz
DEC0 Saarland
DED1 Chemnitz
DED2 Dresden
DED3 Leipzig
DEE1 Dessau
DEE2 Halle
DEE3 Magdeburg
DEF0 Schleswig-Holstein
DEG0 Thüringen

Estonia

EE00 Eesti

Ireland

IE01 Border, Midland and Western
IE02 Southern and Eastern

Greece

GR11 Anatoliki Makedonia,Thraki
GR12 Kentriki Makedonia
GR13 Dytiki Makedonia
GR14 Thessalia
GR21 Ipeiros
GR22 Ionia Nisia
GR23 Dytiki Ellada
GR24 Sterea Ellada
GR25 Peloponnisos
GR30 Attiki
GR41 Voreio Aigaio
GR42 Notio Aigaio
GR43 Kriti

Spain

ES11 Galicia
ES12 Principado de Asturias
ES13 Cantabria
ES21 País Vasco
ES22 Comunidad Foral de Navarra
ES23 La Rioja
ES24 Aragón
ES30 Comunidad de Madrid
ES41 Castilla y León
ES42 Castilla-La Mancha
ES43 Extremadura
ES51 Cataluña
ES52 Comunidad Valenciana
ES53 Illes Balears
ES61 Andalucía



ES62 Región de Murcia
ES63 Ciudad Autónoma de Ceuta
ES64 Ciudad Autónoma de Melilla
ES70 Canarias

France

FR10 Île-de-France
FR21 Champagne-Ardenne
FR22 Picardie
FR23 Haute-Normandie
FR24 Centre
FR25 Basse-Normandie
FR26 Bourgogne
FR30 Nord - Pas-de-Calais
FR41 Lorraine
FR42 Alsace
FR43 Franche-Comté
FR51 Pays de la Loire
FR52 Bretagne
FR53 Poitou-Charentes
FR61 Aquitaine
FR62 Midi-Pyrénées
FR63 Limousin
FR71 Rhône-Alpes
FR72 Auvergne
FR81 Languedoc-Roussillon
FR82 Provence-Alpes-Côte d'Azur
FR83 Corse
FR91 Guadeloupe
FR92 Martinique
FR93 Guyane
FR94 Réunion

Italy

ITC1 Piemonte
ITC2 Valle d'Aosta/Vallée d'Aoste
ITC3 Liguria
ITC4 Lombardia
ITD1 Provincia Autonoma Bolzano/
Bozen
ITD2 Provincia Autonoma Trento
ITD3 Veneto
ITD4 Friuli-Venezia Giulia
ITD5 Emilia-Romagna

ITE1 Toscana
ITE2 Umbria
ITE3 Marche
ITE4 Lazio
ITF1 Abruzzo
ITF2 Molise
ITF3 Campania
ITF4 Puglia
ITF5 Basilicata
ITF6 Calabria
ITG1 Sicilia
ITG2 Sardegna

Cyprus

CY00 Kypros/Kıbrıs

Latvia

LV00 Latvija

Lithuania

LT00 Lietuva

Luxembourg

LU00 Luxembourg (Grand-Duché)

Hungary

HU10 Közép-Magyarország
HU21 Közép-Dunántúl
HU22 Nyugat-Dunántúl
HU23 Dél-Dunántúl
HU31 Észak-Magyarország
HU32 Észak-Alföld
HU33 Dél-Alföld

Malta

MT00 Malta

Netherlands

NL11 Groningen
NL12 Friesland
NL13 Drenthe
NL21 Overijssel

NL22 Gelderland
NL23 Flevoland
NL31 Utrecht
NL32 Noord-Holland
NL33 Zuid-Holland
NL34 Zeeland
NL41 Noord-Brabant
NL42 Limburg (NL)

Austria

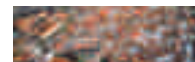
AT11 Burgenland
AT12 Niederösterreich
AT13 Wien
AT21 Kärnten
AT22 Steiermark
AT31 Oberösterreich
AT32 Salzburg
AT33 Tirol
AT34 Vorarlberg

Poland

PL11 Łódzkie
PL12 Mazowieckie
PL21 Małopolskie
PL22 Śląskie
PL31 Lubelskie
PL32 Podkarpackie
PL33 Świętokrzyskie
PL34 Podlaskie
PL41 Wielkopolskie
PL42 Zachodniopomorskie
PL43 Lubuskie
PL51 Dolnośląskie
PL52 Opolskie
PL61 Kujawsko-Pomorskie
PL62 Warmińsko-Mazurskie
PL63 Pomorskie

Portugal

PT11 Norte
PT15 Algarve
PT16 Centro (P)
PT17 Lisboa



PT18 Alentejo
PT20 Região Autónoma dos Açores
PT30 Região Autónoma da Madeira

Romania

RO11 Nord-Vest
RO12 Centru
RO21 Nord-Est
RO22 Sud-Est
RO31 Sud — Muntenia
RO32 București — Ilfov
RO41 Sud-Vest Oltenia
RO42 Vest

Slovenia

SI00 Slovenija

Slovakia

SK01 Bratislavský kraj
SK02 Západné Slovensko
SK03 Stredné Slovensko
SK04 Východné Slovensko

Finland

FI13 Itä-Suomi
FI18 Etelä-Suomi
FI19 Länsi-Suomi

FI1A Pohjois-Suomi
FI20 Åland

Sweden

SE01 Stockholm
SE02 Östra Mellansverige
SE04 Sydsverige
SE06 Norra Mellansverige
SE07 Mellersta Norrland
SE08 Övre Norrland
SE09 Småland med öarna
SE0A Västsverige

United Kingdom

UKC1 Tees Valley and Durham
UKC2 Northumberland and Tyne and Wear
UKD1 Cumbria
UKD2 Cheshire
UKD3 Greater Manchester
UKD4 Lancashire
UKD5 Merseyside
UKE1 East Riding and North Lincolnshire
UKE2 North Yorkshire
UKE3 South Yorkshire
UKE4 West Yorkshire
UKF1 Derbyshire and Nottinghamshire

UKF2 Leicestershire, Rutland and Northamptonshire
UKF3 Lincolnshire
UKG1 Herefordshire, Worcestershire and Warwickshire
UKG2 Shropshire and Staffordshire
UKG3 West Midlands
UKH1 East Anglia
UKH2 Bedfordshire and Hertfordshire
UKH3 Essex
UKI1 Inner London
UKI2 Outer London
UKJ1 Berkshire, Buckinghamshire and Oxfordshire
UKJ2 Surrey, East and West Sussex
UKJ3 Hampshire and Isle of Wight
UKJ4 Kent
UKK1 Gloucestershire, Wiltshire and North Somerset
UKK2 Dorset and Somerset
UKK3 Cornwall and Isles of Scilly
UKK4 Devon
UKL1 West Wales and the Valleys
UKL2 East Wales
UKM1 North Eastern Scotland
UKM2 Eastern Scotland
UKM3 South Western Scotland
UKM4 Highlands and Islands
UKN0 Northern Ireland



EFTA countries: Statistical regions at level 2

Iceland

IS Ísland

Liechtenstein

LI Liechtenstein

Norway

NO01 Oslo og Akershus
NO02 Hedmark og Oppland
NO03 Sør-Østlandet
NO04 Agder og Rogaland
NO05 Vestlandet
NO06 Trøndelag
NO07 Nord-Norge

Switzerland

CH01 Région lémanique
CH02 Espace Mittelland
CH03 Nordwestschweiz
CH04 Zürich
CH05 Ostschweiz
CH06 Zentralschweiz
CH07 Ticino