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Key figures on European business

with a special feature on SMEs

2011 edition

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Key figures on European business

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Editor and project co-ordinator:

Aleksandra Stawińska
Eurostat, the statistical office of the European Union
Unit G2 – structural business statistics
Bâtiment Joseph Bech
5, rue Alphonse Weicker
2721, Luxembourg

Production:

Data processing, analysis, design and desktop publishing:
INFORMA sàrl (informa@informa.lu)
Giovanni Albertone, Simon Allen, Andrew Redpath

For more information:

The structural business statistics (SBS) dedicated section provides access to a selection of publications, data and background information describing European business, compiled by Eurostat's structural business statistics unit. In particular, the dedicated section provides information on development projects under a heading 'special SBS topics'. This dedicated section is located directly under the theme 'Industry, trade and services' on the 'Statistics' tab of the Eurostat website or from the following link:
http://ec.europa.eu/eurostat/europeanbusiness

Data extracted: April 2011

Introduction

This publication aims to illustrate the wide range of business statistics available from Eurostat, in particular structural business statistics (SBS). The statistics presented cover SBS that are published on a regular, annual basis (where breakdowns are available by region and by enterprise size class), as well as more specific information from a range of development projects.

SBS describe the structure, conduct and performance of businesses within their economic activities, down to a very detailed activity level (several hundred sectors). In this publication, due to space limitations, data are presented for a set of around 100 activities, generally NACE sections, divisions or groups.

The publication summarises the main features of the European business economy and its different activities in a concise and simple manner. It consists of three main chapters:

- a feature on small and medium-sized enterprises;
- an overview of the EU business economy, and;
- a more detailed sectoral analysis.

The first chapter is a special feature on small and medium-sized enterprises, looking at the activities where they are most prominent, their impact on employment, and the particular category of enterprises without paid employees. The information presented is largely based on a size class analysis of regular SBS data, supplemented by data on business demography.

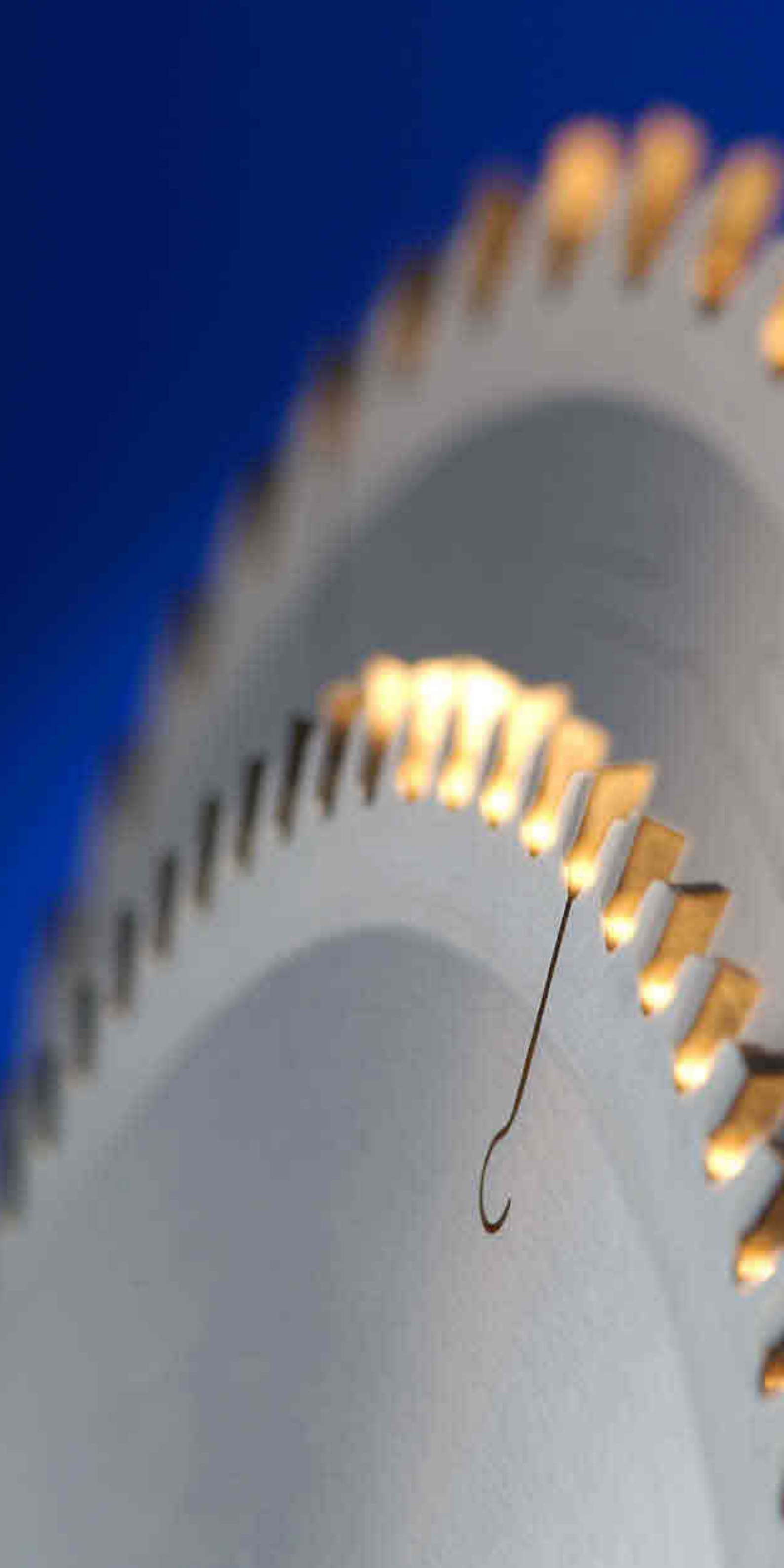
The second chapter presents an overview of the EU business economy. It provides details concerning the relative importance of various activities within the non-financial business economy: note that agriculture, forestry and fisheries, as well as public services – covering areas such as defence, education, health and social security – are not covered by SBS, while financial services are excluded from the non-financial business economy aggregate due to incomplete information. The chapter concludes with a presentation of specialisation and concentration. The former measures the share (for example, in terms of employment or value added) of a particular sector in the whole of the non-financial business economy within a country or a region – for example, Slovenia and Finland are relatively specialised in manufacturing, while Cyprus and Austria are specialised in accommodation and food services. Concentration is a distribution measure based on country (or regional) shares, for example, a sector is said to be concentrated if relatively few countries (or regions) produce a high overall share of the total value added in the EU-27: this is the case, for example, in mining and quarrying.

The third chapter presents a sectoral analysis looking in more detail at specific sectors within the EU business economy. For each of these, a comprehensive set of key variables is provided, describing monetary and employment characteristics, as well as a set of derived indicators, for example, productivity and profitability measures; these are presented at a more detailed activity level, as well as by Member State. This chapter also includes some information on the production of industrial products (Prodcom) for mining and quarrying, as well as for manufacturing.

This publication presents only a small selection of the SBS data. Readers who are interested in knowing more about SBS, who would like to download the latest publications free-of-charge, or who would like to access the most recent data, are encouraged to consult the structural business statistics dedicated section.

Online data codes presented as part of the source under each table/figure can be used within the search facility provided at the top of the data navigation tree on Eurostat's website to gain access to the freshest statistics available.

http://ec.europa.eu/eurostat/europeanbusiness



1

Special feature on SMEs

Context

Small and medium-sized enterprises (SMEs) may be viewed as important players in the well-being of local and regional communities, with considerable potential for employment creation. As such, they can play an important role in Europe's 2020 strategy, contributing to the economic health of the European economy; this numerous and disparate subpopulation of enterprises is the focus of this special feature.

In June 2008, a Communication titled *the Small Business Act (SBA) for Europe* was adopted. This recognised 'the central role of SMEs in the EU economy' and aimed to strengthen the role played by SMEs and to promote their growth and job creating potential through alleviating a number of problems which are thought to hamper the development of SMEs. These included: alleviating administrative burdens; facilitating SMEs' access to finance; supporting SMEs in their bid to access new markets; ensuring fair competition; promoting education and skills for entrepreneurship; protecting intellectual property; encouraging research and development; or supporting SMEs in a regional and environmental context. This 'mainstreaming' of SME policy is based upon a premise to 'think small first'.

A review of the SBA was released in February 2011: it highlighted the progress made and set out a range of new actions to respond to challenges resulting from the financial and economic crisis. In doing so, it is hoped that the updated SBA will contribute towards delivering the key objectives of the Europe 2020 strategy – namely, smart, sustainable and inclusive growth.

For policy purposes, SMEs in the EU are defined as enterprises with fewer than 250 employees, provided that they are independent (of other enterprises) and do not have sales that exceed EUR 50 million or an annual balance sheet that exceeds EUR 43 million. For statistical purposes, structural business statistics (SBS) may be broken down by enterprise size class according to employment thresholds – to present information on: large (250 or more persons employed); medium-sized (50 to 249); small (10 to 49); and micro enterprises (less than 10). Micro, small and medium-sized enterprises are collectively referred to as SMEs.

For more information:

http://ec.europa.eu/europe2020/index_en.htm
http://ec.europa.eu/enterprise/policies/sme/small-business-act

SME overview

The overwhelming majority (99.8 %) of enterprises active within the EU-27's non-financial business economy in 2008 were SMEs – some 20.9 million – together they accounted for two out of every three jobs (66.7 %) and for 58.6 % of value added within the non-financial business economy – see Table 1.1.

More than nine out of ten (92.0 %) enterprises in the EU-27 were micro enterprises; their relative share of the non-financial business economy workforce and value added was considerably lower at 29.0 % and 21.8 %.

The relative importance of SMEs was particularly high in the southern Member States of Italy, Portugal and Spain (no data available for Greece). Some of these differences may be explained by the relative importance of particular sectors in the national economy or by cultural and institutional preferences for self-employment and/or family-run businesses – see Table 1.2.

Table 1.1: Enterprise size class analysis of key indicators, non-financial business economy, EU-27, 2008

	Number of enterprises	Persons employed	Value added	Apparent labour productivity
	(million)		(EUR 1 000 million)	(EUR 1 000 / person)
All enterprises	21.0	135.8	6 176	45.5
All SMEs	20.9	90.6	3 617	39.9
Micro	19.3	39.3	1 348	34.3
Small	1.4	27.9	1 147	41.2
Medium-sized	0.2	23.4	1 122	47.9
Large	0.0	45.2	2 559	56.6

	Number of enterprises	Persons employed	Value added	Apparent labour productivity
	Share in total (%)			Relative to total (%)
All enterprises	100.0	100.0	100.0	100.0
All SMEs	99.8	66.7	58.6	87.8
Micro	92.0	29.0	21.8	75.3
Small	6.7	20.5	18.6	90.5
Medium-sized	1.1	17.2	18.2	105.3
Large	0.2	33.3	41.4	124.5

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

While large enterprises only accounted for 0.2 % of the total enterprise population within the EU-27's non-financial business economy in 2008, mining and quarrying, network energy supply as well as water supply, sewerage, waste and recycling each reported that more than 1 % of their enterprises were large; the same three activities also recorded the highest proportion of medium-sized enterprises (between 4.1 % and 5.5 % of the enterprise population) – see Table 1.3.

The number of SMEs across the EU-27's non-financial business economy was particularly concentrated within distributive trades (6.1 million enterprises); this was almost twice the number of SMEs within professional, scientific and technical activities or construction – see Figure 1.1.

Table 1.2: Analysis of the number of enterprises by enterprise size class, non-financial business economy, 2008

	Total number of enterprises	Micro	Small	Medium-sized	Large
	(thousands)	(%)			
EU-27	20 994	92.0	6.7	1.1	0.2
BE	426	92.5	6.3	0.9	0.2
BG	270	88.7	9.2	1.9	0.3
CZ	899	95.1	3.9	0.8	0.2
DK	211	85.0	12.2	2.4	0.4
DE	1 880	83.0	14.1	2.4	0.5
EE	46	83.9	13.0	2.7	0.4
IE	158	87.8	9.9	1.9	0.3
EL	:	:	:	:	:
ES	2 653	93.1	6.0	0.8	0.1
FR	:	:	:	:	:
IT	3 947	94.3	5.1	0.5	0.1
CY	47	92.3	6.4	1.1	0.2
LV	70	84.4	12.9	2.4	0.3
LT	139	88.7	9.2	1.9	0.3
LU	17	85.8	11.5	2.2	0.5
HU	566	94.3	4.7	0.8	0.2
MT	:	:	:	:	:
NL	583	90.4	8.0	1.4	0.3
AT	294	87.2	10.8	1.7	0.4
PL	1 556	95.5	3.3	1.0	0.2
PT	778	94.0	5.1	0.7	0.1
RO	506	88.9	8.8	1.9	0.4
SI	93	92.4	6.1	1.3	0.3
SK	59	71.2	24.2	3.7	0.9
FI	202	91.7	6.9	1.1	0.3
SE	586	94.7	4.4	0.8	0.2
UK	1 731	89.3	8.8	1.5	0.4

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Table 1.3: Analysis of the number of enterprises by enterprise size class, EU-27, 2008

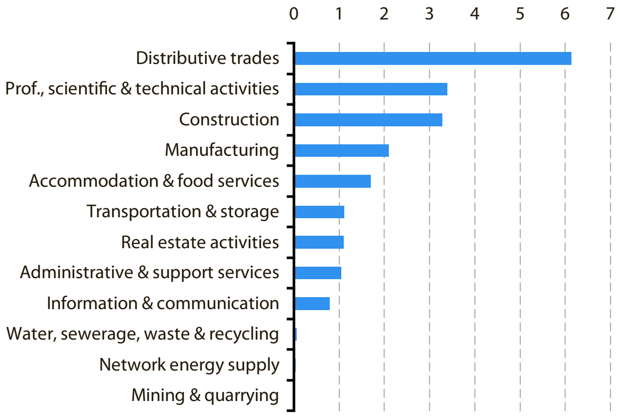
(%)

	Micro	Small	Medium-sized	Large
Non-financial business economy	92.0	6.7	1.1	0.2
Mining & quarrying	72.8	21.7	4.4	1.2
Manufacturing	80.2	15.3	3.7	0.8
Network energy supply	86.6	7.4	4.1	*1.9*
Water supply, sewerage, waste & recycling	76.8	16.4	5.5	1.3
Construction	92.4	6.7	0.7	0.1
Distributive trades	93.4	5.8	0.7	0.1
Transportation & storage	90.3	7.9	1.5	0.3
Accommodation & food services	91.1	*8.1*	0.7	0.1
Information & communication	92.9	5.6	1.2	0.3
Real estate activities	97.6	2.0	0.3	0.1
Professional, scientific & technical activities	96.0	3.5	0.4	0.1
Administrative & support services	90.4	7.1	2.0	0.5
Repair: computers, personal & household goods	98.1	:	0.2	:

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Figure 1.1: Number of SMEs, EU-27, 2008 (1)

(million)



Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Focus on employment and self-employment

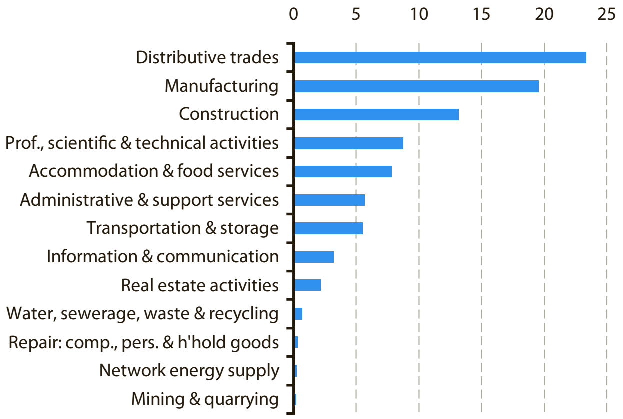
Perhaps the most striking phenomenon of SMEs is their contribution to employment. No less than two thirds of the EU-27's non-financial business economy workforce was active in an SME in 2008.

Some 23.3 million persons worked in SMEs in the distributive trades sector, 19.5 million in manufacturing and 13.2 million in construction; together, these three activities provided work to 61.9 % of the non-financial business economy workforce in SMEs – see Figure 1.2.

Micro enterprises employed more people than any other size class in a number of service sectors – see Figure 1.3. This pattern was particularly pronounced for real estate services and the repair of computers, personal and household goods, where an absolute majority of the workforce was found working in micro enterprises.

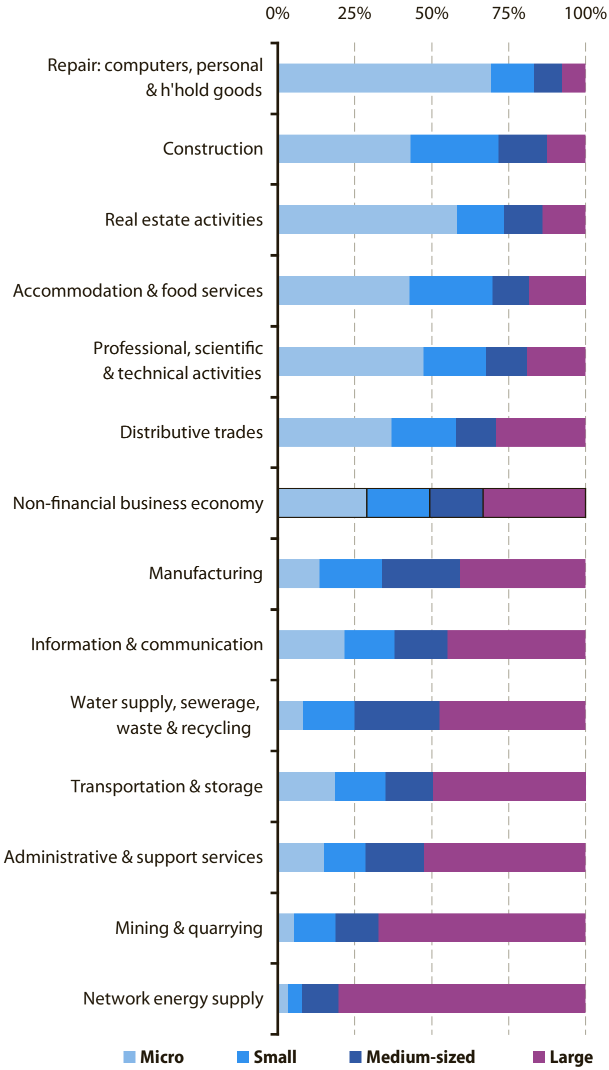
Table 1.4 provides a more detailed breakdown of employment by size class, confirming the prominent role of SMEs as employers within many service sectors. In contrast, a range of activities characterised by network supply and minimum efficient scales of production (such as mining, air transport, postal and courier services, and the manufacture of motor vehicles or pharmaceuticals) reported a considerably higher proportion of their respective workforces occupied within large enterprises.

Figure 1.2: Number of persons employed in SMEs, EU-27, 2008 (million)



Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Figure 1.3: Analysis of the number of persons employed by enterprise size class, EU-27, 2008
(%)



Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Table 1.4: Activities with high or low shares of persons employed in SMEs, EU, 2008 ([1])

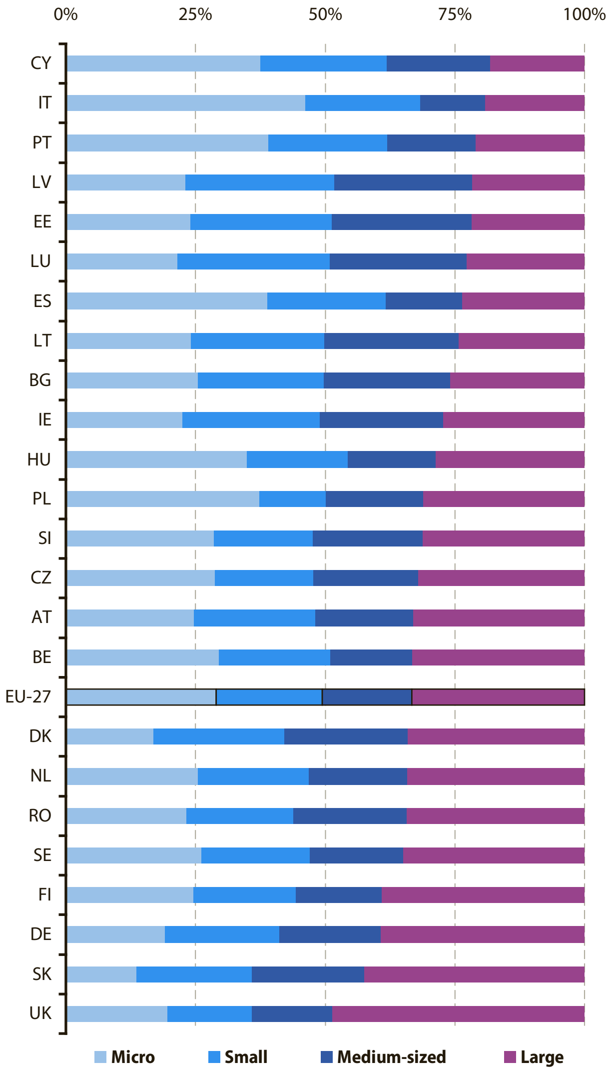
(%)

	All SMEs	Micro	Small	Medium-sized	Large
Other professional, scientific & technical activities	*92.1*	*67.5*	*16.1*	*8.5*	*7.9*
Repair of computers & personal & household goods	*92.0*	*68.2*	*14.3*	*9.5*	*8.0*
Wholesale & retail trade & repair of motor vehicles & motorcycles	87.8	41.5	28.0	18.3	12.2
Construction of buildings	87.1	38.3	28.4	20.5	12.9
Real estate activities	*86.5*	*59.3*	*15.0*	*12.4*	*13.5*
Printing & reproduction of recorded media	86.3	28.6	32.4	25.3	13.7
Legal & accounting activities	*85.4*	*54.5*	*21.4*	*9.6*	*14.6*
Manufacture of wood & wood products	84.5	30.6	30.8	23.1	15.5
Architectural & engineering act.; technical testing & analysis	82.5	48.1	20.3	14.1	*17.5*
Manuf. of fabricated metal prod., except machinery & equip.	82.4	20.4	33.0	29.0	17.6
Non-financial business economy	66.7	29.0	20.5	17.2	33.3
Electricity, gas, steam & air conditioning supply	22.4	3.6	5.3	13.5	77.6
Manuf. of pharmaceuticals	21.1	1.0	4.0	16.1	78.9
Manuf. of motor vehicles, trailers & semi-trailers	18.6	1.5	4.6	12.5	81.4
Telecommunications	*18.6*	*6.6*	*5.1*	*6.9*	*81.4*
Manuf. of coke & refined petroleum products	18.2	1.7	4.8	11.7	81.8
Manuf. of tobacco products	15.6	1.1	2.4	12.2	84.4
Postal & courier activities	*12.9*	*4.9*	*3.7*	*4.3*	*87.1*
Air transport	*12.3*	*1.9*	*2.9*	*7.6*	*87.7*
Mining of metal ores	9.8	0.5	1.4	7.9	90.2
Mining of coal & lignite	2.1	0.1	0.5	1.5	97.9

([1]) The information presented is based on the sum of those Member States for which data are available - the aggregate may change between activities; extraction of crude petroleum and natural gas, sewerage, remediation activities and other waste management services, specialised construction activities, and veterinary activities, incomplete.

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Figure 1.4: Analysis of the number of persons employed by enterprise size class, non-financial business economy, 2008 ([1])
(%)



([1]) Greece, France and Malta, not available.

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Business demography statistics provide information on the dynamics of the enterprise population and its workforce. Entrepreneurship and rapidly growing SMEs are often cited as drivers of job creation with particular attention paid to the potential for employment growth among enterprises with no paid employees (size class zero). These accounted for just over half (51.2 %) of all EU enterprises in industry, construction and services in 2007 and for 63.4 % of all new born enterprises – predominantly in deregulated service sectors with relatively low fixed costs for starting a business as a self-employed person. A total of 3.8 million persons were employed by newly born enterprises in 2007, with over a third (38.1 %) of these working on their own – see Table 1.5.

Table 1.5: Business demography indicators for industry, construction and services, EU, 2007 (1)

	Total	Size class zero	Share of size class zero in total
	(1 000)		(%)
Number of enterprises	21 312	10 912	51.2
Number of enterprise births	2 214	1 403	63.4
Number of persons employed	128 908	11 735	9.1
Number of persons employed in new born enterprises	3 793	1 445	38.1

(1) EU average excludes Ireland, Malta and Poland; EU average includes employment data for the United Kingdom for 2006; EU average includes employment data for Portugal for 2005.

Source: Eurostat (online data code: bd_9b_size_cl)

Table 1.6: Business demography employment indicators, EU, 2007 (1)

	Size class zero		Share of size class zero in total	
	Persons employed	Persons employed in new born enterprises	Persons employed	Persons employed in new born enterprises
	(1 000)		(%)	
Industry, construction & services	1 1.0	1 451.1	9.1	38.1
Industry	1 021.9	105.2	3.0	26.4
Construction	1 733.4	256.6	12.4	38.1
Services	9 016.8	1 089.3	11.1	39.9

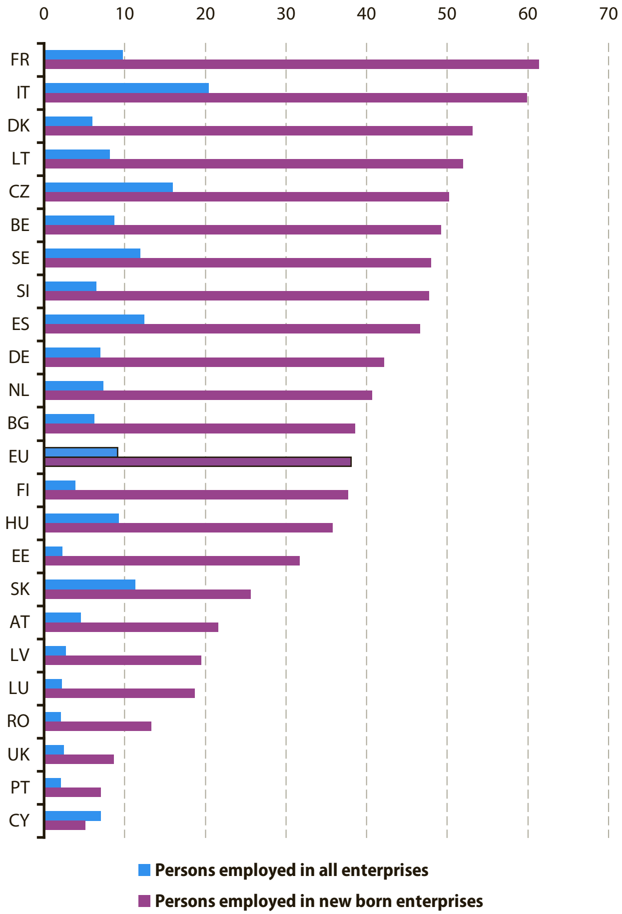
(1) EU average excludes Malta and Poland; EU average includes employment data for Cyprus for 2006; EU average includes employment data for Portugal and the United Kingdom for 2005; EU average for industry, construction and services and for services excludes Ireland.

Source: Eurostat (online data code: bd_9b_size_cl)

The relative contribution of size class zero enterprises to the industry, construction and services workforce was highest in Italy (20.4 %), the Czech Republic (15.9 %), Spain (12.4 %), Sweden (11.9 %) and Slovakia (11.3 %) – none of the remaining Member States reported self-employed entrepreneurs accounting for more than 10 % of the workforce – see Figure 1.5.

Figure 1.5: Share of size class zero in total employment for industry, construction and services, EU, 2007 (1)

(%)



(1) Ireland, Malta and Poland, not available; the United Kingdom, 2006; Portugal, 2005; EU average excludes Ireland, Malta and Poland; EU average includes employment data for Portugal for 2005; EU average includes employment data for the United Kingdom for 2005.

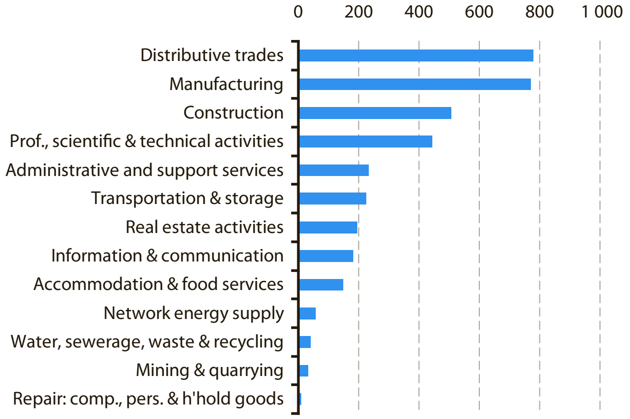
Source: Eurostat (online data code: bd_9b_size_cl)

Focus on value added and apparent productivity

As with the employment analysis, SMEs within the EU-27's distributive trades, manufacturing and construction sectors generated the highest levels of added value in 2008 – see Figure 1.6. Across the whole of the EU-27's non-financial business economy, SMEs accounted for 58.6 % of the EUR 6 176 thousand million of value added generated in 2008.

The contribution of SMEs to total value added was lower than their contribution to employment (66.7 %), resulting in a lower level of apparent labour productivity. This pattern was particularly prevalent among activities such as manufacturing or information and communication services. However, it was also observed across most other activities and across most Member States – suggesting inherent characteristics of SMEs played a role (for example, their inability to benefit from economies of scale, their relatively low level of capital intensity, or their inability to adopt or develop innovations). As a result, large enterprises tended to record higher labour productivity ratios than SMEs (Figure 1.9).

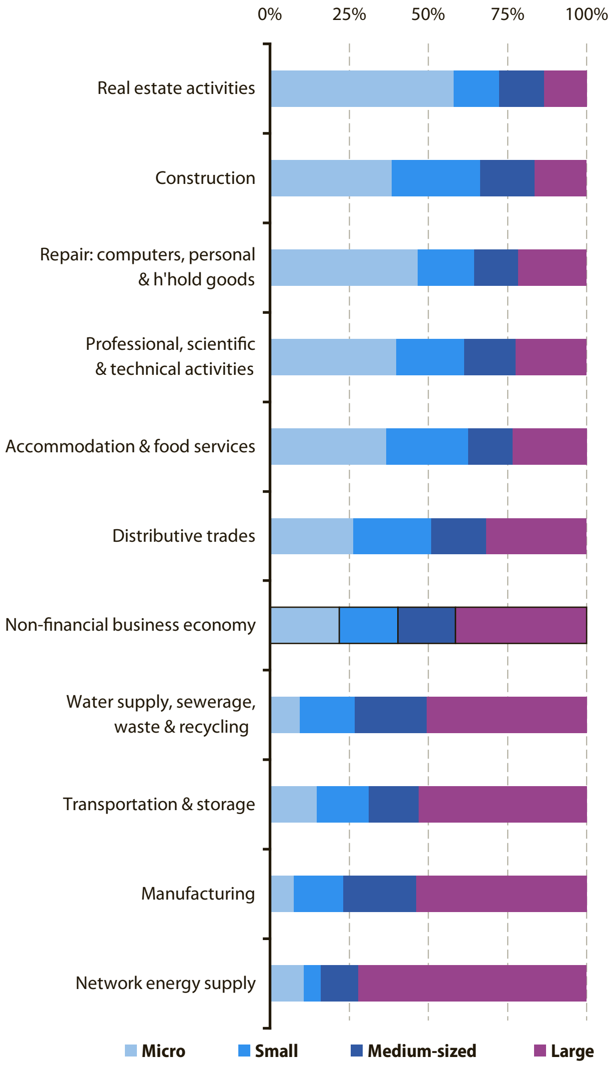
Figure 1.6: Value added by SMEs, EU-27, 2008
(EUR 1 000 million)



Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Figure 1.7: Analysis of value added by enterprise size class, EU-27, 2008 ([1])

(%)

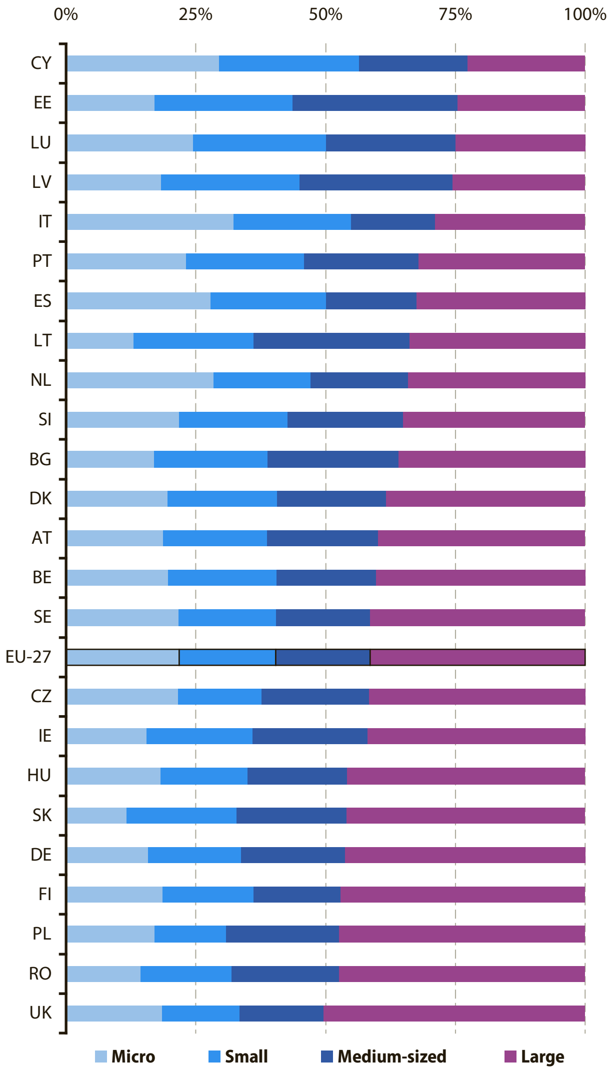


([1]) Mining and quarrying, information and communication, and administrative and support services, incomplete.

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Figure 1.8: Analysis of value added by enterprise size class, non-financial business economy, 2008 (1)

(%)

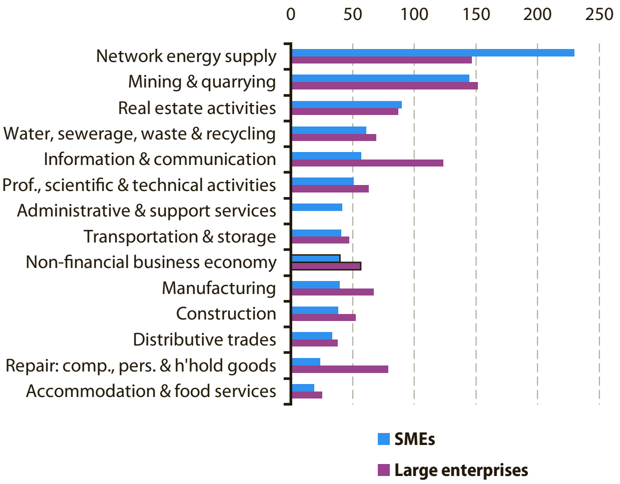


(1) Greece, France and Malta, not available.

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Figure 1.9: Apparent labour productivity, EU-27, 2008 (1)

(EUR 1 000 / person)



(1) Administrative and support services, not available for large enterprises.

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

Table 1.7: Analysis of apparent labour productivity by enterprise size class, EU-27, 2008

(EUR 1 000 / person)

	Micro	Small	Medium-sized	Large
Non-financial business economy	34.3	41.2	47.9	56.6
Mining & quarrying	:	:	140.4	151.5
Manufacturing	28.3	38.6	45.9	67.1
Network energy supply	535.1	181.7	164.9	146.4
Water supply, sewerage, waste & recycling	74.8	66.7	53.6	69.2
Construction	35.9	39.0	44.2	52.5
Distributive trades	24.6	40.6	46.6	38.0
Transportation & storage	35.0	43.7	45.0	47.0
Accommodation & food services	17.2	19.3	23.8	25.6
Information & communication	:	59.0	70.1	123.3
Real estate activities	89.3	83.7	100.6	86.9
Professional, scientific & technical activities	45.0	55.9	64.5	63.2
Administrative & support services	:	:	31.0	:
Repair: computers, personal & h'hold goods	18.9	35.2	44.3	78.7

Source: Eurostat (online data codes: sbs_sc_ind_r2, sbs_sc_con_r2, sbs_sc_dt_r2, sbs_sc_1b_se_r2)

2

Structural overview of the business economy

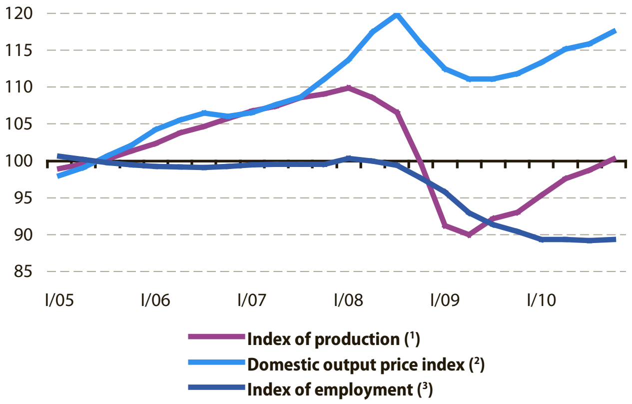
Developments in the EU business economy

The indicators presented at the start of this chapter are derived from short-term statistics (STS). Within the industrial economy the index of production is the leading measure of output, presenting the development of value added at constant prices.

Figure 2.1 clearly shows the scale of the impact of the financial and economic crisis in 2008 and 2009 on the EU-27 industrial economy. From its pre-recession high in the first quarter of 2008 to the bottom of the cycle in the second quarter of 2009, the index of production fell by 18.1 %. The subsequent rebound in activity resulted in EU-27 industrial output returning to its average level for 2005 by the final quarter of 2010, while industrial employment appeared to have stabilised about 10 % below its pre-recession level.

Some of the biggest reductions in EU-27 output were registered for traditional manufacturing activities (tobacco products, textiles, leather, wood and furniture), while the level of output was less affected for activities with a higher level of technology (pharmaceuticals, computers, electronic and optical products), as well as for activities characterised as producing 'necessity' goods or goods where demand may be expected to be less affected or even rise during a recession (food products, repair and installation of machinery) – see Figure 2.3.

Figure 2.1: Industrial indicators, seasonally adjusted, EU-27 (2005=100)

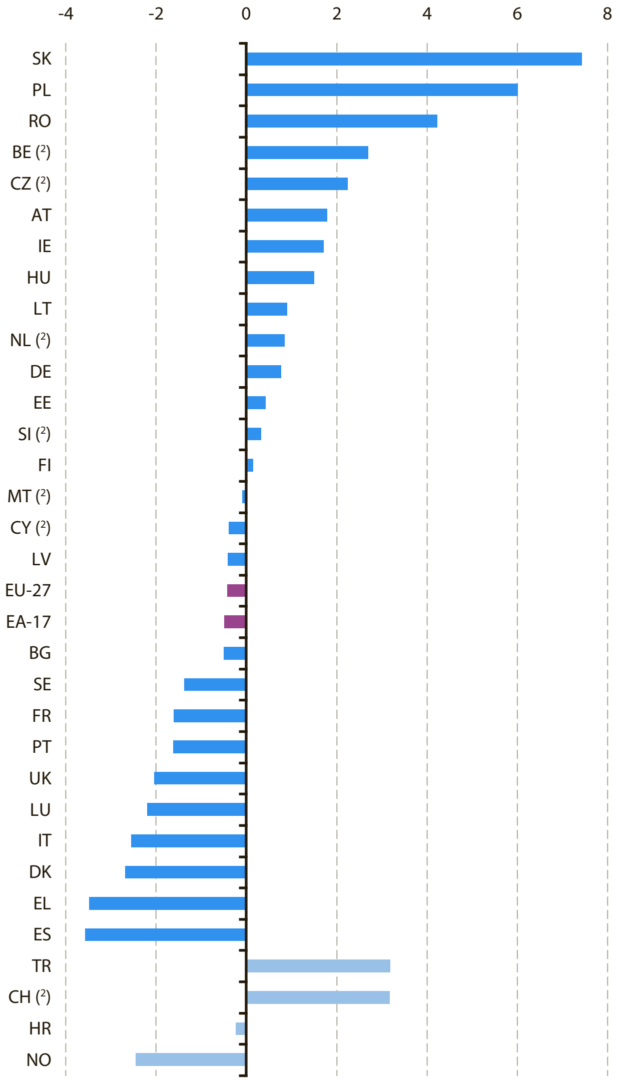


(1) Estimates; excludes water collection, treatment and supply.
(2) Gross.
(3) Estimates.

Source: Eurostat (online data codes: sts_inpr_q, sts_inppd_q, sts_inlb_q)

Figure 2.2: Index of industrial production, working day adjusted, annual average rate of change 2005 to 2010 ([1])

(%)

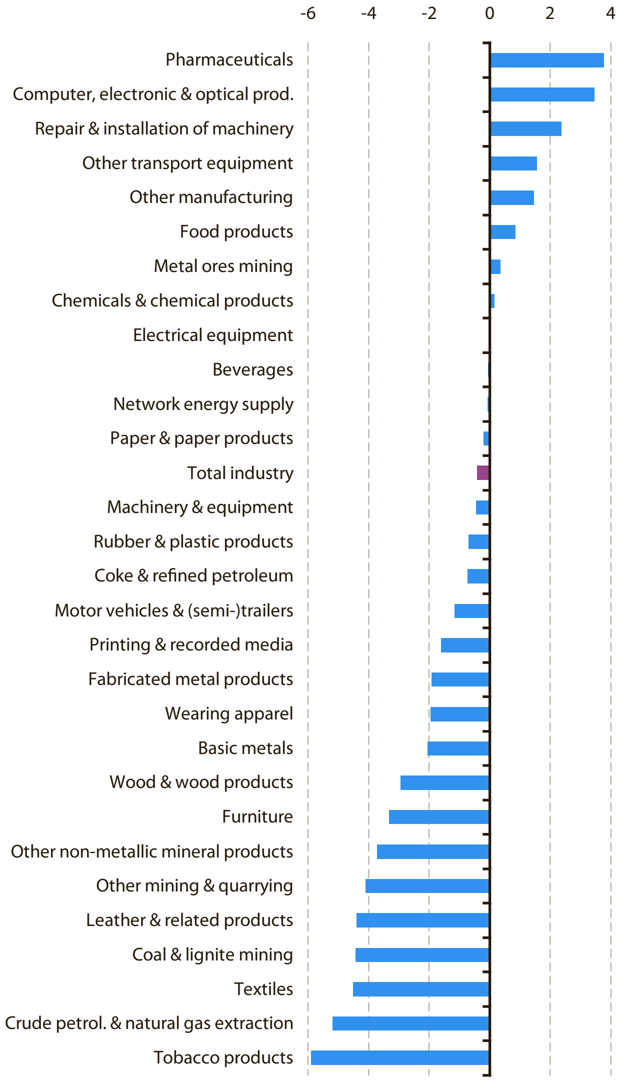


([1]) Excludes water collection, treatment and supply.
([2]) Provisional.

Source: Eurostat (online data code: sts_inpr_a)

Figure 2.3: Indices of industrial production, working day adjusted, EU-27, annual average rate of change 2005 to 2010 (1)

(%)



(1) Mining support service activities and water collection, treatment and supply, not available.

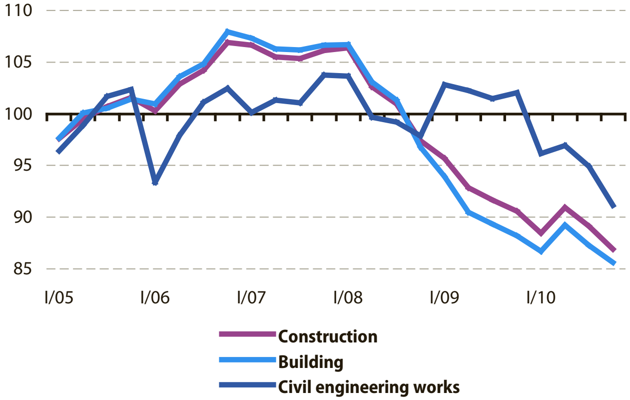
Source: Eurostat (online data code: sts_inpr_a)

While there were signs that the recovery was underway by 2010 for most industrial activities, EU-27 indices of production for building and civil engineering continued to follow a downward path. The index of production for construction peaked in the first quarter of 2008 (the same date as for total industry), since when it has fallen each and every quarter apart from a temporary respite in the second quarter of 2010. Output in the final quarter of 2010 was 18.3 % below its pre-recession high – see Figure 2.4.

The relative stability of civil engineering output through much of 2008 and 2009 during the financial and economic crisis may reflect infrastructure projects having considerable lead-in times (with the work spread over many years), as well as these projects being largely financed by the public sector (where spending was often maintained or increased during the recession). Nevertheless, it would appear that fewer civil engineering projects have been undertaken since the start of 2010, perhaps reflecting government concerns with controlling public finances.

The slowdown in building activity reflected a downturn in property markets and house buyer confidence, as well as a change in the attitude of banks and other lenders, as they were less willing to lend capital without more stringent conditions on making credit available. Many housing/property markets remained subdued during 2010.

Figure 2.4: Index of production, seasonally adjusted, EU-27 (1)
(2005=100)



(1) Estimates.

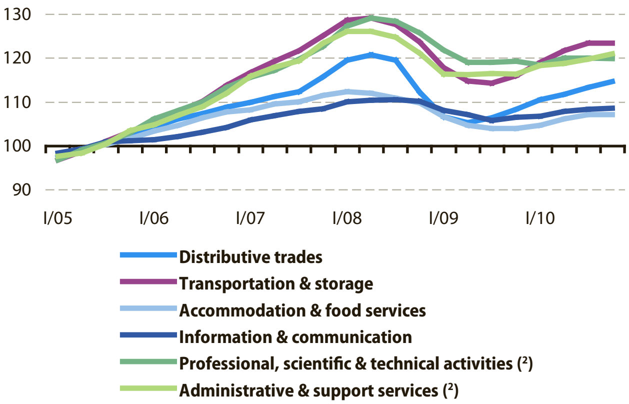
Source: Eurostat (online data code: sts_copr_q)

The turnover index reflects market sales of goods or services to third parties. The effects of the financial and economic crisis were generally less acute within the services sector, as demonstrated by the smoother development of EU-27 turnover indices. In contrast to output measures for industry or for construction, the turnover indices for a range of services (shown in Figure 2.5) never fell below their average levels for 2005, although it should be stressed that the turnover indices are in current prices and so reflect price changes as well as the volume of output.

Services, as covered by the STS Regulation, saw their sales decline in the EU-27 by 10.8 % between the second quarter of 2008 and the third quarter of 2009. The biggest contractions in turnover (among the NACE sections shown in Figure 2.5) were recorded for distributive trades (in particular, the retail sale of motor vehicles) and for transportation and storage (in particular, air transport), while information and communication services was the activity that was least affected by the downturn.

Figure 2.6 shows that Ireland and Spain were the only Member States to record lower turnover indices for services in 2010 than they had five years earlier (-1.6 % and -1.0 % per annum). EU-27 sales rose on average by 2.5 % per annum during the period under consideration, with the fastest expansions in Romania, Poland, Bulgaria, Luxembourg and the United Kingdom (all above 5 % growth per annum) – see Figure 2.6.

Figure 2.5: Index of turnover, seasonally adjusted, EU-27 (1)
(2005=100)

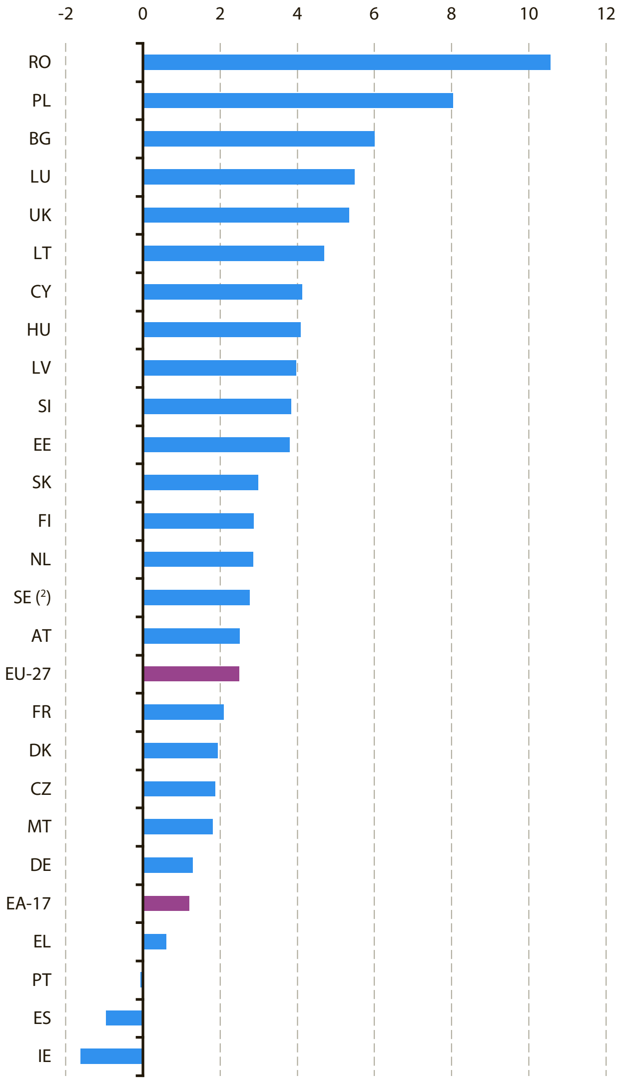


(1) Estimates.
(2) As required by the STS Regulation.

Source: Eurostat (online data codes: sts_trtu_q, sts_setu_q)

Figure 2.6: Index of services turnover, working day adjusted, annual average rate of change 2005 to 2010 (¹)

(%)



(¹) As required by the STS Regulation; Belgium and Italy, not available.
(²) Average from 2005 to 2009.

Source: Eurostat (online data code: sts_trtu_a)

Size and structure of the non-financial business economy

In 2008 a total of EUR 6 155 700 million of gross value added was generated in the EU-27's non-financial business economy, which was equivalent to 63.4 % of the whole economy's value added at factor cost. The non-financial business economy workforce reached 136.3 million persons employed, around three fifths (60.2 %) of those employed in the EU-27.

The sectors that make up the non-financial business economy are shown in Figure 2.7 which provides an overview of their contribution in terms of labour input (employment), output (value added), and the enterprise population. In broad terms, manufacturing and distributive trades were the largest sectors, combining for two fifths or more of each of the three indicators.

Apparent labour productivity averaged EUR 45 200 per person employed in the EU-27's non-financial business economy in 2008, ranging from EUR 20 000 per person employed in accommodation and food services to EUR 151 000 per person employed in mining and quarrying. Average personnel costs were also lowest in the accommodation and food services sector (EUR 16 000 per employee), and joint highest in network energy supply and information and communication services (around EUR 50 000 per employee); the non-financial business economy average was EUR 31 000 per employee. It should be noted that both of these indicators are based on a simple head count of employment and so are influenced, at least in part, by the extent of part-time employment. The influence of part-time employment is largely removed by combining these two measures into the wage adjusted labour productivity ratio: for the non-financial business economy this ratio was valued at 146.3 %, indicating that average

Table 2.1: Key indicators, non-financial business economy, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	21 004
Persons employed	thousands	136 281
Turnover	EUR million	24 915 339
Value added	EUR million	6 155 686
Gross operating surplus	EUR million	2 539 250
Apparent labour productivity	EUR 1 000/person	45.2
Average personnel costs	EUR 1 000/person	30.9
Wage adjusted lab. productivity	%	146.3
Gross operating rate	%	10.2

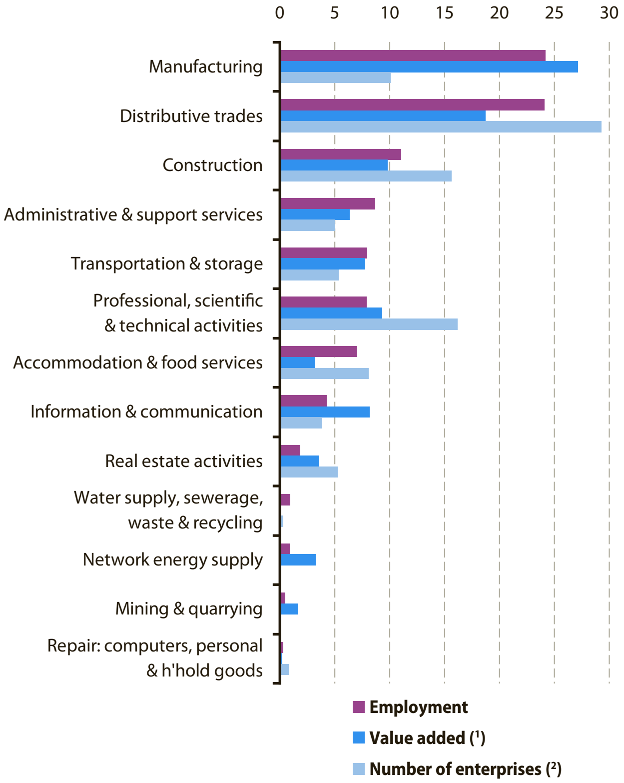
Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

labour productivity was 46.3 % higher than average personnel costs. This indicator was below 100 % for the small sector of repair of computers, personal and household goods, and rose as high as 430 % for the mining and quarrying sector.

As can be seen from Figure 2.8 a Member State's share of the EU-27's non-financial business economy varies substantially depending whether it is measured in terms of value added or employment. Those with higher shares of EU-27 value added than the workforce (such as Germany and the United Kingdom) had above average apparent labour productivity.

Figure 2.7: Structure of the non-financial business economy, EU-27, 2008

(% share of non-financial business economy total)



(1) Water supply, sewerage, waste and recycling, not available.
(2) Network energy supply, not available.

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

Table 2.2: Key indicators, EU-27, 2008

	No. of enterprises (thousands)	Persons employed (thousands)
Non-finanical business economy	21 004	136 281
Mining & quarrying	20	670
Manufacturing	2 123	32 961
Network energy supply	:	1 200
Water supply, sewerage, waste & recycling	60	1 266
Construction	3 285	15 047
Distributive trades	6 144	32 816
Transportation & storage	1 118	10 863
Accommodation & food services	1 696	9 612
Information & communication	797	5 798
Real estate activities	1 097	2 500
Professional, scientific & technical activities	3 392	10 752
Administrative & support services	1 054	11 864
Repair: computers, personal & h'hold goods	176	377

	Turnover (EUR million)	Value added (EUR million)	Invest-ment (EUR million)
Non-finanical business economy	24 915 339	6 155 686	:
Mining & quarrying	250 000	100 000	21 000
Manufacturing	7 136 428	1 669 537	240 078
Network energy supply	1 100 000	199 849	:
Water supply, sewerage, waste & recycling	218 103	:	32 426
Construction	1 907 138	604 362	97 287
Distributive trades	9 117 514	1 153 272	132 683
Transportation & storage	1 305 077	476 619	126 012
Accommodation & food services	461 343	194 131	29 112
Information & communication	1 141 269	502 495	57 279
Real estate activities	420 000	220 000	140 000
Professional, scientific & technical activities	1 168 753	573 128	42 594
Administrative & support services	810 000	390 000	70 000
Repair: computers, personal & h'hold goods	26 227	10 569	:

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

Table 2.2 (continued): Key indicators, EU-27, 2008

	Apparent labour productivity	Average personnel costs
	(EUR 1 000 / person)	
Non-finanical business economy	45	31
Mining & quarrying	151	35
Manufacturing	51	35
Network energy supply	:	50
Water supply, sewerage, waste & recycling	:	32
Construction	40	31
Distributive trades	35	25
Transportation & storage	44	32
Accommodation & food services	20	16
Information & communication	87	50
Real estate activities	87	31
Professional, scientific & technical activities	53	43
Administrative & support services	:	24
Repair: computers, personal & h'hold goods	28	29

	Wage adjusted labour productivity	Gross operating rate	Investment rate
	(%)		
Non-finanical business economy	146.3	10.2	:
Mining & quarrying	430.0	31.0	21.3
Manufacturing	145.3	8.3	16.4
Network energy supply	:	:	:
Water supply, sewerage, waste & recycling	200.0	:	:
Construction	127.8	12.6	18.9
Distributive trades	139.1	5.1	13.5
Transportation & storage	139.0	12.7	31.4
Accommodation & food services	123.5	13.8	17.9
Information & communication	172.6	21.0	13.3
Real estate activities	283.0	39.7	:
Professional, scientific & technical activities	124.5	19.9	8.8
Administrative & support services	140.0	16.0	21.0
Repair: computers, personal & h'hold goods	97.5	14.4	7.0

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

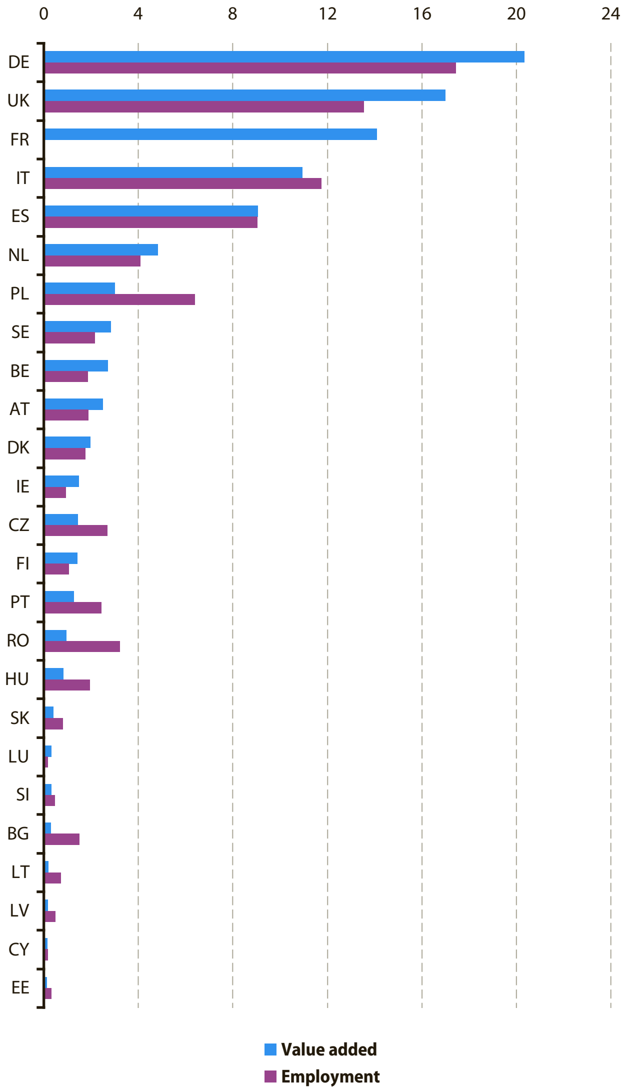
Table 2.3: Key indicators for the non-financial business economy, 2008

	No. of enterprises	Employment	Turnover	Value added
	(thousands)		(EUR 1 000 million)	
EU-27	21 003.9	136 281.0	24 915.3	6 155.7
BE	450.0	2 564.1	888.9	166.8
BG	276.7	2 064.6	106.1	18.0
CZ	907.3	3 665.1	431.9	89.0
DK	213.1	2 067.8	445.2	120.5
DE	1 914.0	23 791.2	4 677.2	1 252.4
EE	50.6	439.7	42.9	8.3
IE	166.9	1 265.8	358.8	92.1
EL	:	:	:	:
ES	2 652.9	13 509.9	2 139.3	557.0
FR	2 361.8	:	3 580.4	867.2
IT	3 948.7	16 006.1	3 049.9	673.8
CY	47.0	242.6	28.3	9.3
LV	76.9	680.0	49.1	10.7
LT	139.5	992.1	66.9	12.9
LU	26.4	233.5	106.7	19.9
HU	573.3	2 650.8	298.7	51.3
MT	:	:	:	:
NL	577.8	5 578.9	1 342.3	297.4
AT	293.9	2 593.2	590.2	154.2
PL	1 556.4	8 708.3	834.5	184.9
PT	783.5	3 310.2	354.0	78.4
RO	506.4	4 413.8	257.4	58.8
SI	107.7	647.8	86.1	19.4
SK	62.7	1 100.2	134.4	24.6
FI	224.5	1 436.0	381.1	88.2
SE	580.8	2 960.6	668.3	175.1
UK	1 730.6	18 457.7	3 662.5	1 046.6
HR (1)	167.3	1 157.7	91.1	23.6

(1) Excluding mining and quarrying and repair of computers and personal and household goods.

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

Figure 2.8: Share of value added and employment, non-financial business economy, 2008 (1)
(% share of EU-27 total)



(1) Greece and Malta, not available; France, persons employed, not available.

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

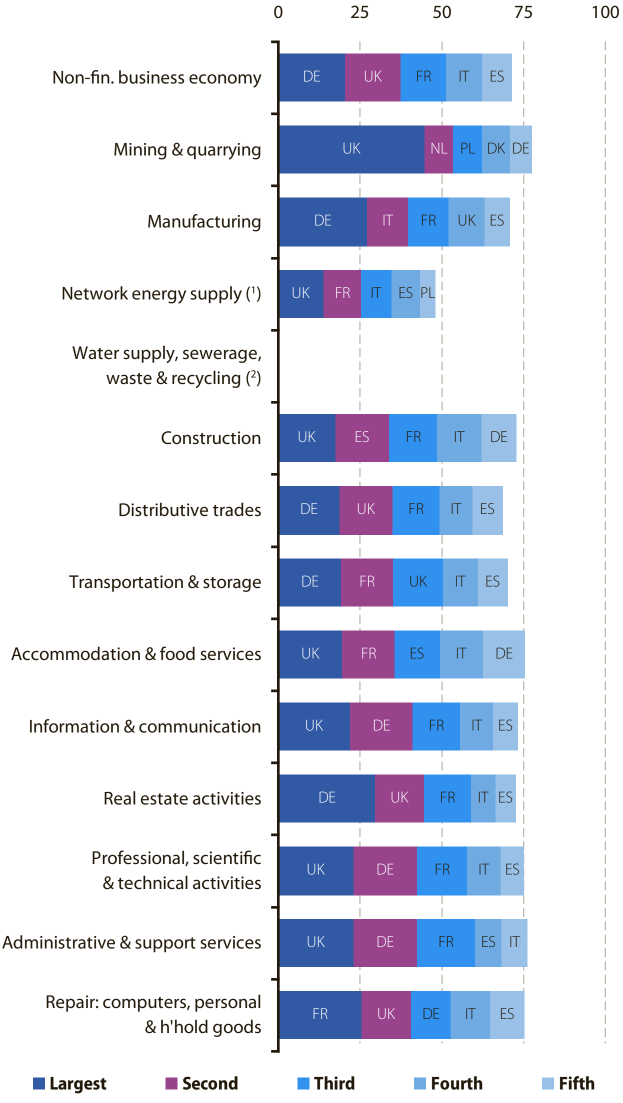
National specialisation and concentration

The share of the five largest Member States in the EU-27's value added gives an impression of geographical concentration; the average share for the non-financial business economy was 71.4 % in 2008. An analysis at the level of detail shown in Figure 2.9 indicates that the highest concentration was for mining and quarrying and the lowest for distributive trades; network energy supply had a lower level of concentration by this measure, but it should be noted that German data is not available for this sector, thus strongly influencing the results. Generally, in each sector the five largest Member States were the five Member States with the largest overall economies, with the mining and quarrying sector the main exception.

The most specialised country in an activity is the one where that activity's share of the non-financial business economy is highest. In contrast to concentration measures that typically highlight the largest Member States, measures of specialisation often identify smaller or medium-sized Member States. In none of the activities presented in Tables 2.4 or 2.5 were large Member States the most specialised in employment terms and only in two cases (both the United Kingdom in service activities) in value added terms. Some specialisations are due to the availability of natural resources, for example mining and quarrying in Denmark and Poland.

Table 2.6 shows the activities in which each of the Member States are the most specialised, relative to the EU-27, based on value added shares in the non-financial business economy. About half of the Member States were specialised in one of the industrial activities. Construction was the most specialised activity in Spain and Italy, transportation and storage in the Baltic Member States, accommodation and food services in Cyprus and Austria, information and communication services in Ireland and Luxembourg, and real estate activities in Germany and Sweden. Belgium was the only Member State most specialised in administrative and support services, while France was the only one most specialised in the repair of computers, personal and household goods – some activities are relatively small across the whole of the EU, which means that even in a Member State with a high specialisation relative to the EU-27 average this activity may in fact only contribute a small proportion of non-financial business economy value added, as in this case for France. It should be noted that none of the Member States were most specialised in water supply, sewerage, waste and recycling, nor in distributive trades, nor professional, scientific and technical activities.

Figure 2.9: Cumulative share of value added for the five largest contributors among EU Member States, 2008
(% share of value added)



(1) Germany, not available.
(2) Germany and EU-27, not available; largest Member States were the United Kingdom, France, Italy, Spain and the Netherlands.

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

Table 2.4: Relative specialisation by activity in terms of value added, 2008 ([1])

(% of non-financial business economy value added)

	Most specialised Member State	Share of sector in the national non-financial business economy
Mining & quarrying	DK	7.1
Manufacturing	HU	37.6
Network energy supply	SK	10.8
Water supply, sewerage, waste & recycling	BG	1.9
Construction	CY	23.4
Distributive trades	LT	25.7
Transportation & storage	LV	13.9
Accommodation & food services	CY	10.9
Information & communication	LU	11.4
Real estate activities	SE	7.5
Professional, scientific & technical activities	UK	12.6
Administrative & support services	UK	8.6
Repair: computers, personal & h'hold goods	SK	0.3

([1]) Greece and Malta, not available; Belgium, Germany and Luxembourg, incomplete.

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

Table 2.5: Relative specialisation by activity in terms of employment, 2008 ([1])

(% of non-financial business economy employment)

	Most specialised Member State	Share of sector in the national non-financial business economy
Mining & quarrying	PL	2.1
Manufacturing	SK	40.0
Network energy supply	RO	2.0
Water supply, sewerage, waste & recycling	SK	1.9
Construction	LU	17.2
Distributive trades	IE	29.1
Transportation & storage	DK	15.5
Accommodation & food services	CY	17.2
Information & communication	FI	6.7
Real estate activities	LV	5.4
Professional, scientific & technical activities	NL	11.8
Administrative & support services	NL	17.0
Repair: computers, personal & h'hold goods	PL	0.5

([1]) Greece and Malta, not available; Belgium, Germany and Luxembourg, incomplete.

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

Table 2.6: Relative specialisation by Member State in terms of value added, 2008 (1)

	Most specialised activity within the non-financial business economy	Share of activity value added in the non-financial business economy total (%)
BE (2)	Administrative & support services	7.1
BG	Network energy supply	5.7
CZ	Network energy supply	6.4
DK	Mining & quarrying	7.1
DE (2)	Real estate activities	5.2
EE	Transportation & storage	10.5
IE	Information & communication	11.0
EL	:	:
ES	Construction	17.8
FR	Repair: computers, personal & h'hold goods	0.3
IT	Construction	12.1
CY	Accommodation & food services	10.9
LV	Transportation & storage	13.9
LT	Transportation & storage	11.6
LU (2)	Information & communication	11.4
HU	Network energy supply	4.8
MT	:	
NL	Mining & quarrying	3.0
AT	Accommodation & food services	4.5
PL	Mining & quarrying	4.7
PT	Network energy supply	4.5
RO	Mining & quarrying	6.8
SI	Manufacturing	34.7
SK	Network energy supply	10.8
FI	Manufacturing	36.4
SE	Real estate activities	7.5
UK	Mining & quarrying	4.3

(1) Water supply, sewerage, waste management and remediation activities, not available.
(2) Activity coverage, incomplete.

Source: Eurostat (online data codes: sbs_na_ind_r2, sbs_na_con_r2, sbs_na_dt_r2, sbs_na_1a_se_r2)

Regional specialisation and concentration

The reasons for the relative specialisation of a region in an activity are varied and include, among others, the availability of natural resources (for example, for mining and quarrying activities and forest-based manufacturing activities), the availability of skilled employees, costs, infrastructure, legislation, climatic and topographic conditions (particularly regarding tourism-related activities) and proximity to markets.

Figure 2.10 indicates that the widest spread (from lowest to highest) in the share of an activity in each region's non-financial business economy workforce concerned manufacturing activities. In contrast, the employment spread for activities like construction and distributive trades (which tend to serve more local clients and are large, basic activities present in each region) were much narrower.

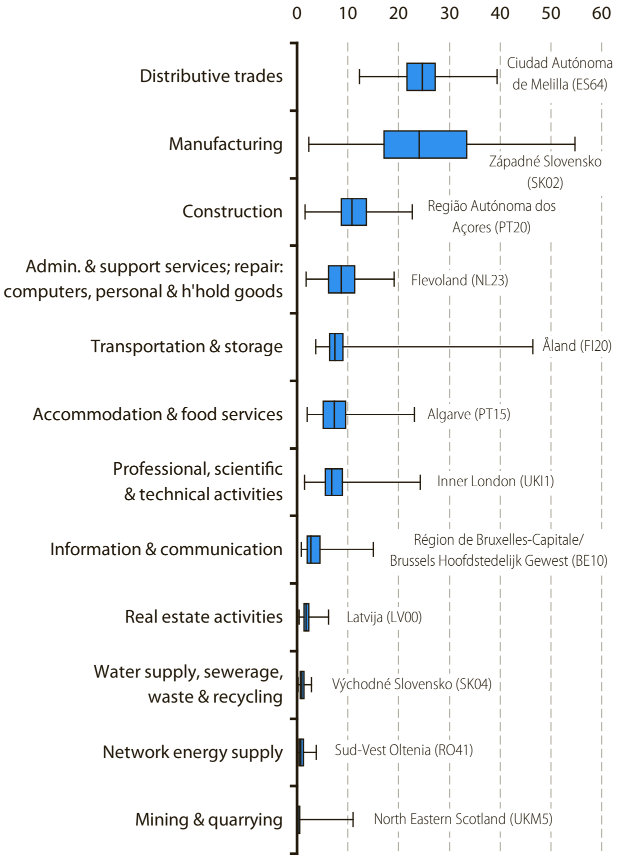
The shares of the non-financial business economy workforce occupied within the industrial sector and in the non-financial services sector in 2008 are shown in Maps 2.1 and 2.2. Relatively high shares of industrial employment were found in regions of Bulgaria, the Czech Republic, Germany, Hungary, Poland, Romania and Slovakia, with the Slovakian region of Západné Slovensko recording the highest share at 60.2 %. Non-financial services employment accounted for over 80 % of the non-financial business economy workforce in at least nine regions, mainly in or bordering major urban areas such as Berlin, Hamburg and Cologne in Germany, Copenhagen in Denmark, Amsterdam in the Netherlands, and London and the surrounding south-east of England. The highest share of non-financial business economy employment recorded for non-financial services was 92.5 % in inner London.

Map 2.3 is based on the aggregate employment share of the five largest NACE divisions in each region, providing an analysis of activity concentration by region. It shows that several of the most concentrated regions – by this measure – were in regions of Spain, Italy and Portugal traditionally associated with tourism (underlining the importance of construction, retail trade, accommodation and food services, and transport services for tourism supply), as well as the particular case of the Åland islands of Finland which had the highest concentration due in large part to its specialisation in water transport.

The most specialised region in the EU-27 for each of the main sectors within the non-financial business economy is shown in Table 2.7.

Figure 2.10: Degree of regional specialisation by activity (NACE Sections), by NUTS 2 regions, EU-27 and Norway, 2008 ([1])

(% sectoral share of non-financial business economy employment of NUTS 2 regions)

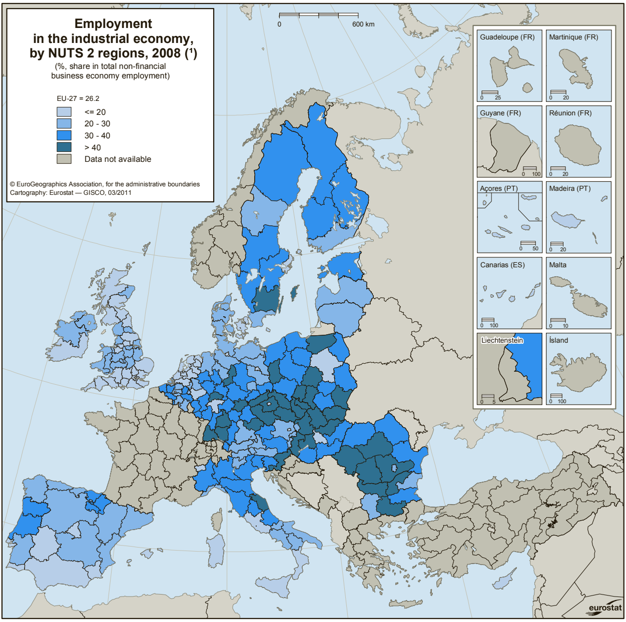


([1]) Minimum to maximum share (horizontal line), inter-quartile range covering half of all regions (box), median share (vertical line in box); excluding Greece, France, Latvia (construction), Luxembourg and Malta.

Source: Eurostat (online data code: sbs_r_nuts06_r2)

Map 2.1: Employment in the industrial economy, by NUTS 2 regions, 2008 (1)

(%, share in total non-financial business economy employment)

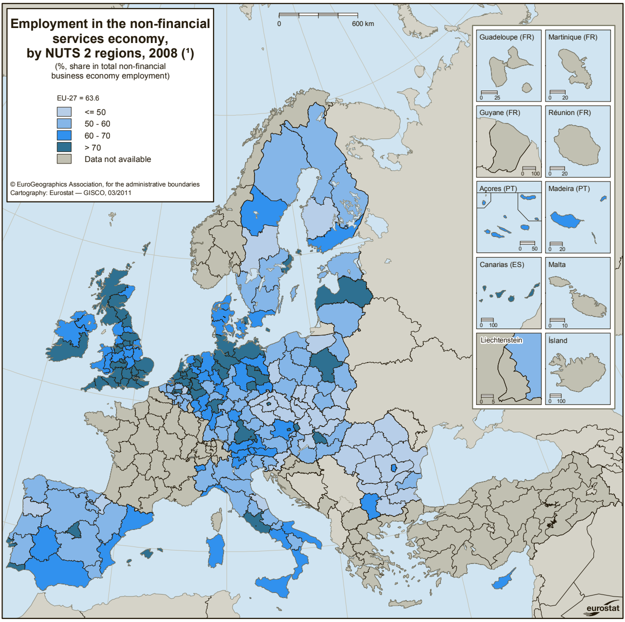


(1) EU-27, excluding Greece, France, Latvia (Section F), Luxembourg and Malta.

Source: Eurostat (online data code: sbs_r_nuts06_r2)

Map 2.2: Employment in the non-financial services economy, by NUTS 2 regions, 2008 (1)

(%, share in total non-financial business economy employment)

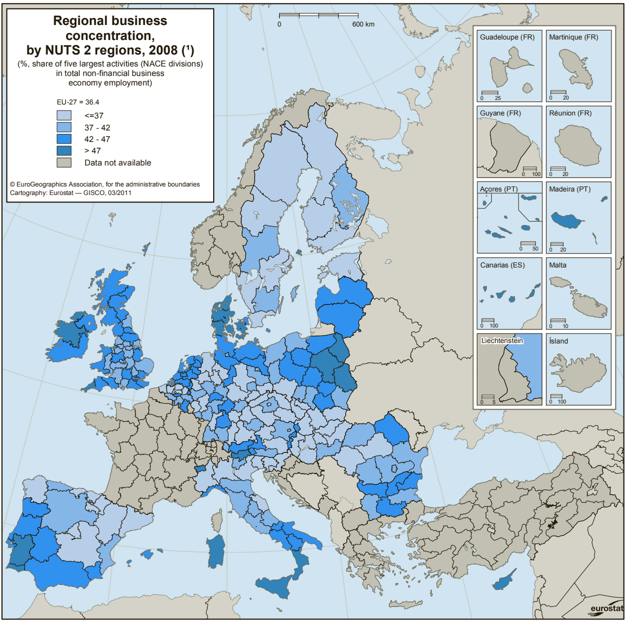


(1) EU-27, excluding Greece, France, Latvia (Section F), Luxembourg and Malta.

Source: Eurostat (online data code: sbs_r_nuts06_r2)

Map 2.3: Regional business concentration, by NUTS 2 regions, 2008 (1)

(%, share of five largest activities (NACE divisions) in total non-financial business economy employment)



(1) EU-27, excluding Greece, France, Latvia (Section F), Luxembourg and Malta.

Source: Eurostat (online data code: sbs_r_nuts06_r2)

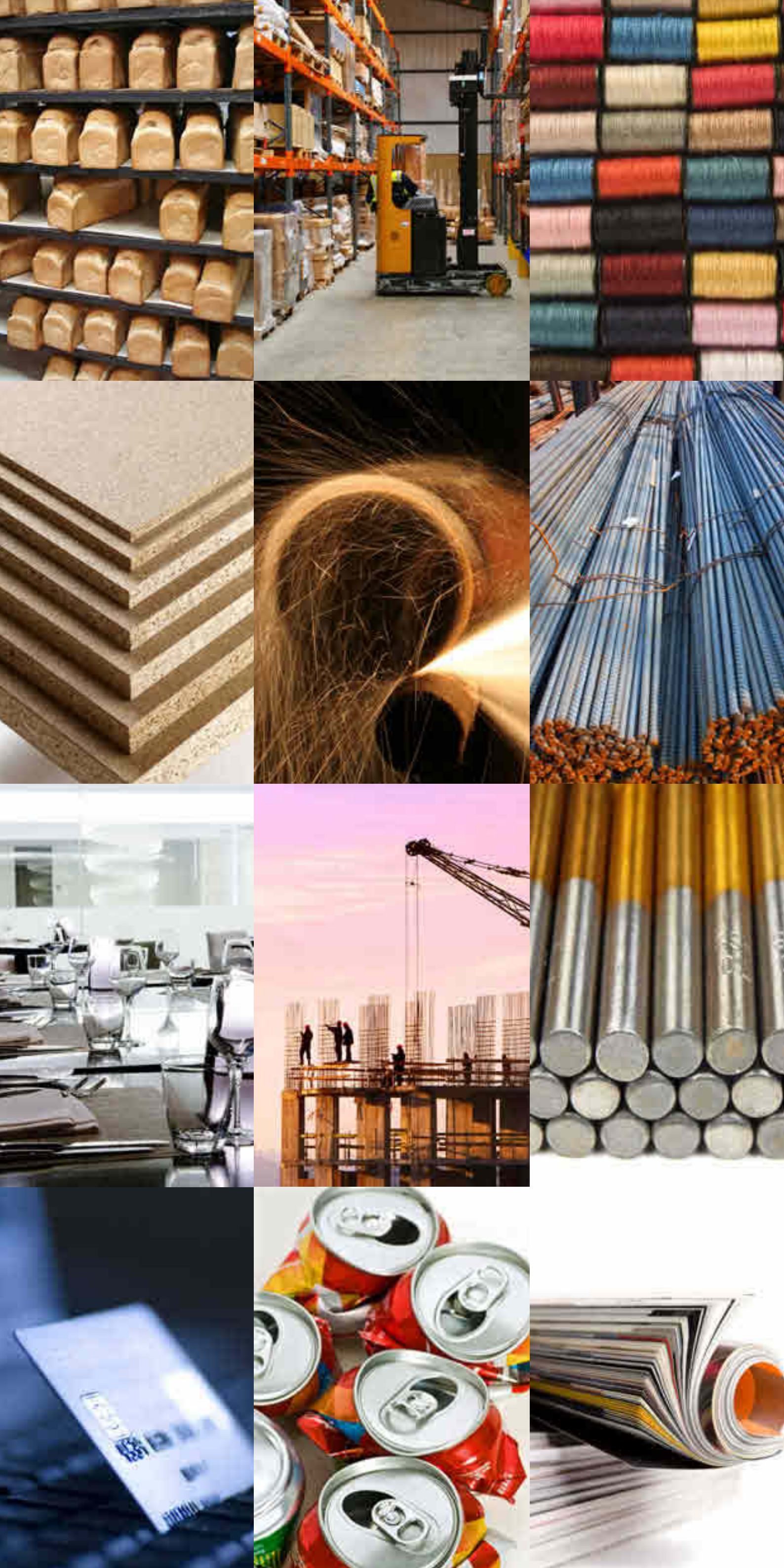
Table 2.7: Regional specialisation in employment terms, by NUTS 2 regions, 2008 ([1])

(% share of non-financial business economy workforce)

	Most specialised region	(%)
Mining & quarrying	N E Scotland (UKM5)	11.1
Manufacturing	Západné Slovensko (SK02)	54.7
Network energy supply	Sud-Vest Oltenia (RO41)	3.8
Water supply, sewerage, waste & recycling	Východné Slovensko (SK04)	2.9
Construction	Região Autónoma dos Açores (PT20)	22.7
Distributive trades	Ciudad Autónoma de Melilla (ES64)	39.4
Transportation & storage	Åland (FI20)	46.4
Accommodation & food services	Algarve (PT15)	23.1
Information & communication	Région de Bruxelles-Capitale/ Brussels Hoofdstedelijk Gewest (BE10)	15.0
Real estate activities	Latvija (LV00)	6.2
Professional, scientific & technical activities	Inner London (UKI1)	24.3
Administrative & support services	Flevoland (NL23)	18.9
Repair: computers, personal & h'hold goods	Prov. Vlaams-Brabant (BE24)	0.7

([1]) Excluding Greece, France, Latvia (construction), Luxembourg and Malta.

Source: Eurostat (online data code: sbs_r_nuts06_r2)



3

Sectoral analysis

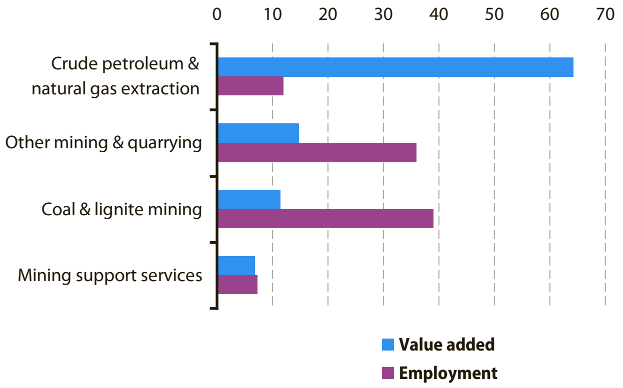
Mining and quarrying

Alongside a small number of large-scale producers active in global markets this sector includes many smaller enterprises typically serving a local market in low value, widely available products often for use in construction.

Around 670 000 persons were employed in 20 000 mining and quarrying enterprises in the EU-27 in 2008. Together they generated EUR 100 000 million of value added, resulting in an apparent labour productivity of EUR 151 000 per person employed, by far the highest of all NACE sections. Two fifths (38.9 %) of the EU-27's mining and quarrying workforce worked in the extraction of coal and lignite. The importance of the extraction of crude oil and natural gas was far greater in value added terms (64.2 % of sectoral value added) than employment (11.9 %) indicating an exceptionally high apparent labour productivity.

The location of this activity reflects the distribution of deposits. The United Kingdom (oil and gas fields) recorded the highest share (44.6 %) of EU-27 value added in this sector. Denmark and the Netherlands (predominantly natural gas), Italy (crude petroleum and natural gas) and Poland (coal and lignite) were also relatively important producers.

Figure 3.1: Sectoral analysis, mining and quarrying, EU-27, 2008 (1)
(% share of mining and quarrying total)



(1) Metal ores mining, not available.

Source: Eurostat (online data code: sbs_na_ind_r2)

Table 3.1: Key indicators, mining and quarrying, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	20
Persons employed	thousands	670
Turnover	EUR million	250 000
Value added	EUR million	100 000
Gross operating surplus	EUR million	78 000
Investment	EUR million	21 000
Share of non-financial business economy:		
no. of enterprises	%	0.1
employment	%	0.5
value added	%	1.6
Apparent labour productivity	EUR 1 000/person	151
Average personnel costs	EUR 1 000/person	35
Gross operating rate	%	31
Annual average rate of change 2005 to 2010		
index of production	%	-4.0
index of employment	%	-3.3

Source: Eurostat (online data code: sbs_na_ind_r2, sts_inpr_a, sts_inlb_a)

Table 3.2: Concentration and specialisation, mining and quarrying, 2008 (1)

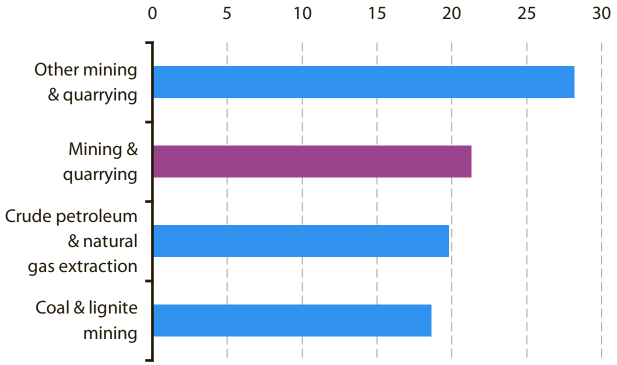
Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	44.6	Poland	2.1
Netherlands	8.9	Romania	2.0
Poland	8.7	Bulgaria	1.4
Denmark	8.5	Estonia	1.2
Germany	6.8	Czech Republic	1.2

(1) Belgium, Greece and Malta, not available; France, persons employed, not available; Czech Republic, provisional.

Source: Eurostat (online data code: sbs_na_ind_r2)

Figure 3.2: Investment rate, EU-27, 2008 (1)

(%)



(1) Metal ores mining and mining support services, not available.

Source: Eurostat (online data code: sbs_na_ind_r2)

Table 3.3: Production sold in quantity terms, selected products, EU-27, 2009 (1)

(million kg)

Prodcom code	Product	Quantity	Rounding base
08.12.12.30	Crushed stone of a kind used for concrete aggregates, road metalling or railway or other ballast (excluding gravel, pebbles, shingle and flint)	903 000	3 000
08.12.12.10	Gravel and pebbles of a kind used for concrete aggregates, road metalling or railway or other ballast; shingle and flint	546 000	3 000
08.12.11.90	Construction sands (excluding silica sands, metal bearing sands)	450 000	3 000
08.11.20.50	Limestone (flux) and other calcareous stone used for the manufacture of lime or cement	*118 981*	
08.12.12.90	Granules, chippings and powder of travertine, ecaussine, granite, porphyry, basalt, sandstone and other monumental stone	*88 701*	
08.12.11.50	Silica sands (quartz sands or industrial sands)	*74 288*	
08.93.10.00	Salt (excluding salt suitable for human consumption) and pure sodium chloride	*46 666*	

(1) The rounding base indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 08.12.12.30, the confidential value lies within the range +/- 3 000 million kg of the reported value).

Source: Eurostat (online data code: DS_066341)

Prodcom (see Tables 3.3 and 3.4) provides information on the value and quantity of sold production: production is recorded based on the sale by the producer, and so the sale may be to an intermediary (distributor) or to a consumer, and as such may be destined for domestic or export markets.

Table 3.4: Production sold in value terms, selected products, EU-27, 2009 ([1])

Prodcom code	Product	Value (EUR million)	Rounding base (million)
08.12.12.30	Crushed stone of a kind used for concrete aggregates, road metalling or railway or other ballast (excluding gravel, pebbles, shingle and flint)	5 460	30
08.12.12.10	Gravel and pebbles of a kind used for concrete aggregates, road metalling or railway or other ballast; shingle and flint	4 280	20
08.12.11.90	Construction sands (excluding silica sands, metal bearing sands)	3 270	30
08.93.10.00	Salt (excluding salt suitable for human consumption) and pure sodium chloride	*1 580*	
07.10.10.00	Iron ores and concentrates (excluding roasted iron pyrites)	1 200	600
08.11.20.50	Limestone (flux) and other calcareous stone used for the manufacture of lime or cement	1 020	20
08.99.29.00	Other minerals	*944*	
08.12.11.50	Silica sands (quartz sands or industrial sands)	*857*	

([1]) Excludes a few products of a generic nature ("other") as well as products whose production value is confidential; includes estimates; the rounding base indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 08.12.12.30, the confidential value lies within the range +/- EUR 30 million of the reported value).

Source: Eurostat (online data code: DS_066341)

Manufacturing

Manufacturing was the largest of the NACE sections within the EU-27's non-financial business economy both in terms of persons employed and value added; it contributed 24.2 % of the workforce in 2008 and 27.1 % of value added. Overall, 2.1 million manufacturing enterprises employed 33.0 million persons in 2008. The largest subsectors (at the NACE division level) were food and beverages manufacturing and the manufacture of fabricated metal products – see Figure 3.3.

Figure 3.4 shows that the share of manufacturing within the non-financial business economy's value added varied in 2008 from 13.2 % in Cyprus to 37.6 % in Hungary. The range in employment terms was similar, from 13.5 % in the Netherlands to 40.0 % in Slovakia. Table 3.6 indicates the manufacturing activities in which each country was most specialised, compared with the EU-27 average. For example, the Baltic Member States were all most specialised in the manufacture of wood and wood products as was Austria, while Cyprus and Luxembourg were most specialised in beverages manufacturing.

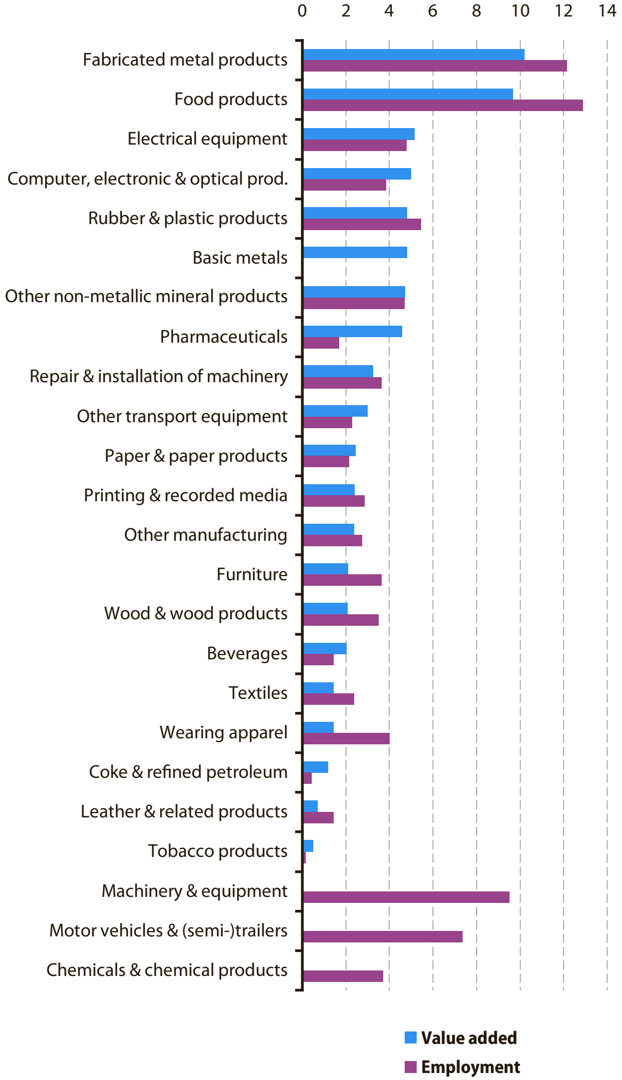
Manufacturing subsectors are very diverse, combining activities with low apparent labour productivity, average personnel costs and rates of investment, such as the manufacture of textiles, leather products, wearing apparel and furniture, with those with considerably higher values for the same indicators, such as the processing of coke and petroleum. There is also great diversity between the manufacturing sectors of the EU Member States: the wage adjusted labour

Table 3.5: Key indicators, manufacturing, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	2 123
Persons employed	thousands	32 961
Turnover	EUR million	7 136 428
Value added	EUR million	1 669 537
Gross operating surplus	EUR million	592 646
Investment	EUR million	240 078
Share of non-financial business economy:		
no. of enterprises	%	10.1
employment	%	24.2
value added	%	27.1
Apparent labour productivity	EUR 1 000/person	51
Average personnel costs	EUR 1 000/person	35
Gross operating rate	%	8
Annual average rate of change 2005 to 2010		
index of production	%	-0.3
index of employment	%	-2.3

Source: Eurostat (online data codes: sbs_na_ind_r2, sts_inpr_a, sts_inlb_a) productivity ratio for Ireland was 2.6 times the level in Sweden in 2008, while the investment rate ranged from 8.4 % in Ireland to more than 50 % in Romania, Bulgaria and Latvia.

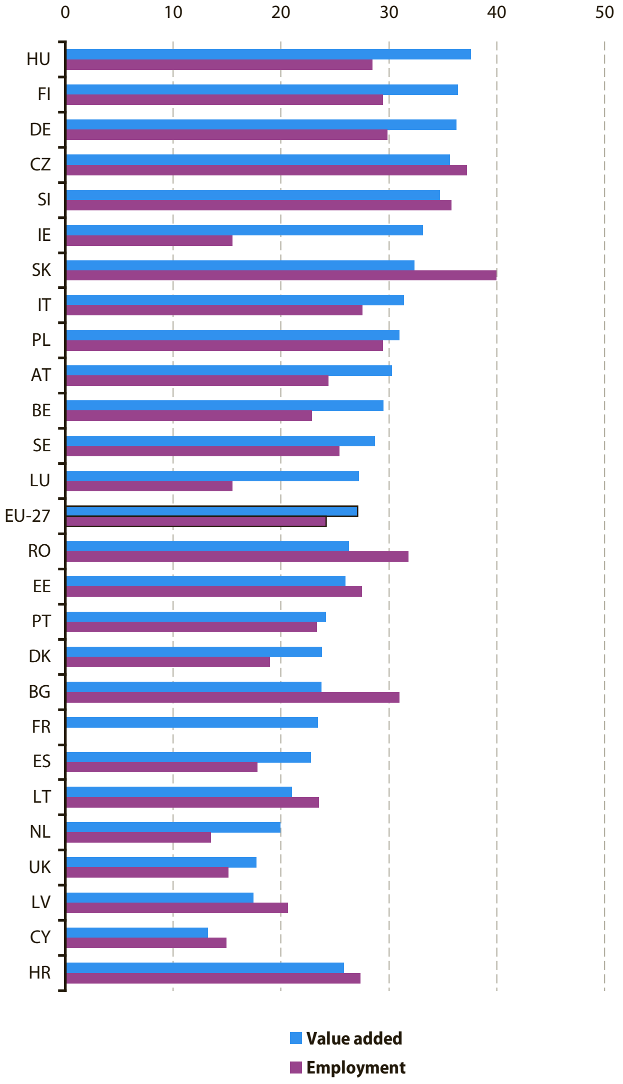
Figure 3.3: Sectoral analysis, manufacturing, EU-27, 2008 (1)
(% share of manufacturing total)



(1) Chemicals and chemical products, machinery and equipment and motor vehicles and (semi-)trailers, value added, not available; basic metals, persons employed, not available.

Source: Eurostat (online data code: sbs_na_ind_r2)

Figure 3.4: Share of manufacturing in the non-financial business economy, 2008 (1)
(%)



(1) Greece and Malta, not available; France, persons employed, not available; Croatia, excluding mining and quarrying and repair of computers and personal and household goods; Czech Republic, provisional.

Source: Eurostat (online data code: sbs_na_ind_r2)

Table 3.6: Highest employment specialisation ratios (relative to EU-27) within manufacturing NACE divisions, 2008 (1)

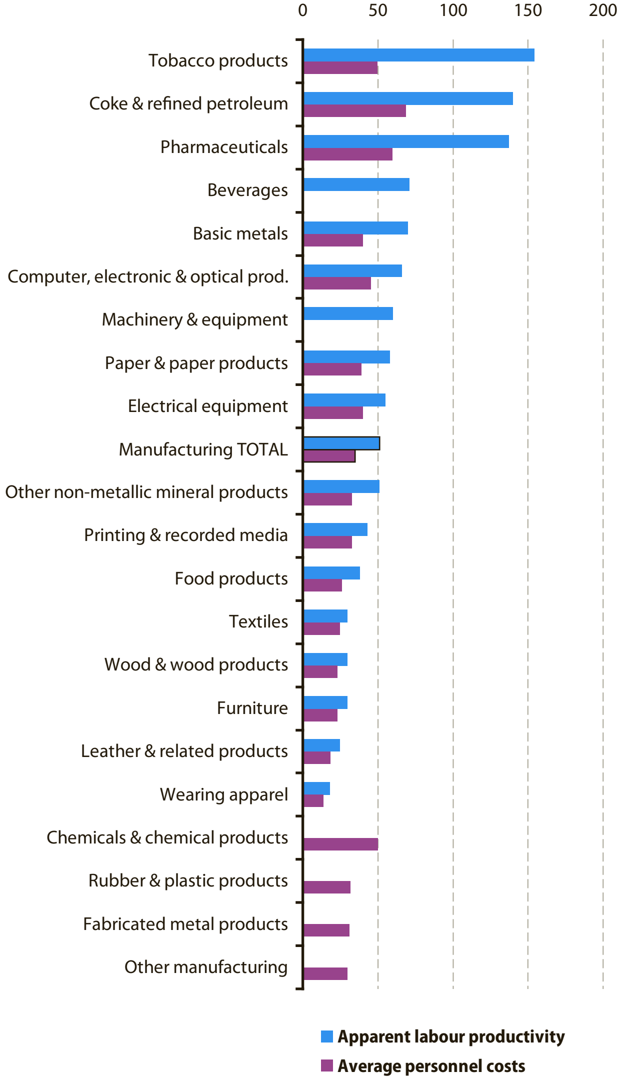
(%)

	1st	2nd
BE	Chemicals	Textiles
BG	Wearing apparel	Tobacco
CZ	*Motor vehicles*	*Electrical machinery*
DK	Pharmaceuticals	Machinery & equipment
DE	Machinery & equipment	Motor vehicles
EE	Wood & wood products	Coke & refined petroleum
IE	Pharmaceuticals	Other manufacturing
EL	:	:
ES	Non-metallic mineral prod.	Beverages
FR	:	:
IT	Leather	Textiles
CY	Beverages	Wood & wood products
LV	Wood & wood products	Wearing apparel
LT	Wood & wood products	Furniture
LU	Beverages	Fabricated metal products
HU	Computer, electr. & optical	Coke & refined petroleum
MT	:	:
NL	Tobacco	Coke & refined petroleum
AT	Wood & wood products	Electrical equipment
PL	Tobacco	Furniture
PT	Leather	Wearing apparel
RO	Wearing apparel	Leather
SI	Electrical equipment	Furniture
SK	Leather	Motor vehicles
FI	Paper & paper products	Computer, electr. & optical
SE	Paper & paper products	Wood & wood products
UK	Other transport equipment	Printing & recorded media
HR	Wearing apparel	Leather

(1) Incomplete: highest specialisation ratios among those activities for which data are available.

Source: Eurostat (online data code: sbs_na_ind_r2)

Figure 3.5: Productivity and personnel costs, EU-27, 2008 ([1])
(EUR 1 000/person)

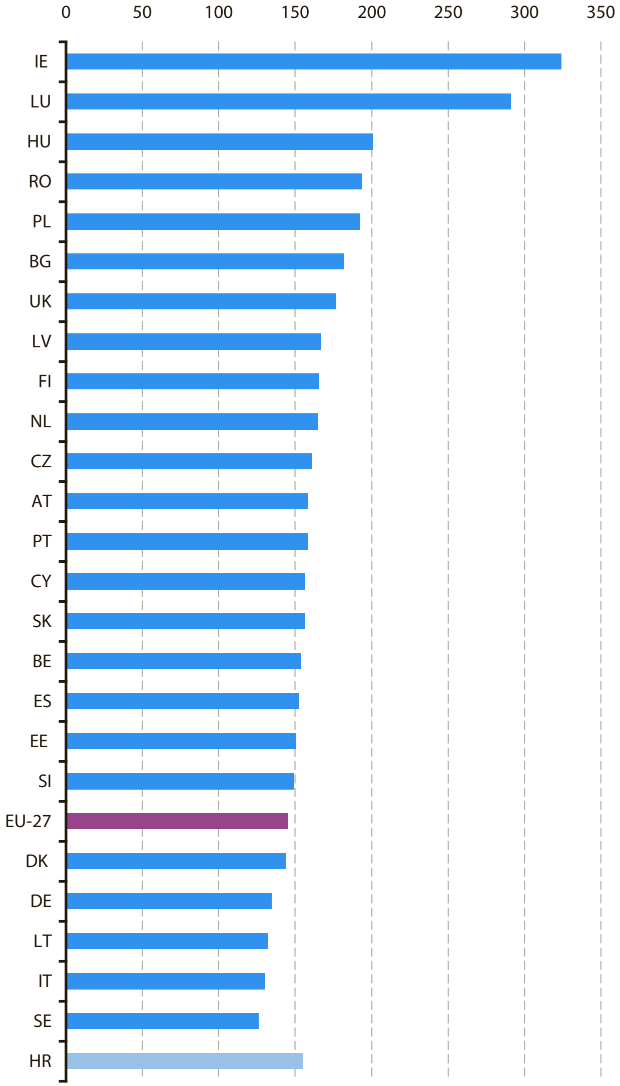


([1]) Motor vehicles and (semi-)trailers, other transport equipment and repair and installation of machinery, not available; beverages and machinery and equipment, average personnel costs, not available; chemicals and chemical products, rubber and plastic products, fabricated metal products and other manufacturing, apparent labour productivity, not available.

Source: Eurostat (online data code: sbs_na_ind_r2)

Figure 3.6: Wage adjusted labour productivity, manufacturing, 2008 (1)

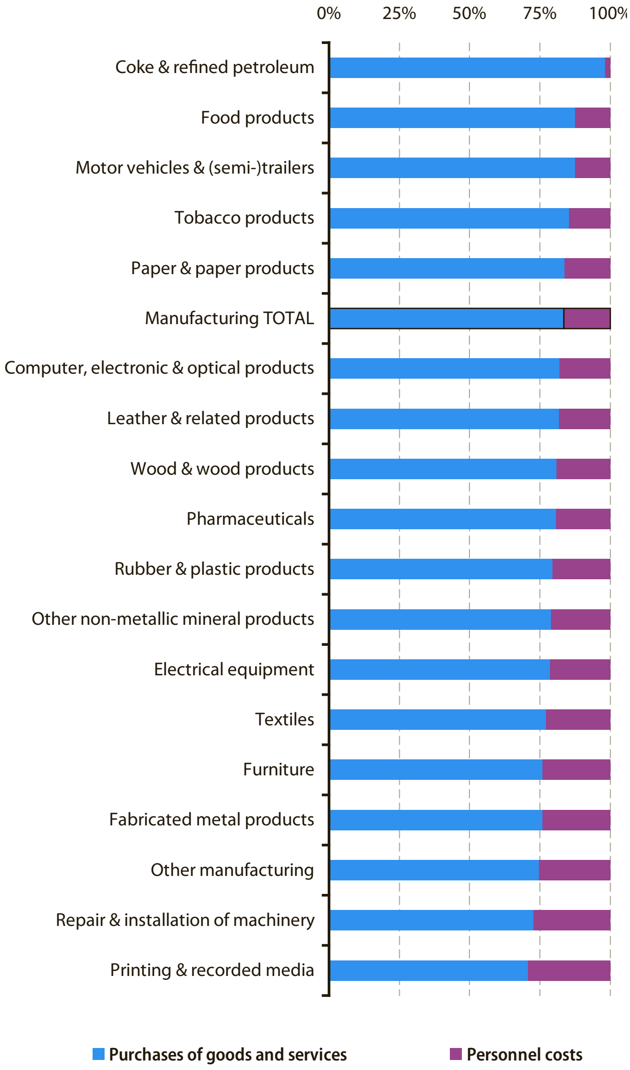
(%)



(1) Greece, France and Malta, not available; Czech Republic, provisional.

Source: Eurostat (online data code: sbs_na_ind_r2)

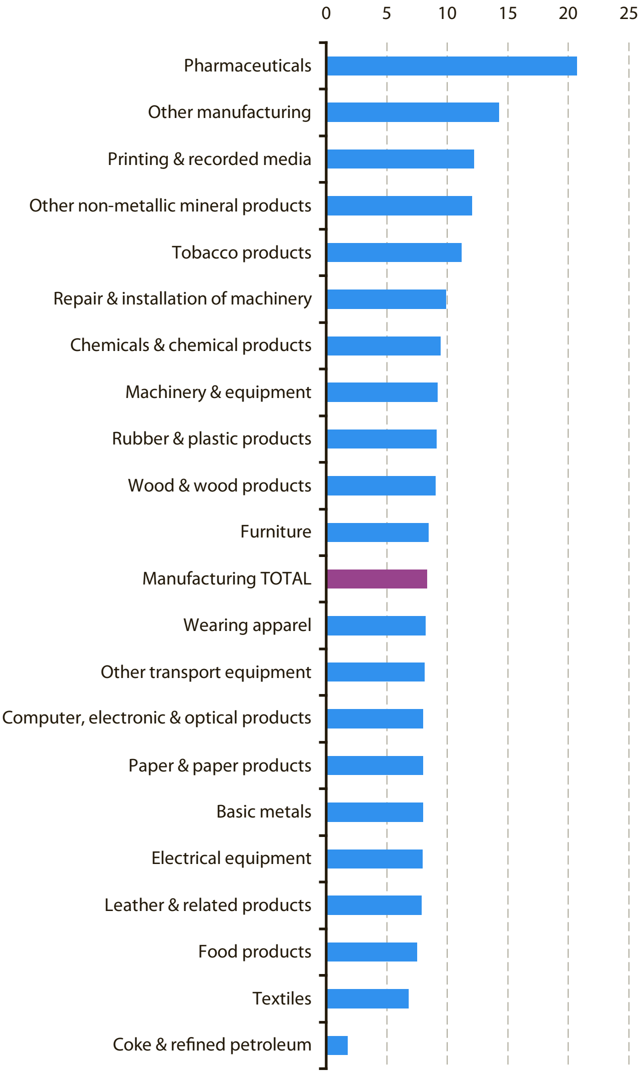
Figure 3.7: Share of operating expenditure, EU-27, 2008 ([1])
(%)



([1]) Beverages, wearing apparel, chemicals and chemical products, basic metals, machinery and equipment and other transport equipment, not available.

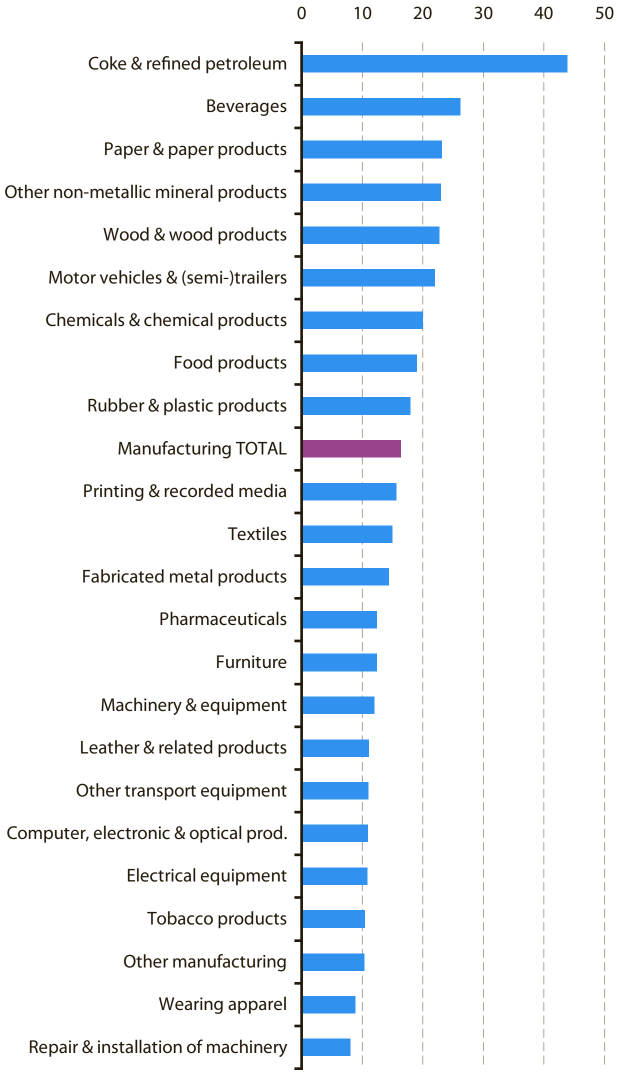
Source: Eurostat (online data code: sbs_na_ind_r2)

Figure 3.8: Gross operating rate, EU-27, 2008 (1)
(%)



(1) Beverages, fabricated metal products and motor vehicles and (semi-)trailers, not available.
Source: Eurostat (online data code: sbs_na_ind_r2)

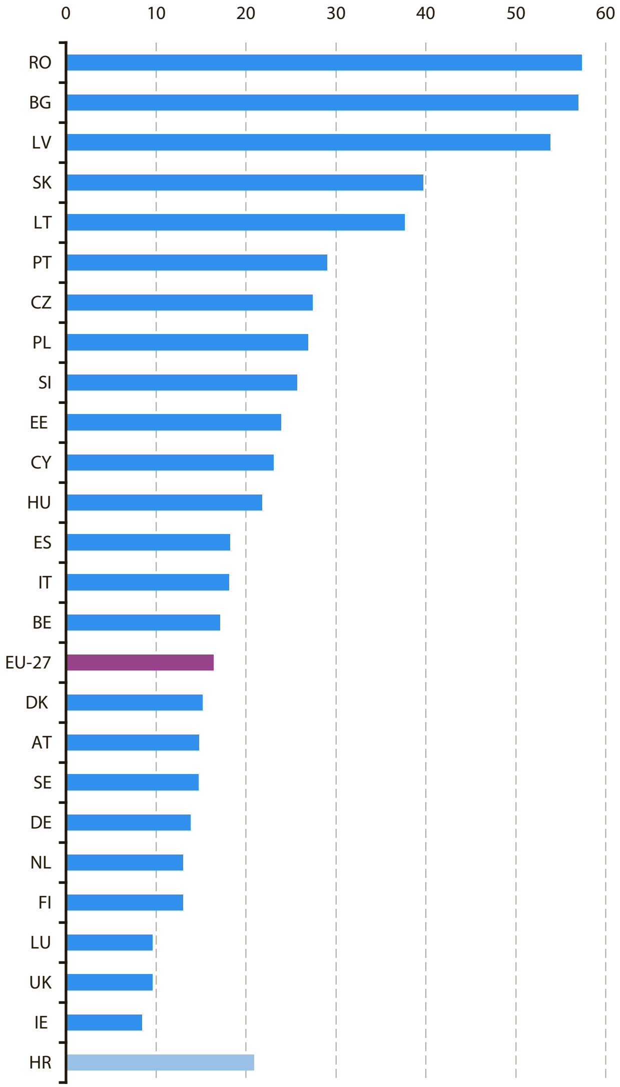
Figure 3.9: Investment rate, EU-27, 2008 ([1])
(%)



([1]) Basic metals, not available.

Source: Eurostat (online data code: sbs_na_ind_r2)

Figure 3.10: Investment rate, manufacturing, 2008 ([1])
(%)



([1]) Greece, France and Malta, not available; Czech Republic, provisional.

Source: Eurostat (online data code: sbs_na_ind_r2)

The Prodcom list includes around 4 500 products, most of which are manufactured goods. The value of production sold should be calculated on the basis of the ex-works selling price obtained/obtainable during the reporting period. The following are not included: VAT and consumer taxes; separately charged freight costs; discounts granted to customers.

Table 3.7 illustrates the information that is available in quantity terms, where the measurement unit used varies depending on the nature of the product. For example, EU-27 producers sold around 39 700 million litres of beer in 2009. Table 3.8 shows a selection of products with high values of production sold in the EU-27 in 2009. This list includes several products from food processing and motor vehicle manufacturing activities.

Table 3.7: Production sold in quantity terms, selected products, EU-27, 2009 (1)

Prodcom code	Product	Quantity (million)	Rounding base (million)	Unit
10.11.11.90	Fresh or chilled cuts, of beef and veal	2 766		kg
10.61.21.00	Wheat or meslin flour	30 281		kg
11.05.10.00	Beer made from malt (excluding non-alcoholic beer, beer containing <= 0.5% by volume of alcohol)	39 664		l
12.00.11.50	Cigarettes containing tobacco or mixtures of tobacco and tobacco substitutes	710 442		p/st
22.11.11.00	New pneumatic rubber tyres for motor cars (including for racing cars)	255		p/st
23.63.10.00	Ready-mixed concrete	*730 086*		kg
29.32.30.20	Brakes and servo-brakes and their parts (excluding unmounted linings or pads)	1 800	300	kg
29.32.30.33	Gear boxes and their parts	*82*		p/st

(1) The rounding base indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 29.32.30.20, the confidential value lies within the range +/- 300 million kg of the reported value).

Source: Eurostat (online data code: DS_066341)

Table 3.8: Production sold in value terms, selected products, EU-27, 2009

Prodcom code	Product	Value (EUR million)	Rounding base (million)
29.10.22.30	Motor vehicles with a petrol engine > 1500 cm^3 (including motor caravans of a capacity > 3000 cm^3) (excluding vehicles for transporting >= 10 persons, snowmobiles, golf cars and similar vehicles)	83 755	
29.10.23.30	Motor vehicles with a diesel or semi-diesel engine > 1500 cm^3 but <= 2500 cm^3 (excluding vehicles for transporting >= 10 persons, motor caravans, snowmobiles, golf cars and similar vehicles)	60 000	20 000
10.00.00.Z1	Prepared and preserved meat, meat offal or blood, including prepared meat and offal dishes	47 219	
29.10.21.00	Vehicles with spark-ignition engine of a cylinder capacity <= 1 500 cm^3, new	36 267	
10.90.10.Z0	Preparations for animal feeds (excluding dog or cat food)	35 618	
11.05.10.00	Beer made from malt (excluding non-alcoholic beer, beer containing <= 0.5% by volume of alcohol, alcohol duty)	30 365	
10.71.11.00	Fresh bread containing by weight in the dry matter state <= 5% of sugars and <= 5% of fat (excluding with added honey; eggs; cheese or fruit)	*26 987*	
10.51.40.50	Grated, powdered, blue-veined and other non-processed cheese (excluding fresh cheese, whey cheese and curd)	24 000	3 000
17.21.13.00	Cartons, boxes and cases, of corrugated paper or paperboard	21 277	
23.63.10.00	Ready-mixed concrete	20 834	
10.71.12.00	Cake and pastry products; other baker's wares with added sweetening matter	19 000	100
25.12.10.50	Aluminium doors, thresholds for doors, windows and their frames	*18 642*	

(1) Excludes a few products of a generic nature ('other') as well as products whose production value is confidential; includes estimates; the rounding base indicates the magnitude of the rounding employed to protect confidential cell (in the case of PRODCOM code 29.10.23.30, the confidential value lies within the range +/- EUR 20 000 million of the reported value).

Source: Eurostat (online data code: DS_066341)

Network energy supply

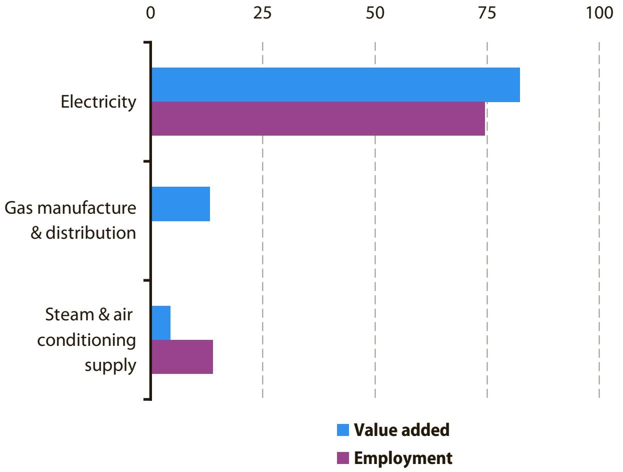
The electricity, gas, steam and air conditioning supply sector (referred to here as network energy supply) employed 1.2 million persons in the EU-27 in 2008 equivalent to less than 1 % of the non-financial business economy total. In contrast, this sector generated 3.2 % of non-financial business economy value added, suggesting a high apparent labour productivity – alongside high average personnel costs (EUR 50 000 per employee).

The production and distribution of electricity contributed more than four fifths of the sector's value added and close to three quarters of its workforce.

In a number of central and eastern European Member States this sector was particularly important in terms of its contribution to employment within the non-financial business economy, most notably Romania and Slovakia where its share was 2.0 % in 2008.

Figure 3.11: Sectoral analysis, network energy supply, EU-27, 2008 (1)

(% share of network energy supply total)



(1) Gas manufacture and distribution, persons employed, not available.

Source: Eurostat (online data code: sbs_na_ind_r2)

Table 3.9: Key indicators, network energy supply, EU-27, 2008

Indicator	Units	Value
Persons employed	thousands	1 200
Turnover	EUR million	1 100 000
Value added	EUR million	199 849
Gross operating surplus	EUR million	140 000
Share of non-financial business economy:		
employment	%	0.9
value added	%	3.2
Average personnel costs	EUR 1 000/person	50
Annual average rate of change 2005 to 2010		
index of production	%	-0.1
index of employment	%	0.1

Source: Eurostat (online data codes: sbs_na_ind_r2, sts_inpr_a, sts_inlb_a)

Table 3.10: Concentration and specialisation, network energy supply, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	13.9	Romania	2.0
France	11.3	Slovakia	2.0
Italy	9.4	Lithuania	1.8
Spain	8.8	Latvia	1.8
Poland	4.7	Poland	1.8

(1) Belgium, Greece and Malta, not available; Germany, value added, not available; France, persons employed, not available; Czech Republic, provisional.

Source: Eurostat (online data code: sbs_na_ind_r2)

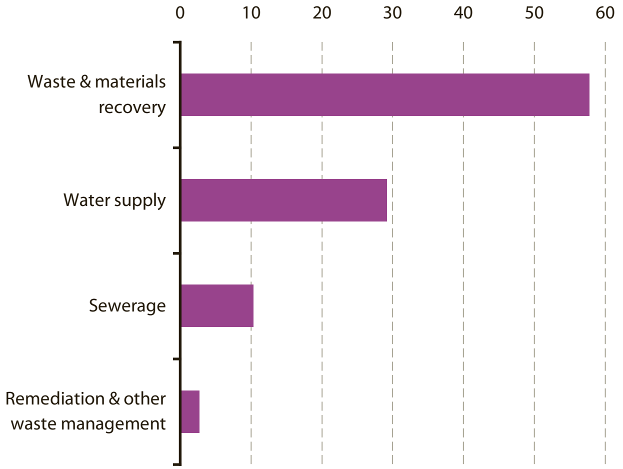
Water supply, sewerage, waste and recycling activities

There were 60 000 enterprises in the water supply, sewerage, waste and recycling activities sector across the EU-27 in 2008 which employed 1.3 million persons. Together these enterprises generated EUR 218 100 million of turnover. Enterprises in this sector were, on average, relatively large (in employment terms), as the sector contributed only 0.3 % of all enterprises in the non-financial business economy, but accounted for 0.9 % of the workforce. Waste and materials recovery was the largest subsector in employment terms, occupying nearly three fifths of the sector's workforce.

As for network energy supply, this sector contributed a relatively large share of the non-financial business economy workforce in a number of central and eastern European Member States – see Table 3.12.

Figure 3.12 Sectoral analysis of employment, water supply, sewerage, waste and recycling, EU-27, 2008

(% share of water supply, sewerage, waste and recycling total)



Source: Eurostat (online data code: sbs_na_ind_r2)

Table 3.11: Key indicators, water supply, sewerage, waste and recycling, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	60
Persons employed	thousands	1 266
Turnover	EUR million	218 103
Investment	EUR million	32 426
Share of non-financial business economy:		
no. of enterprises	%	0.3
employment	%	0.9
Average personnel costs	EUR 1 000/person	32
Annual average rate of change 2005 to 2010		
index of employment	%	0.3

Source: Eurostat (online data codes: sbs_na_ind_r2, sts_inpr_a, sts_inlb_a)

Table 3.12: Concentration and specialisation, water supply, sewerage, waste and recycling, 2008 (1)

Persons employed			
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Germany	13.8	Slovakia	1.9
Italy	13.6	Romania	1.8
United Kingdom	11.1	Hungary	1.6
Poland	8.8	Bulgaria	1.6
Spain	7.9	Czech Republic	1.5

(1) Greece, France and Malta, not available; Czech Republic, provisional.

Source: Eurostat (online data code: sbs_na_ind_r2)

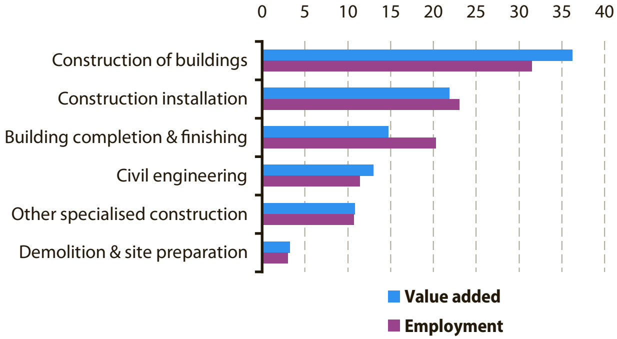
Construction

Construction activity is particularly cyclical, influenced by business and consumer confidence, interest rates and government programmes. During the recent financial and economic crisis activity in the construction sector declined greatly. In 2008 the EU-27's construction sector had around 3.3 million enterprises that together generated value added of EUR 604 400 million and employed 15.0 million persons. This sector accounted for 15.6 % of the enterprises in the non-financial business economy, compared with 11.0 % of the workforce and 9.8 % of value added; the high proportion of the number of enterprises reflects the importance of SMEs in the construction sector.

The construction of buildings contributed around one third of the sector's value added and employment in the EU-27 compared with just over one tenth for civil engineering. The remainder of the sector was made up of various specialised construction activities, most notably installation activities and building completion and finishing activities, such as electrical and plumbing work or plastering and painting.

Cyprus was the most specialised Member State in construction (in value added terms), relative to the EU-27 total, as this sector accounted for 23.4 % of Cypriot non-financial business economy value added in 2008, while in employment terms Luxembourg was most specialised (17.8 % of its non-financial business economy workforce worked in construction). Among the larger Member States, Spain was relatively specialised in construction, particularly building construction where it accounted for more than a quarter of the EU-27's value added.

Figure 3.13: Sectoral analysis, construction, EU-27, 2008
(% share of construction total)



Source: Eurostat (online data code: sbs_na_con_r2)

Table 3.13: Key indicators, construction, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	3 285
Persons employed	thousands	15 047
Turnover	EUR million	1 907 138
Value added	EUR million	604 362
Gross operating surplus	EUR million	239 999
Investment	EUR million	97 287
Share of non-financial business economy:		
no. of enterprises	%	15.6
employment	%	11.0
value added	%	9.8
Apparent labour productivity	EUR 1 000/person	40
Average personnel costs	EUR 1 000/person	31
Gross operating rate	%	13
Annual average rate of change 2005 to 2010		
index of production	%	-2.3
index of employment	%	-1.1

Source: Eurostat (online data codes: sbs_na_con_r2, sts_copr_a, sts_colb_a)

Table 3.14: Concentration and specialisation, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Construction of buildings			
Spain	26.0	Portugal	8.0
United Kingdom	17.2	Spain	7.8
Italy	16.7	Cyprus	7.3
France	6.3	Lithuania	7.0
Germany	6.3	Bulgaria	6.9
Civil engineering			
United Kingdom	23.9	Cyprus	3.2
France	12.3	Romania	2.6
Spain	11.7	Portugal	2.6
Germany	9.3	Latvia	2.5
Italy	7.3	Estonia	2.4
Specialised construction activities			
France	21.4	Luxembourg	10.1
United Kingdom	16.1	Denmark	8.2
Germany	13.9	Italy	7.5
Italy	12.7	Spain	7.4
Spain	10.8	Belgium	7.2

(1) Greece and Malta, not available; France, persons employed, not available; Czech Republic and Spain, provisional.

Source: Eurostat (online data code: sbs_na_con_r2)

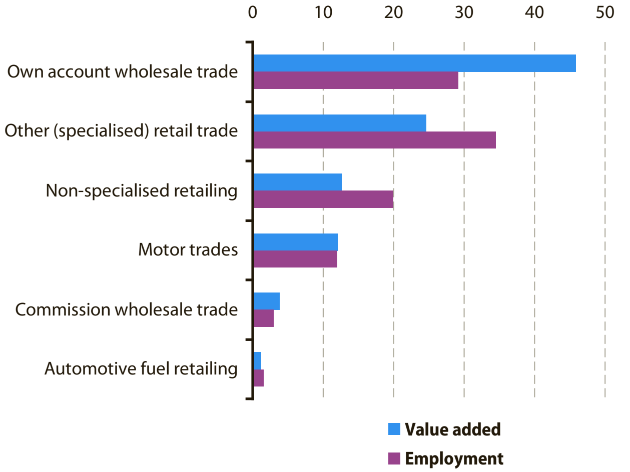
Distributive trades

Most activities in this sector involve the purchase and resale of goods in the same condition and as a consequence turnover is typically high: distributive trades generated 36.6 % of non-financial business economy turnover in the EU-27 in 2008, which can be contrasted with an 18.7 % share of value added. The substantial difference in these two output shares was reflected in the 5.1 % gross operating rate, which was by far the lowest among the NACE sections in the non-financial business economy. Distributive trades is characterised by high levels of part-time employment, and this sector's workforce of 32.8 million persons, equivalent to almost a quarter (24.1 %) of the EU-27 non-financial business economy workforce, was only slightly smaller than that for manufacturing.

Among the 6.1 million enterprises classified to distributive trades are a small number of large national and international groups and a very high number of SMEs often providing proximity services.

The distributive trades sector can be subdivided in many ways: the analysis presented here identifies six subsectors (see Figure 3.14), one covering motor trades, two in wholesale trade (distinguishing agents working on commission from own account wholesalers that buy and resell) and three in retail trade (separating automotive

Figure 3.14: Sectoral analysis, distributive trades, EU-27, 2008
(% share of distributive trades total)



Source: Eurostat (online data code: sbs_na_dt_r2)

fuel retailing from other (specialised) retail trade, and these from non-specialised retailers such as department stores, general stores and supermarkets). Two subsectors dominate, namely own account wholesaling and other (specialised) retail trade; together they accounted for around two thirds of distributive trades' value added and employment.

Table 3.15: Key indicators, distributive trades, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	6 144
Persons employed	thousands	32 816
Turnover	EUR million	9 117 514
Value added	EUR million	1 153 272
Gross operating surplus	EUR million	465 472
Investment	EUR million	132 683
Share of non-financial business economy:		
no. of enterprises	%	29.3
employment	%	24.1
value added	%	18.7
Apparent labour productivity	EUR 1 000/person	35
Average personnel costs	EUR 1 000/person	25
Gross operating rate	%	5
Annual average rate of change 2005 to 2010		
index of turnover	%	2.4
index of employment	%	0.2

Source: Eurostat (online data codes: sbs_na_dt_r2, sts_trtu_a, sts_trlb_a)

Table 3.16: Concentration and specialisation, distributive trades, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Germany	18.7	Lithuania	29.2
United Kingdom	16.2	Ireland	29.1
France	14.5	Cyprus	28.3
Italy	9.9	Poland	28.1
Spain	9.4	Latvia	27.8

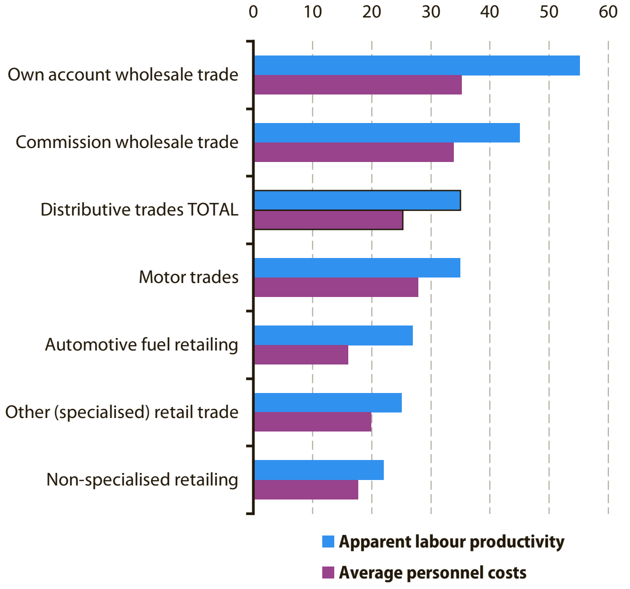
(1) Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.

Source: Eurostat (online data code: sbs_na_dt_r2)

The two wholesale trade subsectors recorded higher shares of the sector's value added than its workforce, indicating above average apparent labour productivity, particularly in own account wholesale trade, while the reverse was true in the three retail trade subsectors. Despite relatively low values, apparent labour productivity in all of the subsectors exceeded average personnel costs as can be seen in Figure 3.15. The same was true for each of the Member States for distributive trades as a whole, as wage adjusted labour productivity (which shows as a percentage the ratio between apparent labour productivity and average personnel costs) exceeded 100 % (Figure 3.16).

Due to the essential nature of many distributive trades (particularly food retailing) the share of this sector in the non-financial business economy total did not vary greatly between Member States. In employment terms, the highest shares were just over 29 % in Lithuania and Ireland, while the proportion fell only below 20 % in Luxembourg, the Czech Republic and Slovenia. Looking in more detail, a greater degree of specialisation could be seen for some of the subsectors (see Table 3.17). Most notably commission wholesale trade was relatively important in Slovenia where it provided employment for 2.6 % of the non-financial business

Figure 3.15: Productivity and personnel costs, EU-27, 2008
(EUR 1 000/person)

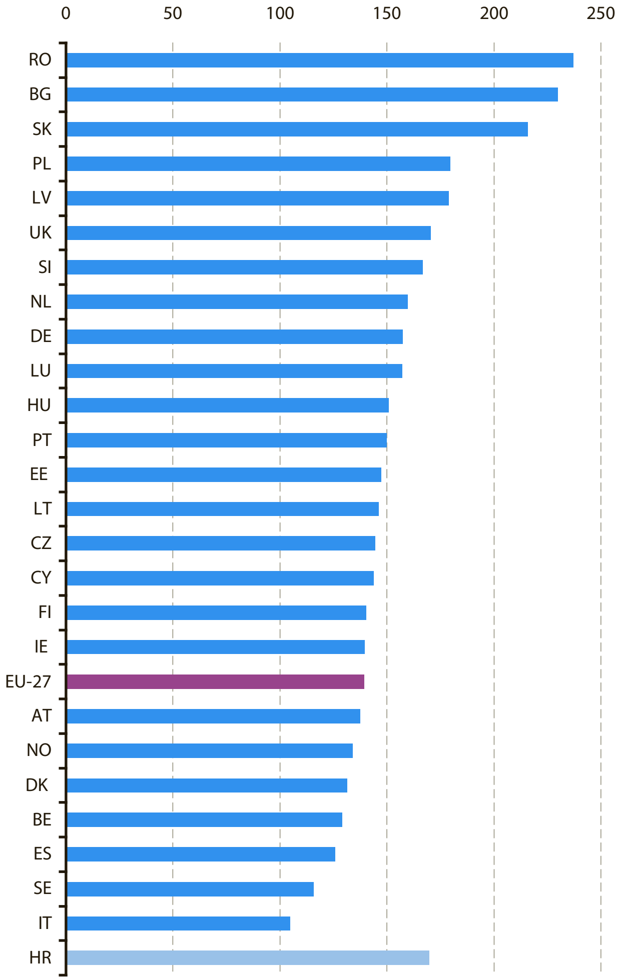


Source: Eurostat (online data code: sbs_na_dt_r2)

economy workforce, in comparison with a share of 0.5 % or less in nine of the Member States. In contrast, the relative importance of own account wholesale varied least between Member States, ranging from 4.9 % of non-financial business economy employment in Slovenia to 8.9 % in the Netherlands.

Figure 3.16: Wage adjusted labour productivity, distributive trades, 2008 (1)

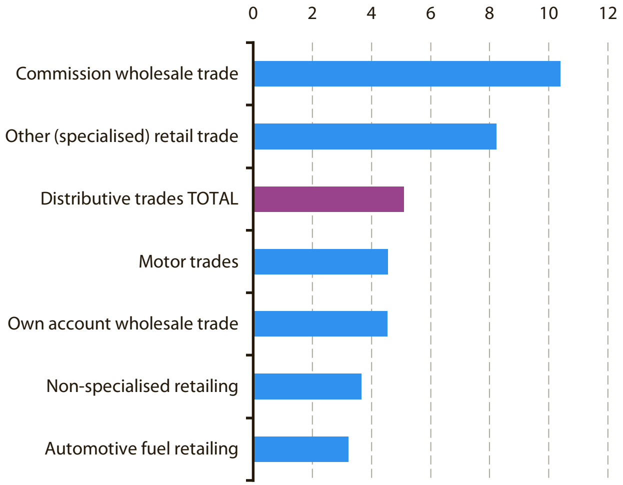
(%)



(1) Greece, France and Malta, not available; Czech Republic and Romania, provisional.

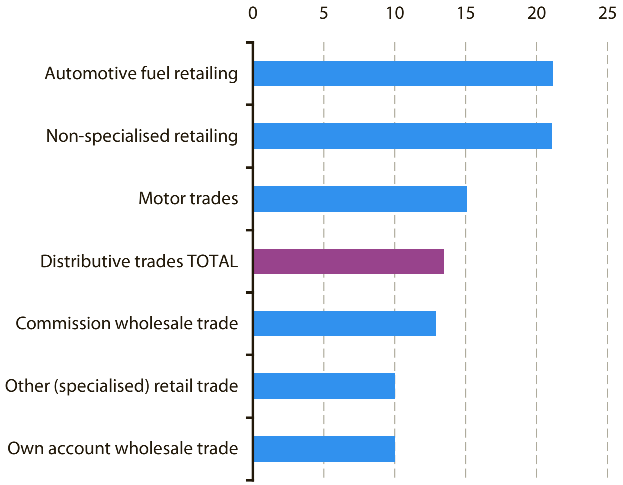
Source: Eurostat (online data code: sbs_na_dt_r2)

Figure 3.17: Gross operating rate, EU-27, 2008
(%)



Source: Eurostat (online data code: sbs_na_dt_r2)

Figure 3.18: Investment rate, EU-27, 2008
(%)



Source: Eurostat (online data code: sbs_na_dt_r2)

Table 3.17: Concentration and specialisation, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Motor trades			
Germany	22.9	Lithuania	4.1
United Kingdom	18.1	Cyprus	3.4
France	13.5	Portugal	3.3
Italy	9.3	Belgium	3.2
Spain	8.1	Austria	3.0
Commission wholesale trade (2)			
Italy	26.2	Slovenia	2.6
France	15.5	Italy	1.9
United Kingdom	12.1	Slovakia	1.8
Spain	7.7	Portugal	1.1
Germany	7.5	Romania	1.0
Own account wholesale trade (2)			
Germany	19.0	Netherlands	8.9
United Kingdom	15.2	Poland	8.6
France	13.5	Belgium	8.6
Spain	9.1	Latvia	8.5
Italy	8.9	Cyprus	8.5
Non-specialised retailing			
United Kingdom	20.4	United Kingdom	7.5
Germany	16.5	Ireland	7.4
France	16.1	Romania	6.7
Spain	9.9	Latvia	6.6
Italy	8.8	Poland	6.5
Automotive fuel retailing			
Spain	15.4	Ireland	0.9
Germany	15.3	Luxembourg	0.9
United Kingdom	13.9	Lithuania	0.9
Italy	10.7	Bulgaria	0.9
Poland	6.3	Latvia	0.7
Other (specialised) retailing			
Germany	19.2	Cyprus	10.6
France	16.3	Ireland	9.9
United Kingdom	16.0	Portugal	9.5
Spain	10.4	Spain	9.4
Italy	9.9	Austria	9.1

(1) All activities: Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.
(2) Luxembourg, persons employed, not available.

Source: Eurostat (online data code: sbs_na_dt_r2)

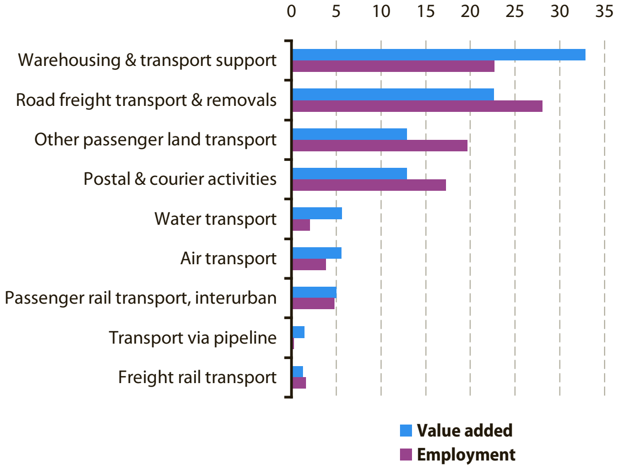
Transport and storage

In 2008 there were around 1.1 million enterprises in the transport and storage sector in the EU-27, equivalent to 5.3 % of the non-financial business economy enterprise population. These enterprises employed 10.9 million persons and added EUR 476 600 million of value in 2008, which represented 8.0 % of those working in the non-financial business economy and 7.7 % of the wealth generated. The relatively low share of the enterprise population indicates that the average size of transport and storage enterprises (in value added or employment terms) was above the non-financial business economy average; in fact this sector includes some subsectors which are dominated by very large enterprises, for example, postal services, air and rail transport.

In value added terms, the largest subsector was warehousing and transport support activities (such as the operation of terminals), which accounted for one third of the sector's value added, followed by road freight transport and removals which had a share of just over one fifth. The subsectors recorded very different levels of apparent labour productivity and this reversed the ranking of the two largest

Figure 3.19: Sectoral analysis, transportation and storage, EU-27, 2008

(% share of transportation and storage total)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

subsectors when considered in employment terms; furthermore, other passenger land transport as well as postal and courier activities both contributed close to one fifth of the sector's employment. The differences in apparent labour productivity can be seen in Figure 3.20, where the exceptionally high values for transport via pipelines and water transport stand out.

Table 3.18: Key indicators, transportation and storage, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	1 118
Persons employed	thousands	10 863
Turnover	EUR million	1 305 077
Value added	EUR million	476 619
Gross operating surplus	EUR million	166 080
Investment	EUR million	126 012
Share of non-financial business economy:		
no. of enterprises	%	5.3
employment	%	8.0
value added	%	7.7
Apparent labour productivity	EUR 1 000/person	44
Average personnel costs	EUR 1 000/person	32
Gross operating rate	%	13
Annual average rate of change 2005 to 2010		
index of turnover	%	4.1
index of employment	%	0.0

Source: Eurostat (online data codes: sbs_na_1a_se_r2, sts_setu_a, sts_selb_a)

Table 3.19: Concentration and specialisation, transportation and storage, 2008 ([1])

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Germany	19.2	Denmark	15.5
France	15.8	Latvia	11.4
United Kingdom	15.4	Finland	10.9
Italy	10.5	Lithuania	10.4
Spain	9.1	Luxembourg	10.0

([1]) Greece and Malta, not available; France, number of persons employed, not available; Czech Republic and Romania, provisional.

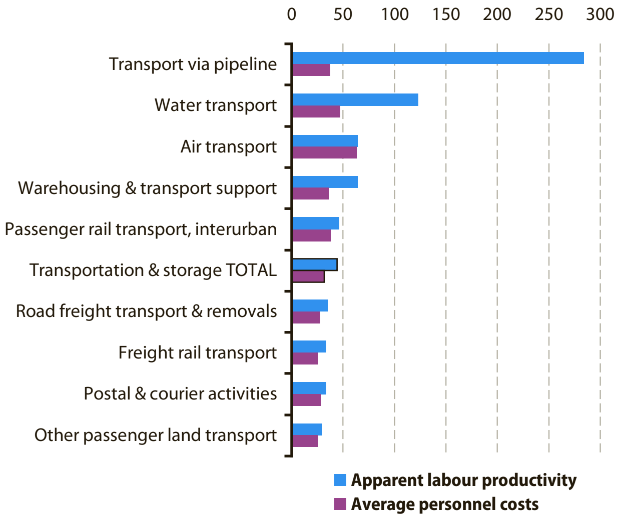
Source: Eurostat (online data code: sbs_na_1a_se_r2)

The transport and storage sector's level of investment reached EUR 126 000 million in 2008, equivalent to 31.4 % of value added, the highest investment rate among the non-financial business economy NACE sections (for which data are available) in the EU-27. Figure 3.23 shows that the investment rate in 2008 was highest in water transport and interurban passenger rail transport where investment was more than half the level of value added.

In 2008 the Member State most specialised in the transport and storage sector, in employment terms, was Denmark, as 15.5 % of the Danish non-financial business economy workforce was employed in this sector; this was far ahead of the 11.4 % share in Latvia, the next most specialised Member State. The high Danish specialisation was mainly due to a particularly high specialisation in land transport which alone accounted for 11.9 % of the non-financial business economy workforce.

Germany had the highest value added among the Member States in three of the five subsectors shown in Table 3.20, with its share reaching 29.8 % for water transport and 25.0 % for warehousing and transport support activities. In air transport the United Kingdom also recorded a large share, accounting for 25.2 % of EU-27 value added.

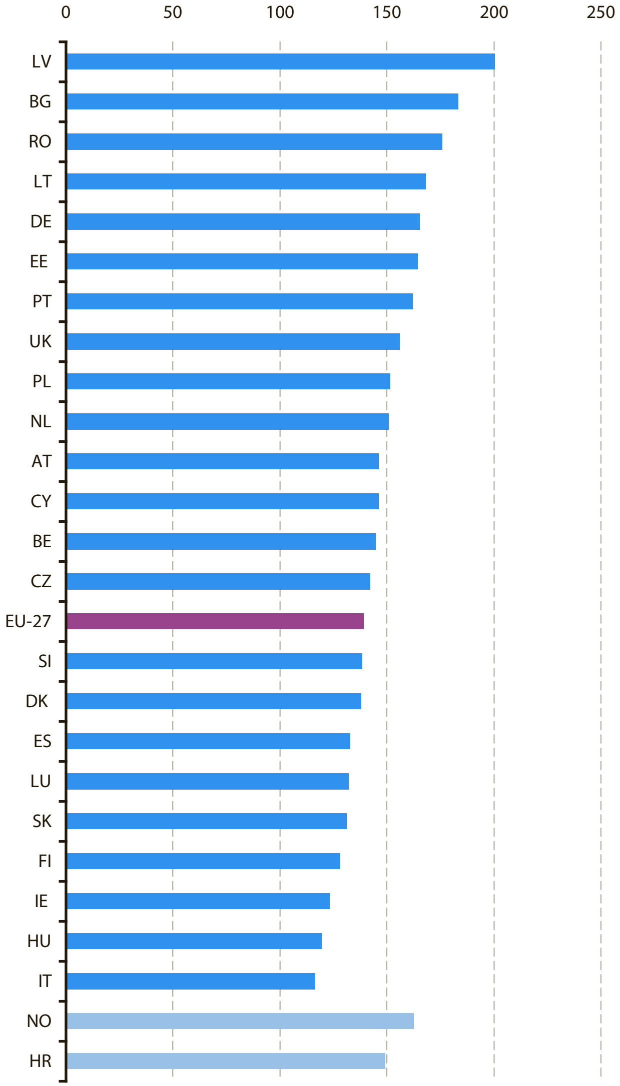
Figure 3.20: Productivity and personnel costs, EU-27, 2008
(EUR 1 000/person)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.21: Wage adjusted labour productivity, transportation and storage, 2008 (1)

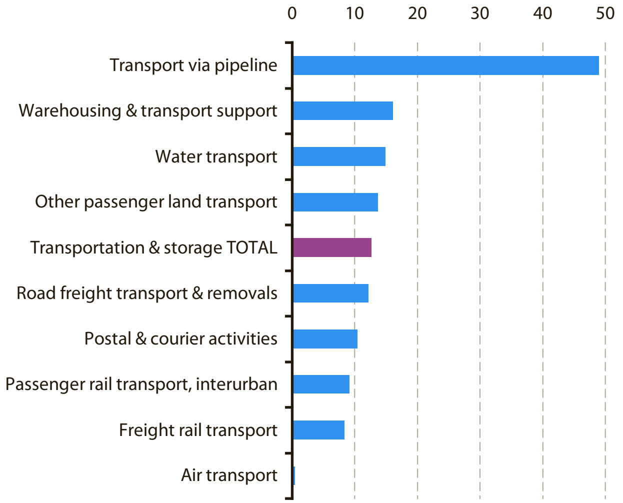
(%)



(1) Greece, France, Malta and Sweden, not available; Czech Republic and Romania, provisional.

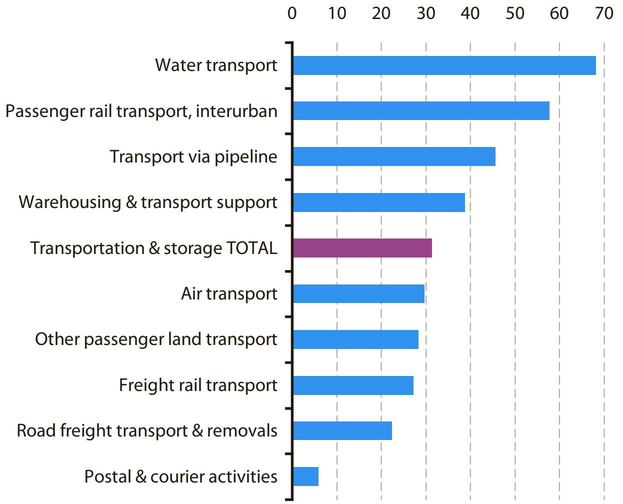
Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.22: Gross operating rate, EU-27, 2008
(%)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.23: Investment rate, EU-27, 2008
(%)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Table 3.20: Concentration and specialisation, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Land transport			
France	17.5	Denmark	11.9
Germany	15.3	Lithuania	7.5
United Kingdom	13.0	Luxembourg	6.7
Spain	11.2	Poland	6.4
Italy	10.8	Latvia	6.2
Water transport (2)			
Germany	29.8	Denmark	0.7
United Kingdom	12.1	Sweden	0.6
Italy	11.8	Estonia	0.3
Denmark	11.3	Bulgaria	0.3
Netherlands	11.0	Lithuania	0.2
Air transport (3)			
United Kingdom	25.2	Ireland	0.6
Netherlands	11.0	United Kingdom	0.5
Spain	9.9	Austria	0.4
Ireland	4.4	Denmark	0.3
Italy	4.4	Spain	0.3
Warehousing & transport support			
Germany	25.0	Latvia	3.8
United Kingdom	16.8	Cyprus	3.5
France	13.3	Slovakia	2.9
Italy	10.0	Germany	2.4
Spain	9.3	Estonia	2.4
Post & courier activities (4)			
Germany	20.6	Germany	1.8
United Kingdom	17.3	Belgium	1.7
Italy	13.2	Slovakia	1.6
Netherlands	4.6	Denmark	1.6
Spain	4.5	Hungary	1.5

(1) All activities: Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.
(2) Cyprus, Luxembourg, Poland, Portugal and Finland, not available; Netherlands, persons employed, not available.
(3) Estonia, Cyprus, Luxembourg, Portugal, Finland and Sweden, not available; France and Latvia, value added, not available; Netherlands, persons employed, not available.
(4) Estonia, Luxembourg, Poland, Finland and Sweden, not available; France, Latvia, value added, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Accommodation and food services

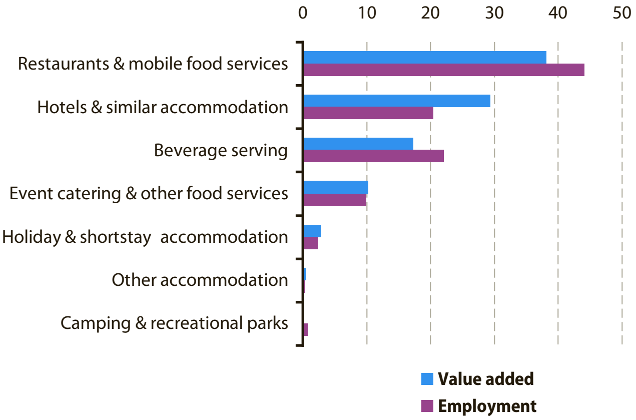
This sector, which forms part of tourism supply, generally faces decreased spending by consumers during times of economic slowdown, coupled with reduced business activity as business trips and corporate entertainment are also reduced. Exchange rate changes can also impact on this sector through shifts between outbound and domestic tourism.

The accommodation and food services sector recorded value added of EUR 194 100 million in the EU-27 in 2008 and employed 9.6 million persons, many of them part-time; its workforce was also characterised by a large number of working proprietors and unpaid family workers. This sector's contribution to non-financial business economy employment was therefore much higher (7.1 %) than its contribution to value added (3.2 %), while it accounted for an even larger share (8.1 %) of the number of enterprises, reflecting the small average size of enterprises in accommodation and food services.

Apparent labour productivity of EUR 20 000 per person employed was recorded in 2008 alongside average personnel costs of EUR 16 400 per employee, in both cases the lowest among the NACE sections in the non-financial business economy. In Cyprus, 17.3 % of the non-financial business economy workforce was active in accommodation and food services, making it by far the most specialised Member State in these activities (note that there is no

Figure 3.24: Sectoral analysis, accommodation and food services, EU-27, 2008 (1)

(% share of accommodation and food services total)



(1) Camping and recreational parks, value added, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

recent data available for Greece or Malta which traditionally are highly specialised in this sector). Ireland, the United Kingdom and Austria were also specialised in these activities, with the United Kingdom recording the largest share of EU-27 value added for both accommodation services and for food and beverage services (see Table 3.22).

Table 3.21: Key indicators, accommodation and food services, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	1 696
Persons employed	thousands	9 612
Turnover	EUR million	461 343
Value added	EUR million	194 131
Gross operating surplus	EUR million	63 593
Investment	EUR million	29 112
Share of non-financial business economy:		
no. of enterprises	%	8.1
employment	%	7.1
value added	%	3.2
Apparent labour productivity	EUR 1 000/person	20
Average personnel costs	EUR 1 000/person	16
Gross operating rate	%	14
Annual average rate of change 2005 to 2010		
index of turnover	%	1.3
index of employment	%	0.5

Source: Eurostat (online data codes: sbs_na_1a_se_r2, sts_setu_a, sts_selb_a)

Table 3.22: Concentration and specialisation, accommodation and food services, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Accommodation			
United Kingdom	16.8	Cyprus	7.1
Germany	15.0	Ireland	4.3
Spain	14.0	Austria	4.0
France	13.9	United Kingdom	2.1
Italy	13.4	Spain	2.0
Food & beverage services			
United Kingdom	21.0	Cyprus	10.2
France	17.0	United Kingdom	8.6
Spain	13.8	Ireland	8.5
Italy	13.1	Spain	7.4
Germany	11.5	Portugal	7.0

(1) Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

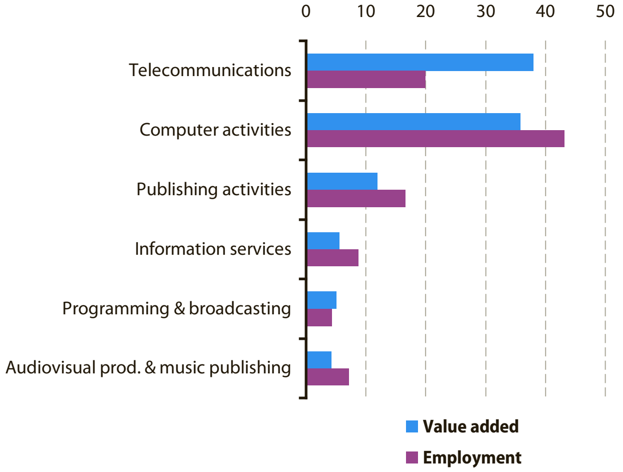
Information and communication services

Information and communication services include the production and distribution of information and cultural products, the provision of the means to transmit or distribute these products, as well as data or communications, information technology activities and the processing of data and other information service activities. Some of these subsectors have particularly large enterprises, for example in telecommunications and broadcasting.

In the EU-27 the information and communication services sector included 797 000 enterprises, employing 5.8 million persons in 2008 and generating EUR 502 500 million of value added. As such, it employed 4.3 % of the non-financial business economy workforce, but generated 8.2 % of value added, indicating a particularly high apparent labour productivity ratio. As can be seen from Figure 3.26 all of its subsectors recorded apparent labour productivity in excess of the average for the non-financial business economy (EUR 45 000 per person employed), with programming and broadcasting and telecommunications recording particularly high productivity levels using this measure.

Figure 3.25: Sectoral analysis, information and communication, EU-27, 2008

(% share of information and communication total)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Based on an analysis of value added, the two largest subsectors were telecommunications and computer activities, combining to provide close to three quarters of the sectoral total. In employment terms, computer activities was by far the largest subsector, employing over two fifths of the sector's workforce, more than double the share for telecommunications. Telecommunications was the only one of the six subsectors shown in Figure 3.25 where the share of employment was lower than the value added share.

Table 3.23: Key indicators, information and communication, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	797
Persons employed	thousands	5 798
Turnover	EUR million	1 141 269
Value added	EUR million	502 495
Gross operating surplus	EUR million	239 714
Investment	EUR million	57 279
Share of non-financial business economy:		
no. of enterprises	%	3.8
employment	%	4.3
value added	%	8.2
Apparent labour productivity	EUR 1 000/person	87
Average personnel costs	EUR 1 000/person	50
Gross operating rate	%	21
Annual average rate of change 2005 to 2010		
index of turnover	%	1.5
index of employment	%	0.9

Source: Eurostat (online data codes: sbs_na_1a_se_r2, sts_setu_a, sts_selb_a)

Table 3.24: Concentration and specialisation, information and communication, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	21.9	Sweden	6.7
Germany	19.2	Finland	6.3
France	14.6	United Kingdom	6.1
Italy	10.1	Luxembourg	6.1
Spain	7.6	Ireland	5.6

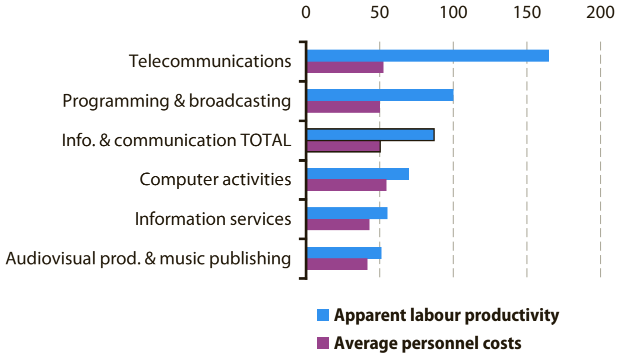
(1) Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Along with high apparent labour productivity the EU-27's information and communication services sector recorded high average personnel costs, averaging EUR 50 200 per employee in 2008, the highest average (along with network energy supply) among the non-financial business economy NACE sections. The two largest subsectors, telecommunications and computer activities, recorded the highest average personnel costs. The gross operating rate, which shows the ratio of the gross operating surplus to turnover, was also relatively high for information and communication services, reaching 21.0 % in 2008, just over double the non-financial business economy average (10.2 %). However, telecommunications was the only subsector with a gross operating rate above the sectoral average, while the audiovisual production and music publishing activity recorded a rate that was marginally below the non-financial business economy average.

The Member States most specialised in information and communication services were Sweden, Finland, the United Kingdom and Luxembourg, all reporting 6 % or more of their non-financial business economy workforce in this sector. The United Kingdom reported the highest value added in this sector, equivalent to 21.9 % of the EU-27 total, ahead of Germany (19.2 %). Table 3.25 shows that Sweden and Finland were both relatively specialised in publishing activities and computer activities, while the United Kingdom had the largest share of EU-27 value added in the two largest subsectors, namely telecommunications and computer activities. France recorded a particularly large share of EU-27 value added in audiovisual production and music publishing, at just under 30 % of the total.

Figure 3.26: Productivity and personnel costs, EU-27, 2008 (1)
(EUR 1 000/person)

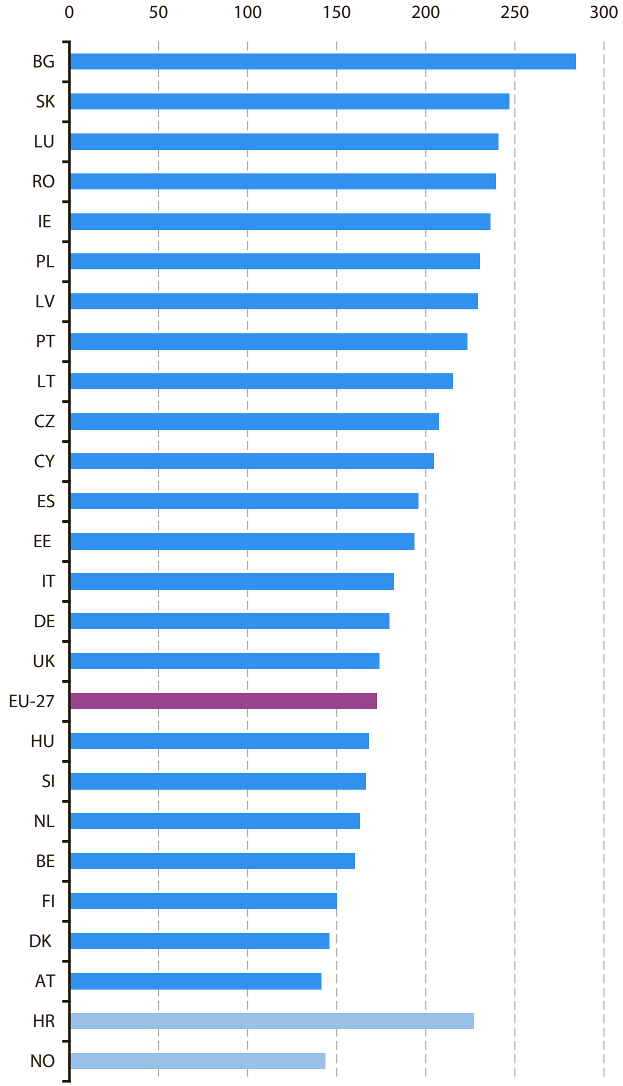


(1) Publishing activities, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.27: Wage adjusted labour productivity, information and communication, 2008 (1)

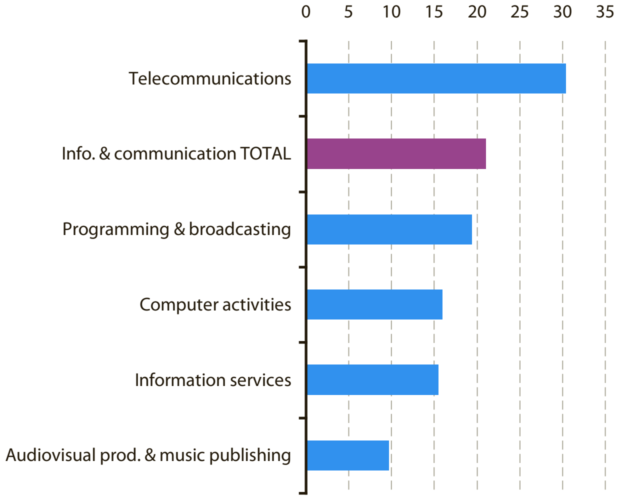
(%)



(1) Greece, France, Malta and Sweden, not available; Czech Republic and Romania, provisional.

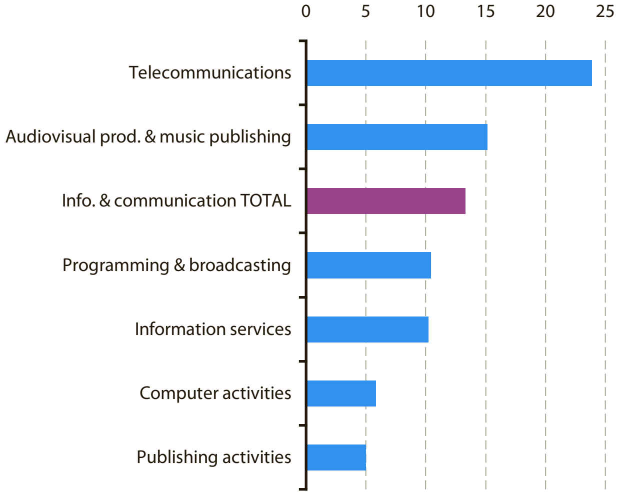
Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.28: Gross operating rate, EU-27, 2008 ([1])
(%)



([1]) Publishing activities, not available.
Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.29: Investment rate, EU-27, 2008
(%)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Table 3.25: Concentration and specialisation, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Publishing activities (2)			
Germany	21.4	Sweden	1.4
United Kingdom	20.5	Finland	1.3
France	16.3	Denmark	1.3
Spain	6.5	United Kingdom	0.9
Italy	5.9	Estonia	0.9
Audiovisual production & music publishing			
France	29.5	United Kingdom	0.6
Germany	16.4	Sweden	0.4
United Kingdom	11.8	Ireland	0.4
Italy	10.2	Denmark	0.4
Spain	10.0	Netherlands	0.3
Programming & broadcasting (3)			
Germany	20.0	Cyprus	0.9
United Kingdom	18.3	Finland	0.4
Italy	14.5	Ireland	0.4
France	13.7	Latvia	0.3
Spain	7.5	Denmark	0.3
Telecommunications (4)			
United Kingdom	18.5	Cyprus	1.4
Germany	16.8	Ireland	1.2
France	14.8	Romania	1.2
Italy	12.2	United Kingdom	1.2
Spain	9.7	Sweden	1.0
Computer activities (5)			
United Kingdom	27.3	Sweden	3.3
Germany	19.7	Finland	3.1
France	12.4	United Kingdom	2.9
Italy	7.2	Netherlands	2.8
Spain	5.8	Belgium	2.4
Information services (6)			
Germany	26.3	Italy	0.9
United Kingdom	22.1	Austria	0.6
Italy	18.1	Slovakia	0.5
France	11.8	Hungary	0.4
Spain	3.7	Germany	0.4

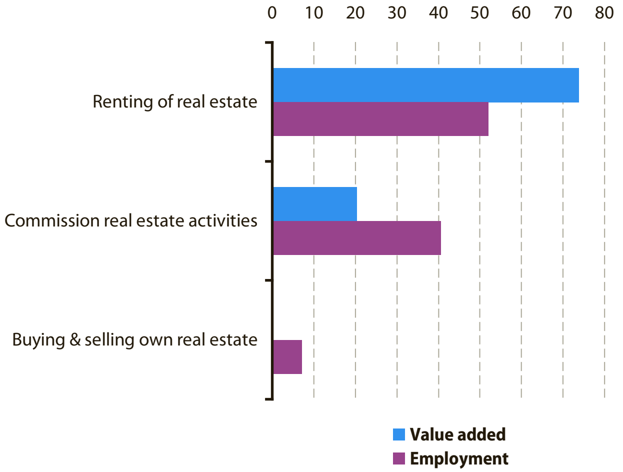
(1) All activities: Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.
(2) Ireland, not available; Netherlands, persons employed, not available.
(3) Netherlands, persons employed, not available.
(4) Belgium, Luxembourg and Finland, not available.
(5) Luxembourg, not available.
(6) Belgium, Ireland, Luxembourg and Finland, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Real estate activities

Enterprises in the real estate activities sector are typically small but with a high level of value added. In total there were around 1.1 million real estate enterprises in the EU-27 in 2008, employing 2.5 million persons and generating EUR 220 000 million of value added from EUR 420 000 million of turnover. This sector accounted for just 1.8 % of the EU-27's workforce in the non-financial business economy, but contributed 3.6 % of its value added. Consequently, apparent labour productivity was very high, averaging EUR 87 000 per person employed, the same as for information and communication services, and second among the non-financial business economy NACE sections to mining and quarrying. In contrast, average personnel costs were EUR 31 000 per employee, in line with the non-financial business economy average. The level of investment for real estate activities was also high, reaching EUR 140 000 million in 2008; reflecting the nature of this activity, which includes renting or leasing of own property.

Figure 3.30: Sectoral analysis, real estate activities, EU-27, 2008 (1)
(% share of real estate services total)



(1) Buying and selling own real estate, value added, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Equally, the gross operating rate was high, as the gross operating surplus was equivalent to around 40 % of turnover, reflecting the fact that operating costs in this activity are often small in comparison with financial costs. Germany had by far the highest value added for real estate activities, generating 29.7 % of the EU-27 total, slightly larger than the combined shares of the United Kingdom and France.

Table 3.26: Key indicators, real estate activities, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	1 097
Persons employed	thousands	2 500
Turnover	EUR million	420 000
Value added	EUR million	220 000
Gross operating surplus	EUR million	168 000
Investment	EUR million	140 000
Share of non-financial business economy:		
no. of enterprises	%	5.2
employment	%	1.8
value added	%	3.6
Apparent labour productivity	EUR 1 000/person	87
Average personnel costs	EUR 1 000/person	31
Gross operating rate	%	40

Source: Eurostat (online data codes: sbs_na_1a_se_r2, sts_setu_a, sts_selb_a)

Table 3.27: Concentration and specialisation, real estate activities, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Germany	29.7	Latvia	5.4
United Kingdom	14.8	Lithuania	3.1
France	14.5	Hungary	2.8
Italy	7.3	Estonia	2.7
Spain	6.2	Sweden	2.5

(1) Greece, Luxembourg and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Professional, scientific and technical activities

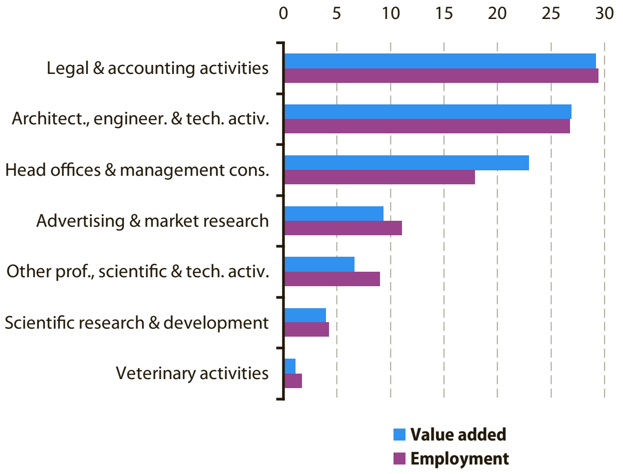
This NACE section includes activities that often have key personnel with a relatively high degree of training who use their specialised knowledge and skills to provide services to clients. Enterprises providing professional, scientific and technical activities are often small, and this is reflected in the high proportion (16.1 %) of the EU-27's non-financial business economy enterprise population that was classified to these activities in 2008; in contrast, it contributed 9.3 % of value added and 7.9 % of employment.

The level of investment in professional, scientific and technical activities in the EU-27 was EUR 42 600 million in 2008, equivalent to 8.8 % of the added value, a particularly low investment rate compared with other non-financial business economy NACE sections. The investment rate was as low as 4.2 % for legal and accounting activities, but reached as high as 20.0 % for scientific research and development.

Figure 3.31 presents an analysis of the seven professional, scientific and technical subsectors. Legal and accounting activities combined with architectural and engineering activities, technical testing and analysis provided 56 % of the sector's employment and value added. Most of these subsectors contributed a slightly

Figure 3.31: Sectoral analysis, professional, scientific and technical activities, EU-27, 2008

(% share of professional, scientific and technical activities total)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

larger share of the sector's employment than its value added, counterbalanced by the third largest subsector, namely the activity of head offices and of management consultancy activities, which had a much higher value added share, indicating a higher apparent labour productivity.

Table 3.28: Key indicators, professional, scientific and technical activities, EU-27, 2008 (1)

Indicator	Units	Value
Number of enterprises	thousands	3 392
Persons employed	thousands	10 752
Turnover	EUR million	1 168 753
Value added	EUR million	573 128
Gross operating surplus	EUR million	231 963
Investment	EUR million	42 594
Share of non-financial business economy:		
no. of enterprises	%	16.1
employment	%	7.9
value added	%	9.3
Apparent labour productivity	EUR 1 000/person	53
Average personnel costs	EUR 1 000/person	43
Gross operating rate	%	20
Annual average rate of change 2005 to 2010		
index of turnover	%	3.7
index of employment	%	1.8

(1) Annual average rates of change exclude activities of head offices, scientific research and development and veterinary activities.

Source: Eurostat (online data codes: sbs_na_1a_se_r2, sts_setu_a, sts_selb_a)

Table 3.29: Concentration and specialisation, professional, scientific and technical activities, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	23.1	Netherlands	11.9
Germany	19.3	Luxembourg	10.5
France	15.5	United Kingdom	10.5
Italy	10.3	Ireland	9.4
Spain	7.2	Sweden	8.6

(1) Greece and Malta, not available; France, number of persons employed, not available; Czech Republic and Romania, provisional.

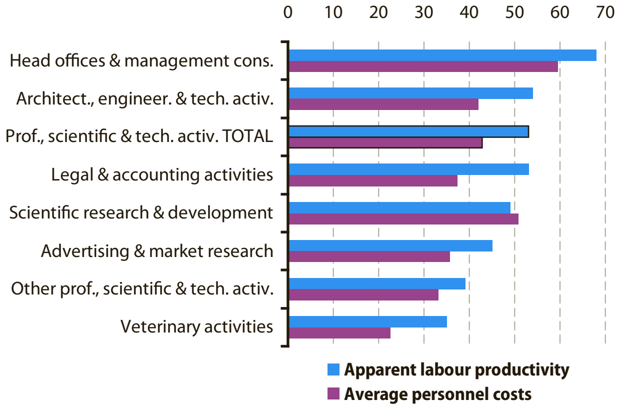
Source: Eurostat (online data code: sbs_na_1a_se_r2)

The lowest apparent labour productivity among the subsectors was recorded for veterinary activities, which also had by far the lowest average personnel costs – see Figure 3.32. The EU-27's scientific research and development activities recorded the unusual situation of lower apparent labour productivity than average personnel costs, indicating a wage adjusted labour productivity ratio that was below 100 %.

The Netherlands, Luxembourg and the United Kingdom were the most specialised Member States in employment terms in the professional, scientific and technical activities sector in 2008, as each employed more than 10 % of their non-financial business economy workforce in these activities. The United Kingdom had the largest share of EU-27 value added.

The high employment specialisation in the Netherlands was apparent in three subsectors, namely head offices and management consultancy activities, scientific research and development, and advertising and market research; it was the most specialised Member State for each of these. Luxembourg's high specialisation was evident in legal and accounting services, as well as in architectural and engineering activities, technical testing and analysis, an activity in which Finland and Sweden were also relatively specialised. The United Kingdom generated the highest share of EU-27 value added in six out of the seven subsectors, the one exception being scientific research and development where the German share was higher.

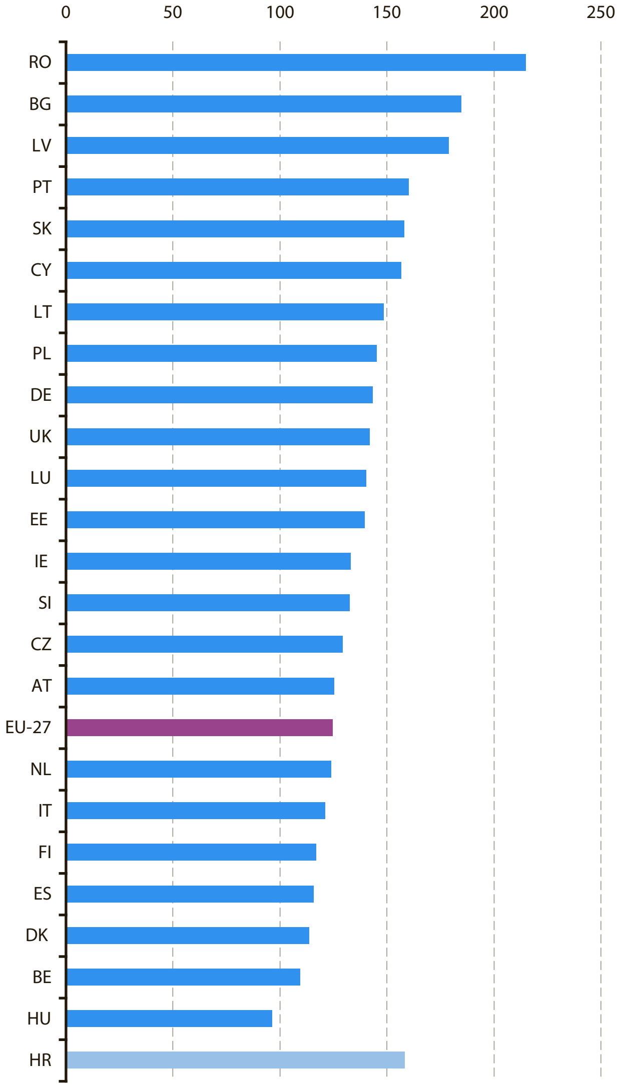
Figure 3.32: Productivity and personnel costs, EU-27, 2008
(EUR 1 000/person)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.33: Wage adjusted labour productivity, professional, scientific and technical activities, 2008 (1)

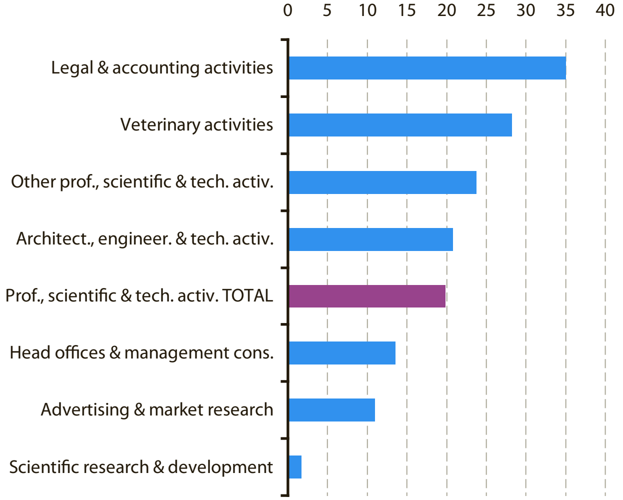
(%)



(1) Greece, France, Malta and Sweden, not available; Czech Republic and Romania, provisional.

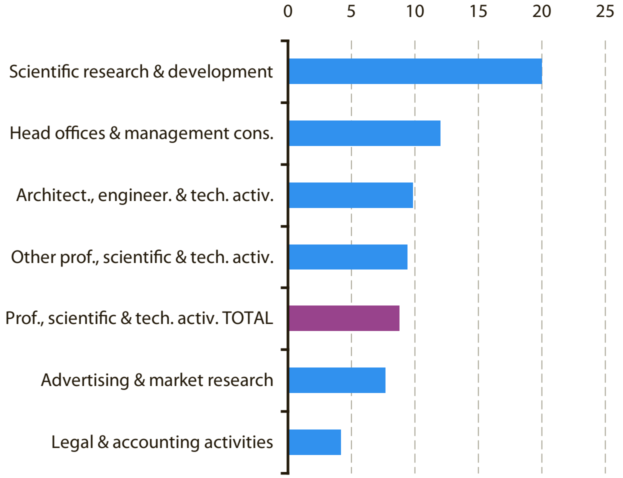
Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.34: Gross operating rate, EU-27, 2008
(%)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.35: Investment rate, EU-27, 2008 (1)
(%)



(1) Veterinary activities, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Table 3.30: Concentration and specialisation, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Legal & accounting activities			
United Kingdom	24.6	Luxembourg	5.3
Germany	17.9	Ireland	3.7
France	13.4	Cyprus	3.4
Italy	13.2	United Kingdom	3.1
Spain	8.5	Netherlands	2.9
Head offices & management consultancy			
United Kingdom	22.5	Netherlands	3.8
Germany	20.9	United Kingdom	2.4
France	20.7	Belgium	2.2
Italy	8.8	Sweden	1.7
Netherlands	7.6	Austria	1.6
Architectural, engineering & technical activities			
United Kingdom	21.7	Finland	3.0
Germany	18.7	Sweden	2.8
France	15.3	Luxembourg	2.6
Italy	9.4	Spain	2.5
Spain	9.1	Ireland	2.5
Scientific research & development (2)			
Germany	28.4	Netherlands	0.6
United Kingdom	20.6	United Kingdom	0.6
Netherlands	9.4	Germany	0.5
Spain	4.2	Denmark	0.5
Italy	4.2	Romania	0.4
Advertising & market research			
United Kingdom	22.9	Netherlands	1.4
Germany	19.0	Sweden	1.2
France	15.8	Denmark	1.1
Spain	9.2	Latvia	1.0
Netherlands	5.9	Germany	1.0
Other professional, scientific & technical activities (3)			
United Kingdom	25.0	Italy	1.2
Italy	17.0	Poland	1.1
Germany	16.6	Hungary	1.1
Spain	8.1	United Kingdom	1.0
Netherlands	4.5	Czech Republic	0.9
Veterinary activities (4)			
United Kingdom	26.7	United Kingdom	0.2
Germany	19.8	Ireland	0.2
France	19.1	Denmark	0.2
Netherlands	5.8	Austria	0.2
Spain	5.5	Netherlands	0.2

(1) All activities: Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.
(2) Luxembourg, Poland and Sweden, not available; France, value added, not available.
(3) Luxembourg, not available; France, value added, not available.
(4) Luxembourg, Poland and Sweden, value added, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

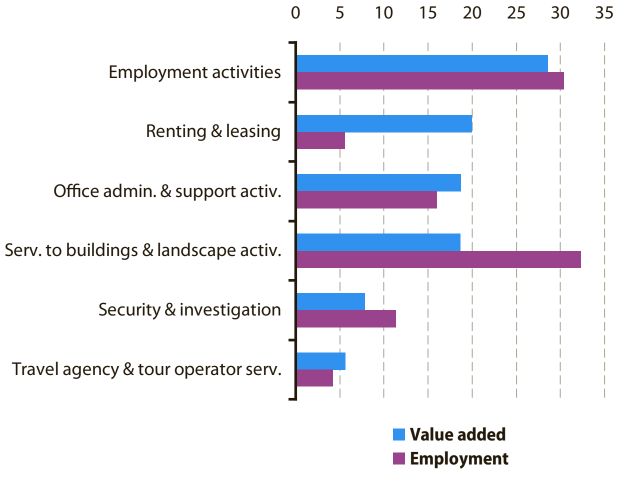
Administrative and support service activities

Administrative and support service activities comprise a variety of activities that support business operations; their primary purpose is not the transfer of specialised knowledge, unlike professional, scientific and technical activities. In 2008 there were around 1.1 million enterprises in this sector in the EU-27, around 5.0 % of the non-financial business economy enterprise population. Many of these activities are labour intensive and often personnel work part-time, for example, in cleaning activities (part of services to buildings and landscape activities), security and investigation activities, or employment activities. Total employment for the sector reached 11.9 million in 2008, an 8.7 % share of the non-financial business economy total; in value added terms this sector contributed 6.3 % of the total.

Figure 3.36 shows the very different contributions of the subsectors to the sectoral total, depending upon whether value added or employment is chosen. Services to buildings and landscape activities as well as employment services accounted for the largest shares of employment, but the value added share of the former was considerably lower. In contrast, the capital intensive renting and leasing subsector had a much higher value added share than its employment share, indicating a very high apparent labour

Figure 3.36: Sectoral analysis, administrative and support services, EU-27, 2008

(% share of administrative and support services total)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

productivity ratio. This can be seen in Figure 3.37 where the average value added generated per person employed for renting and leasing reached EUR 118 000; for comparison the non-financial business economy average was EUR 45 200. These high levels for renting and leasing reflect the nature of the activity which often involves purchasing capital assets and generating operating income there from: this activity typically has very low operating costs and high financial or extraordinary costs, neither of which is taken into account in the calculation of value added. Renting and leasing also had a very high investment rate (Figure 3.40), more than four times as high as the sectoral average.

Table 3.31: Key indicators, administrative and support services, EU-27, 2008 (1)

Indicator	Units	Value
Number of enterprises	thousands	1 054
Persons employed	thousands	11 864
Turnover	EUR million	810 000
Value added	EUR million	390 000
Gross operating surplus	EUR million	130 000
Investment	EUR million	70 000
Share of non-financial business economy:		
no. of enterprises	%	5.0
employment	%	8.7
value added	%	6.3
Average personnel costs	EUR 1 000/person	24
Gross operating rate	%	16
Annual average rate of change 2005 to 2010		
index of turnover	%	3.6
index of employment	%	1.9

(1) Annual average rates of change exclude rental and leasing, combined facilities support and landscape service activities.

Source: Eurostat (online data codes: sbs_na_1a_se_r2, sts_setu_a, sts_selb_a)

Table 3.32: Concentration and specialisation, administrative and support services, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
United Kingdom	23.0	Netherlands	17.0
Germany	19.4	United Kingdom	12.1
France	17.9	Belgium	10.7
Spain	8.2	Germany	10.3
Italy	7.8	Portugal	9.7

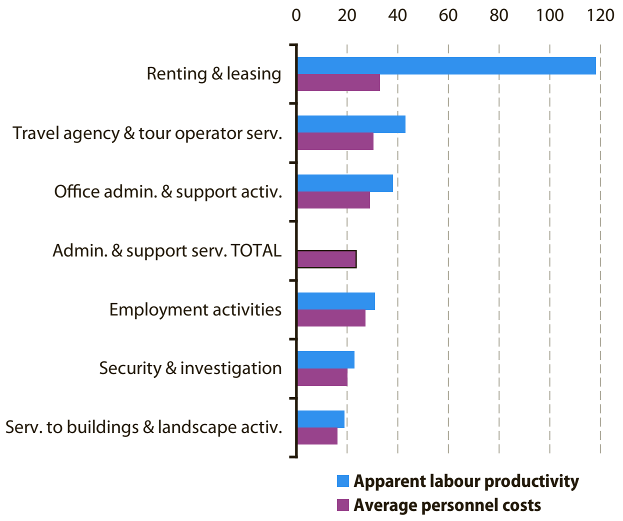
(1) Greece, Luxembourg and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

As was the situation for professional, scientific and technical activities, the Netherlands and the United Kingdom were both relatively specialised in administrative and support service activities. In the Netherlands the contribution of this sector to the non-financial business economy workforce reached 17.0 %, almost double the EU-27 average. The Netherlands was particularly specialised in employment activities, with 11.2 % of its entire non-financial business economy workforce in this activity: it should be noted that the Netherlands has a higher proportion of part-time workers in its labour force than in any other Member State.

Germany contributed the largest share of EU-27 value added in renting and leasing, as well as for services to buildings and landscape activities; the United Kingdom contributed the largest share of value added in the remaining four subsectors.

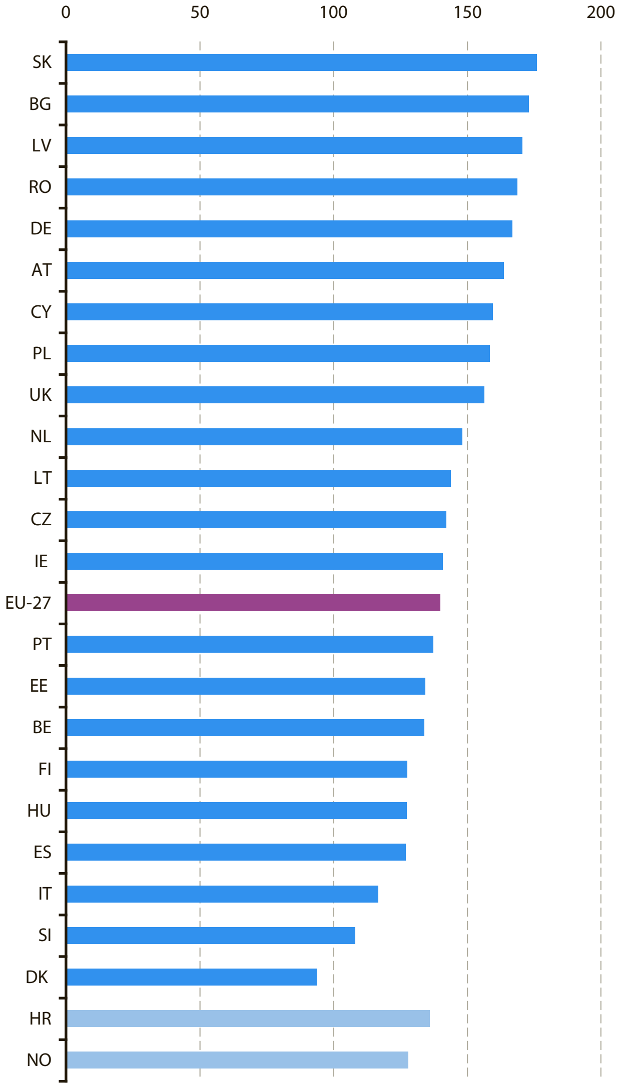
Figure 3.37: Productivity and personnel costs, EU-27, 2008 ([1])
(EUR 1 000/person)



([1]) Total for administrative & support services, apparent labour productivity, not available.
Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.38: Wage adjusted labour productivity, administrative and support services, 2008 ([1])

(%)

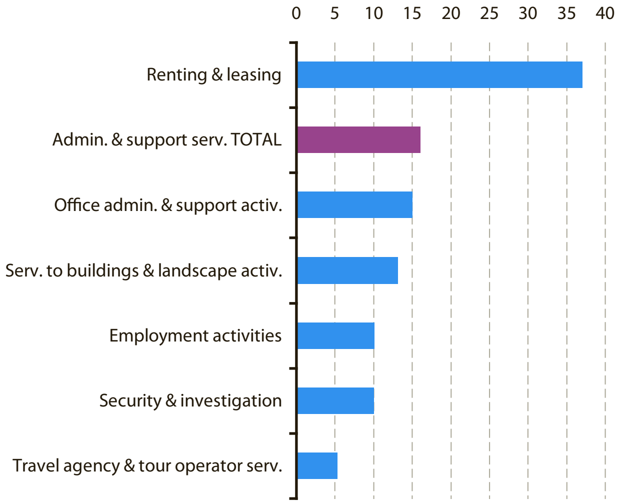


([1]) Greece, France, Luxembourg, Malta and Sweden, not available; Czech Republic and Romania, provisional.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.39: Gross operating rate, EU-27, 2008

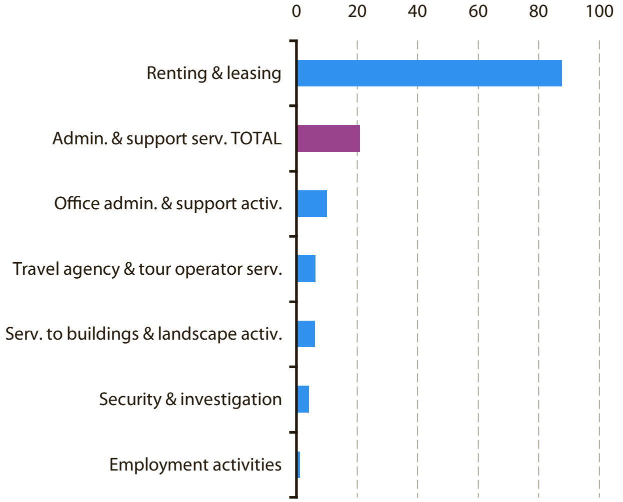
(%)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Figure 3.40: Investment rate, EU-27, 2008

(%)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Table 3.33: Concentration and specialisation, 2008 ([1])

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
Renting & leasing			
Germany	22.1	Ireland	1.1
United Kingdom	19.4	United Kingdom	0.9
France	19.1	Cyprus	0.7
Spain	8.9	Spain	0.7
Netherlands	6.2	Netherlands	0.6
Employment activities			
United Kingdom	27.8	Netherlands	11.2
France	22.9	Belgium	6.3
Germany	15.6	Luxembourg	5.9
Netherlands	8.4	United Kingdom	4.8
Italy	5.4	Portugal	3.3
Travel agency & tour operator services ([2])			
United Kingdom	24.8	Cyprus	1.1
Germany	24.4	United Kingdom	0.5
Spain	10.3	Ireland	0.5
France	9.3	Sweden	0.5
Italy	6.3	Netherlands	0.5
Security & investigation			
United Kingdom	19.4	Bulgaria	2.8
France	16.2	Romania	2.6
Spain	13.2	Estonia	1.7
Germany	11.0	Poland	1.6
Italy	7.6	Latvia	1.6
Services to buildings & landscape activities			
Germany	22.0	Germany	4.2
United Kingdom	15.7	Spain	4.0
France	14.2	Luxembourg	3.9
Spain	12.2	Finland	3.3
Italy	11.9	Netherlands	3.2
Office administrative & support activities ([2])			
United Kingdom	28.4	Portugal	2.2
Germany	22.3	United Kingdom	1.9
France	16.3	Hungary	1.9
Italy	11.1	Spain	1.7
Spain	7.9	Germany	1.7

([1]) All activities: Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.
([2]) Luxembourg, not available.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Repair of computers and personal and household goods

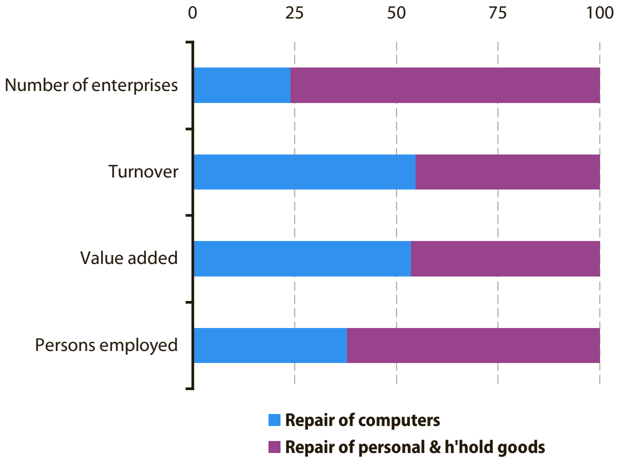
This activity includes the repair and maintenance of a wide range of products, including computers and communications equipment on one hand and a wide range of personal and household goods such as consumer electronics, garden and sports equipment, footwear and clothing, furniture and furnishings, as well as musical instruments on the other. This small sector comprised 176 000 enterprises across the EU-27 in 2008, employed 377 000 persons and generated EUR 10 600 million of value added. The sector contributed 0.3 % of non-financial business economy employment and 0.2 % of its value added.

Around three quarters of the enterprises in this sector were classified to the repair of personal and household goods, which employed just over three fifths of the workforce. Nevertheless, the repair of computers generated just over half of the sector's turnover and value added.

In Poland and Hungary around 0.5 % of the non-financial business economy workforce worked in the repair sector, the highest share among the Member States. In value added terms this sector was largest in France where 25.5 % of EU-27 value was added.

Figure 3.41: Sectoral analysis, repair of computers, personal and household goods, EU-27, 2008

(% share of repair of computers, personal and household goods total)



Source: Eurostat (online data code: sbs_na_1a_se_r2)

Table 3.34: Key indicators, repair of computers, personal and household goods, EU-27, 2008

Indicator	Units	Value
Number of enterprises	thousands	176
Persons employed	thousands	377
Turnover	EUR million	26 227
Value added	EUR million	10 569
Gross operating surplus	EUR million	3 772
Share of non-financial business economy:		
no. of enterprises	%	0.8
employment	%	0.3
value added	%	0.2
Apparent labour productivity	EUR 1 000/person	28
Average personnel costs	EUR 1 000/person	29
Gross operating rate	%	14

Source: Eurostat (online data codes: sbs_na_1a_se_r2, sts_setu_a, sts_selb_a)

Table 3.35: Concentration and specialisation, repair of computers, personal and household goods, 2008 (1)

Value added		Persons employed	
Largest Member States	Share of EU-27 (%)	Most specialised Member States	Share of non-financial business economy (%)
France	25.5	Poland	0.5
United Kingdom	15.1	Hungary	0.5
Germany	12.1	Cyprus	0.4
Italy	12.0	Spain	0.4
Spain	10.4	Lithuania	0.4

(1) Greece and Malta, not available; France, persons employed, not available; Czech Republic and Romania, provisional.

Source: Eurostat (online data code: sbs_na_1a_se_r2)

Financial and insurance activities

SBS in the area of financial intermediation differ from those for the non-financial business economy. Credit institutions are undertakings whose business is to receive deposits or other repayable funds from the public and grant credits for their own account. Net interest (the interest margin) is compiled from interest and similar income less interest payable and similar charges. Net commissions are compiled from commissions receivable less commissions payable. The balance sheet total shown in Table 3.36 represents the total assets or the total liabilities as recorded on the balance sheet. In nearly all Member States the net income from interest exceeds the net receivables from commissions, with the notable exception of France; in Switzerland net income from interest is much lower than the net receivables from commissions.

Insurance cover can be distinguished between life and non-life; in some Member States composite insurance enterprises are common, providing both life and non-life cover. One measure often used to indicate the size of insurance activity is the value of gross premiums written: this comprises all amounts due during the financial year in respect of insurance contracts regardless of the fact that such amounts may relate in whole or in part to a later financial year. Relative to population, the level of gross premiums written was highest in Luxembourg both for life and non-life insurance (see Table 3.37).

In the frame of prudential supervision, pension funds are obliged to submit comprehensive sets of data to the supervisory authorities and SBS on pension funds are to a large extent based on this information; official statistics on autonomous pension funds are currently only available for a limited set of countries (see Table 3.38). The information presented indicates that the United Kingdom, the Netherlands and Spain were among the Member States where this activity was most important; no recent data are available for a number of countries known to be particularly specialised in this activity, for example, Ireland. The number of active members includes persons whose pension schemes are under the administration of pension funds. Pension contributions receivable are those due during the financial year, regardless of nature.

Table 3.36: Credit institutions (banks) - key indicators, 2007 ([1])
(EUR 1 000 million)

	Net interest	Net commissions	Total of capital & reserves	Balance sheet (CI) (EUR 1 000 billion)	Balance sheet (CI) (% of GDP)
BE	7.4	3.0	45.4	1 297.1	387
BG	1.1	0.3	4.0	30.2	98
CZ	3.1	1.3	9.3	130.6	103
DK	7.7	2.6	51.2	930.5	409
DE	65.5	26.7	259.5	7 289.9	313
EE	0.4	0.1	2.7	20.7	131
IE	12.8	3.3	74.4	1 337.4	706
EL	8.5	1.8	23.5	383.5	*169*
ES	33.7	14.0	206.3	2 945.3	280
FR	19.8	23.9	284.1	6 352.1	335
IT	46.5	24.3	359.6	3 327.4	215
CY	1.2	0.3	7.4	75.0	511
LV	0.7	0.2	2.8	30.6	145
LT	0.5	0.2	2.3	23.7	83
LU	3.4	3.1	38.3	915.4	2 442
HU	2.9	0.9	7.9	79.9	90
MT	0.0	0.0	0.0	0.0	0
NL	14.7	5.6	176.8	2 204.2	386
AT	7.3	4.2	61.1	882.4	324
PL	6.1	2.7	21.5	210.2	68
PT	6.0	2.3	35.4	440.0	260
RO	2.1	1.2	7.5	74.8	60
SI	0.6	0.3	2.7	29.3	102
SK	*1.2*	*0.4*	0.0	49.2	90
FI	3.6	1.1	22.4	287.8	160
SE	6.0	3.1	71.9	821.9	243
UK	61.0	38.7	559.0	10 503.6	512
NO	5.9	1.4	30.1	510.3	180
CH	0.6	12.6	87.5	1 307.7	419

([1]) Germany, Cyprus and Switzerland, 2006; Hungary and Slovenia, 2005; Cyprus, excluding other credit granting; Luxembourg, excluding other monetary intermediation.

Source: Eurostat (online data codes: sbs_cre_tent, nama_gdp_c)

Table 3.37: Insurance gross premiums written, 2007 ([1])

	Life insurance		Non-life insurance	
	(EUR million)	(EUR/ inhabitant)	(EUR million)	(EUR/ inhabitant)
BE	20 859	1 977.5	10 630	1 007.8
BG	120	15.7	649	84.7
CZ	1 940	187.7	2 836	274.4
DK	13 617	2 493.4	7 120	1 303.7
DE	75 170	913.7	92 229	1 121.1
EE	180	134.4	238	177.2
IE	35 913	8 242.8	7 561	1 735.3
EL	2 453	219.2	2 387	213.2
ES	23 704	528.2	31 955	712.0
FR	:	:	:	:
IT	63 588	1 071.0	38 568	649.6
CY	*405*	*516.2*	*381*	*486.0*
LV	52	23.0	381	167.5
LT	204	60.4	357	105.7
LU	11 575	24 490.3	1 372	2 902.9
HU	2 009	199.7	1 605	159.6
MT	:	:	:	:
NL	26 642	1 626.3	21 086	1 287.2
AT	7 157	862.2	8 890	1 071.0
PL	6 742	176.9	4 816	126.3
PT	13 081	1 233.1	6 216	586.0
RO	328	15.2	1 825	84.7
SI	:	:	1 283	635.9
SK	747	138.4	855	158.4
FI	2 784	526.4	3 272	618.7
SE	9 519	1 040.5	10 698	1 169.4
UK	:	:	:	:
IS	33	109.6	337	1 109.7
NO	8 405	1 785	3 827	812.7

([1]) Including life and non-life business of composites; Belgium, Luxembourg and Iceland, 2006.

Source: Eurostat (online data codes: sbs_ins_5a, demo_gind)

Table 3.38: Autonomous pension funds, key indicators, 2007 (1)
(EUR million)

	Pension contributions receivable		Total expenditure on pensions	Number of members (1 000)
	From members	From employers		
BE	119	619	1 097	374
BG	55	24	27	595
CZ	971	185	511	3 971
DK	:	:	:	:
DE	:	:	:	:
EE	64	0	12	554
IE	:	:	:	:
EL	5	6	1	12
ES	5 612	1 482	11 750	10 725
FR	:	:	:	:
IT	2	2	3	3 497
CY	:	:	:	:
LV	12	16	4	143
LT	222	0	20	881
LU	:	:	:	:
HU	955	239	416	4 173
MT	:	:	:	:
NL	7 727	17 298	23 363	17 436
AT	80	523	782	542
PL	2	44	9	62
PT	111	869	1 162	422
RO	:	:	:	:
SI	0	0	4	197
SK	247	615	68	2 466
FI	2	35	333	116
SE	:	:	:	:
UK	8 773	50 791	71 778	:
IS	242	492	435	269
NO	70	975	1 389	280
CH	10 687	13 270	30 740	4 362

(1) Slovenia, United Kingdom, Iceland and Switzerland, 2006; Belgium, 2005; Poland, number of members, 2006.

Source: Eurostat (online data code: sbs_pen_7a)

Methodological notes

Data sources

The vast majority of the data used in this pocketbook come from SBS, comprised of main annual data by country providing a detailed activity analysis, as well as regional data, data analysed by enterprise size class, and data collections related to specific topics, such as business demography.

The legal basis for the collection of structural business statistics (recast) is Regulation 295/2008 of the European Parliament and of the Council. Annex 9 of the Regulation concerns the collections of data for business demography

The information presented in the special feature on SMEs is also largely taken from SBS. Eurostat collects data in relation to enterprise size classes – generally based on employment thresholds (although for distributive trades, information is also collected according to the size of turnover). These statistics for SMEs (with less than 250 persons employed) are often aggregated into three headings, namely:

- micro-enterprises: less than 10 persons employed;
- small enterprises: 10 to 49 persons employed;
- medium-sized enterprises: 50 to 249 persons employed.

In addition, Eurostat also publishes data in relation to large enterprises, defined as those with 250 or more persons employed.

A number of other Eurostat sources are used to complement SBS in the remainder of the publication, namely short-term statistics (STS) and Prodcom.

All sources are detailed under each table or figure with specific data tables being documented through the use of an online data code. This code can be used as a search criterion on the Eurostat website in order to access directly the freshest data available.

The data presented were extracted from a wide variety of Eurostat databases in April 2011 and the text that accompanies the tables and figures was drafted the same month. Most data sources are continuously updated and revised. The freshest data are available free-of-charge in Eurostat's database.

Key SBS definitions

Turnover corresponds to market sales of goods or services supplied to third parties. **Value added** at factor cost can be calculated from turnover, plus capitalised production, plus other operating income, plus or minus the changes in stocks, minus the purchases of goods and services.

The **number of persons employed** is defined as the total number of persons who work in the observation unit (paid or unpaid), as well as persons who work outside the unit who belong to it and are paid by it (for example, sales representatives). It includes apprentices, part-time, seasonal workers, and home workers on the pay-roll. **Employees** are persons working for an employer with a contract of employment and receiving compensation.

Personnel costs are defined as the total remuneration, including taxes and social security contributions.

Gross tangible investment includes new and existing tangible capital goods, whether bought from third parties or produced for own use having a useful life of more than one year including non-produced tangible goods such as land.

Apparent labour productivity is calculated as value added divided by the number of persons employed.

Average personnel costs are calculated as personnel costs divided by the number of employees.

The **wage adjusted labour productivity ratio** can be calculated as apparent labour productivity divided by average personnel costs, expressed as a percentage.

The **gross operating rate** is defined as the gross operating surplus (value added minus personnel costs) divided by turnover, expressed as a percentage.

EU-27 data

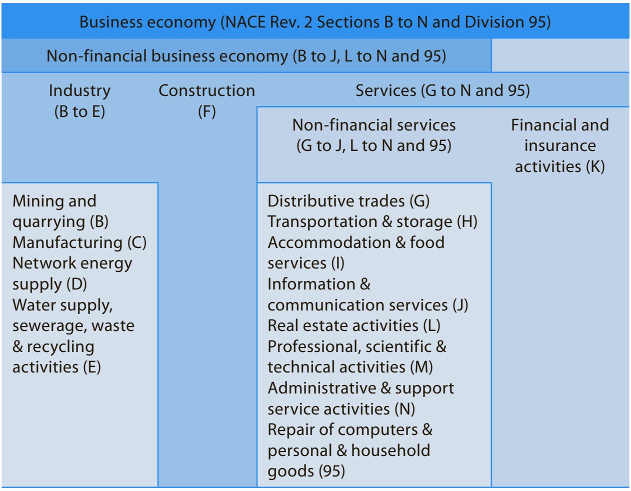
Unless otherwise stated, data for the EU-27 are the sum/average of the 27 Member States as appropriate or include estimates to cover missing data. All EU-27 data from SBS are estimates, excluding Malta. Equally all EU-27 indices from short-term business statistics are estimates.

Statistical units; NACE Rev. 1.1 and Rev. 2

The main type of statistical unit used for SBS is the enterprise: an enterprise carries out one or more activities at one or more locations. Enterprises are classified into sectors according to their main activity. The local unit is an enterprise or part thereof at one location, and is the most commonly used type of statistical unit for regional SBS.

European business statistics have recently undergone a migration to a revised version of the statistical classification of economic activities in the European Community, namely NACE Rev. 2: this work is nearly complete. Throughout this publication the main SBS data, short-term statistics (STS) and Prodcom data are presented according to NACE Rev. 2 or the related CPA 2008. Data in this publication that is still based on NACE Rev. 1.1 includes: i) the business demography data presented in Chapter 1 ii) the data for financial and insurance activities presented in the final subchapter of Chapter 3.

The diagram below shows the relationship between the aggregates most commonly used in this publication and the NACE Rev. 2 activities that make-up the non-financial business economy as defined for this publication. In this publication, data are presented for a standard set of activities, mainly NACE divisions with a few aggregations because of space constraints.



In most of the tables and graphs a shortened form of the official activity label (from NACE Rev. 2) is used. For space reasons: ‘network energy supply’ is used instead of ‘electricity, gas, steam and air conditioning supply’; ‘distributive trades’ is used instead of ‘wholesale and retail trade; repair of motor vehicles and motorcycles’.

Within distributive trades the following special aggregates are used: own account wholesale trade (Groups 46.2 to 46.9); other (specialised) retail trade (Groups 47.2 and 47.4 to 47.9).

Within transportation and storage the following special aggregates are used: land passenger transport (Groups 49.1 and 49.3); land freight transport (Groups 49.2, 49.4 and 49.5).

Signs and abbreviations

Country abbreviations

EU-27	27 Member States of the European Union	**HU**	Hungary
		MT	Malta
		NL	Netherlands
BE	Belgium	**AT**	Austria
BG	Bulgaria	**PL**	Poland
CZ	Czech Republic	**PT**	Portugal
DK	Denmark	**RO**	Romania
DE	Germany	**SI**	Slovenia
EE	Estonia	**SK**	Slovakia
IE	Ireland	**FI**	Finland
EL	Greece	**SE**	Sweden
ES	Spain	**UK**	United Kingdom
FR	France		
IT	Italy	**IS**	Iceland
CY	Cyprus	**NO**	Norway
LV	Latvia	**CH**	Switzerland
LT	Lithuania	**HR**	Croatia
LU	Luxembourg	**TR**	Turkey

Other abbreviations

architect.	architecture
activ.	activities
CPA	statistical classification of products by activity in the European Economic Community
cm^3	cubic centimetres
cons	consultancy
electr.	electronic
engineer.	engineering
EU	European Union
GDP	gross domestic product
h'hold	household
lab.	labour
NACE	statistical classification of economic activities in the European Community
No.	number
NUTS	classification of territorial units for statistics
prod.	products/production
prof.	professional
Prodcom	from the French term 'PRODuction COMmunautaire'; covers statistics on the production of industrial goods
Rev.	revision
SBA	Small Business Act
SBS	structural business statistics
serv.	services
SME	small and medium-sized enterprise
STS	short-term statistics
tech.	technical
VAT	value added tax

Units and measures

EUR	euro
kg	kilogramme
l	litre
p/st	pieces
:	not available
%	per cent

European Commission

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