

# 6

## Other non-financial services



# Structure

Other non-financial services include seven activities: transportation and storage; accommodation and food services; information and communication services; real estate activities; professional, scientific and technical services; administrative and support services; repair of computers and personal and household goods. In value added terms, the largest of these activities in the EU in 2019 was professional, scientific and technical activities, with a 22.5 % share of the total.

## Concentration of other non-financial services activity – top five EU Member States

(% share of EU employment and value added for each activity, 2019)

EU other non-financial service in 2019

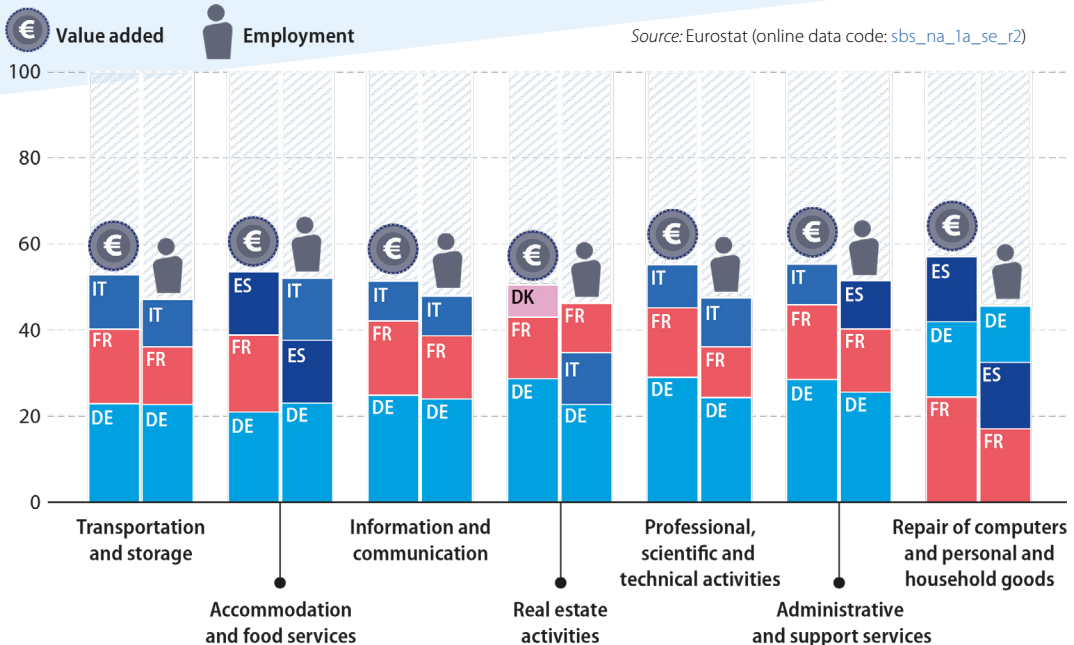
11.7 million enterprises

56.0 million persons employed

€2.66 trillion of value added

In 2019, Germany had the highest share of EU value added for six out of the seven subsectors included within other non-financial services aggregate and was (for each of these) followed by France. The order of these two EU Member States was reversed for the relatively small activity of repair of computers and personal and household goods: France had the largest share ahead of Germany the second largest. For most of the seven subsectors, Italy or Spain had the third highest value added. The exception was real estate activities as Denmark's share was third highest.

In terms of employment, Germany had the highest share for the same six subsectors. For four of these France recorded the second highest share; Spain had the second largest workforce for accommodation and food services; Italy had the second largest workforce for real estate activities. As for value added, in employment terms France had the largest share of the repair of computers and personal and household goods, followed by Spain.



## Value added specialisation – top five EU Member States

(% share of other non-financial services value added, 2019)

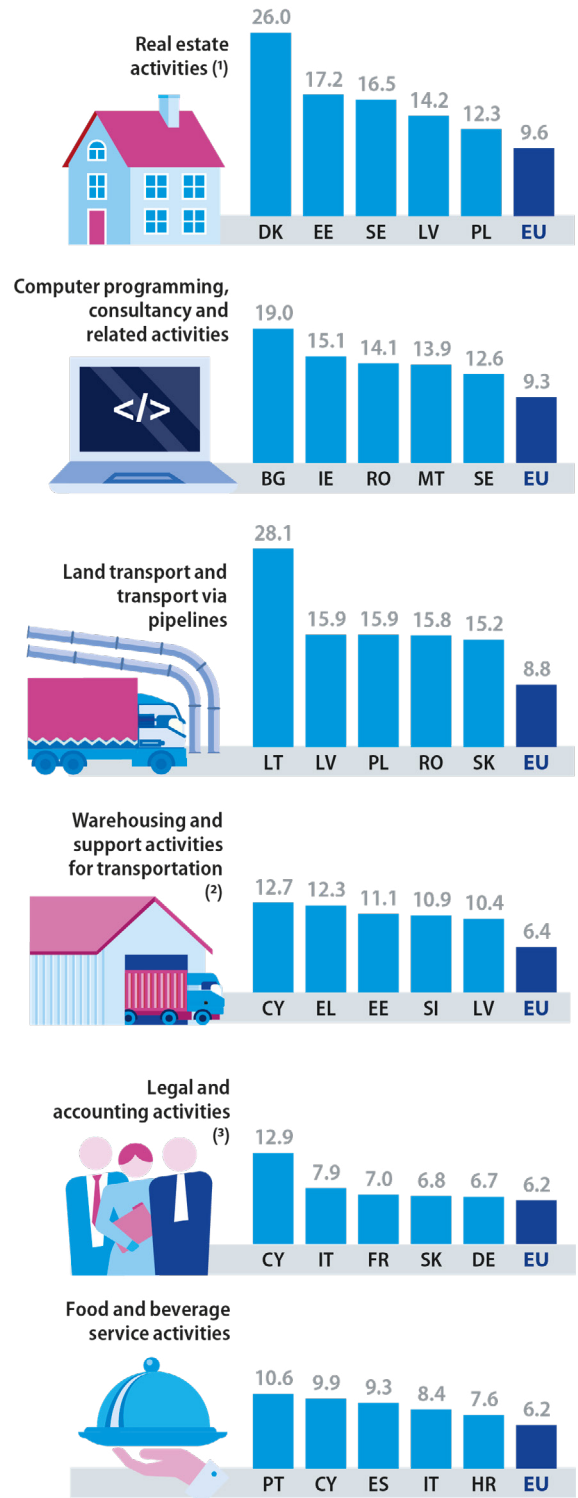
In value added terms, the largest other non-financial service divisions in the EU in 2019 were: real estate activities; computer programming, consultancy and related activities; land transport and transport via pipelines; warehousing and support activities for transportation; legal and accounting activities; and food and beverage services.

Denmark was highly specialised in real estate activities, adding 26.0 % of its non-financial services value added in this activity. Bulgaria and Ireland were the most specialised in computer programming, consultancy and related activities. By far the most specialised EU Member State in land transport and transport via pipelines was Lithuania, as 28.1 % of its value added in other non-financial services in 2019 was recorded in this subsector; for comparison, the EU average was 8.8 %.

Cyprus and Greece were the most specialised EU Member States in warehousing and support activities for transportation, as more than 12.0 % of their value added in non-financial services in 2019 was in this subsector, around double the EU average (6.4 %). The most specialised Member State in legal and accounting activities was also Cyprus, recording 12.9 % of its value added in non-financial services in this subsector, more than double the EU average (6.2 %). There was less specialisation in food and beverage service activities: the highest share was 10.6 % in Portugal, compared with the EU average of 6.2 %.

Note: data are shown for the six largest other non-financial services based on EU value added for NACE Rev.2 other non-financial service divisions. (1) FI: not available. (2) LU: not available. (3) EU: excluding LU. LU: not available.

Source: Eurostat (online data code: sbs\_na\_1a\_se\_r2)



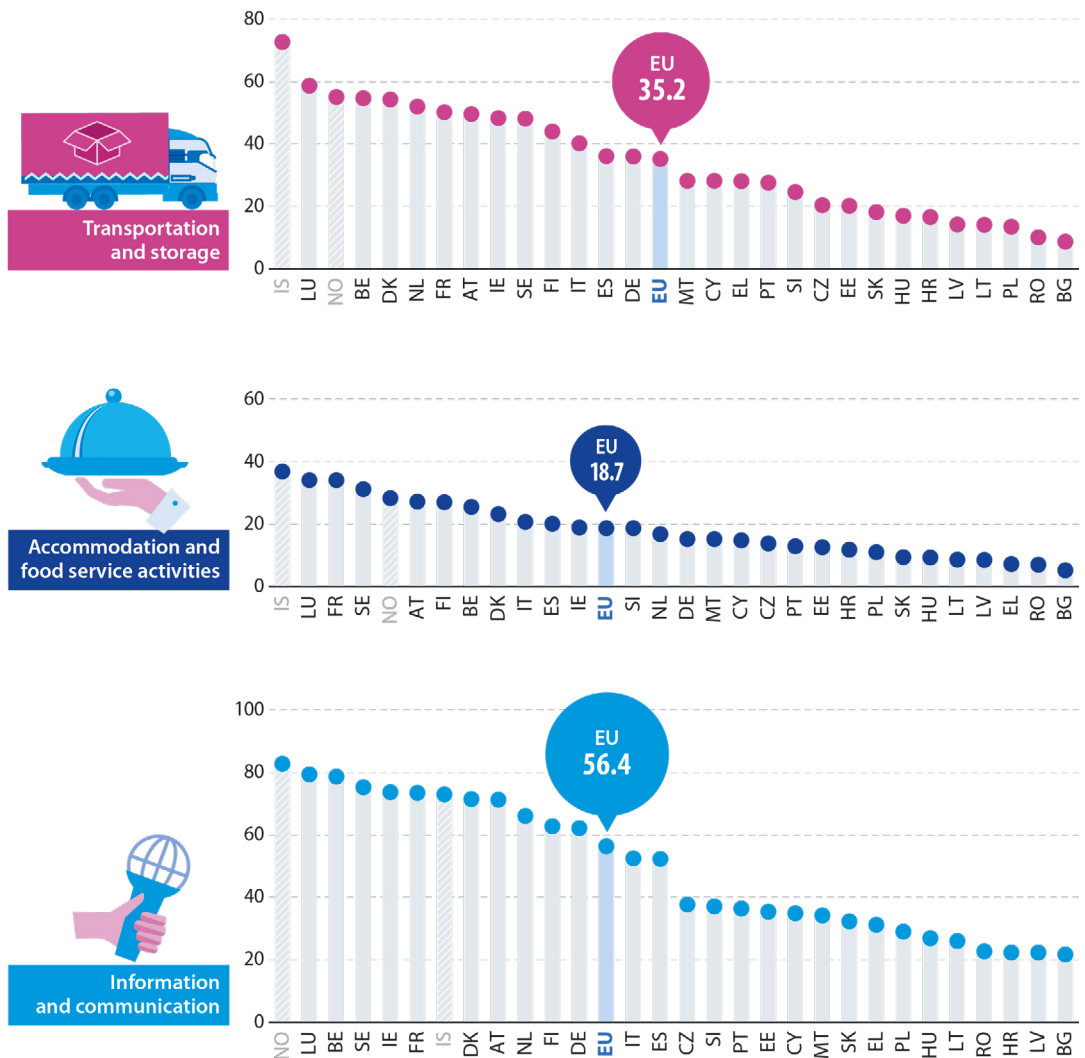
## Average personnel costs within other non-financial service sections

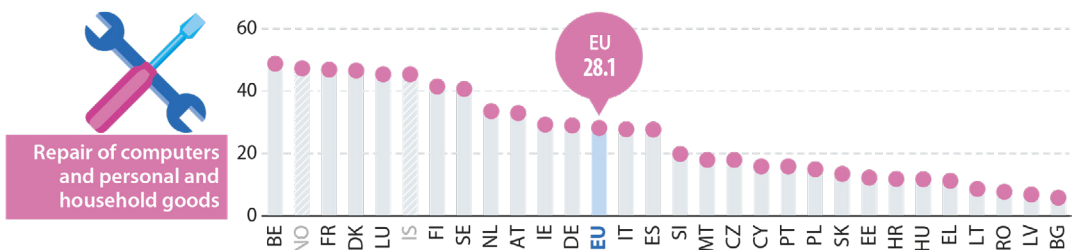
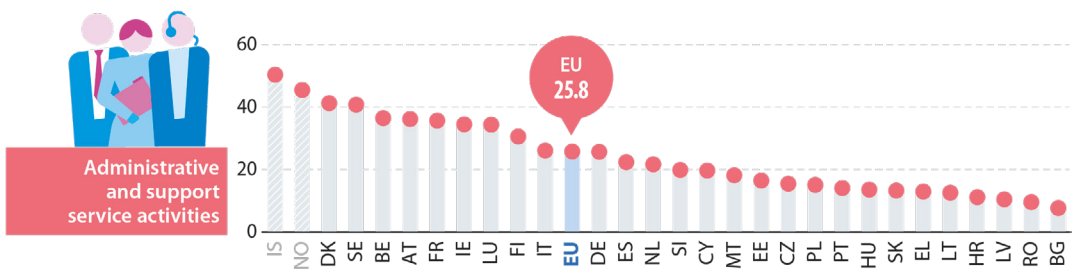
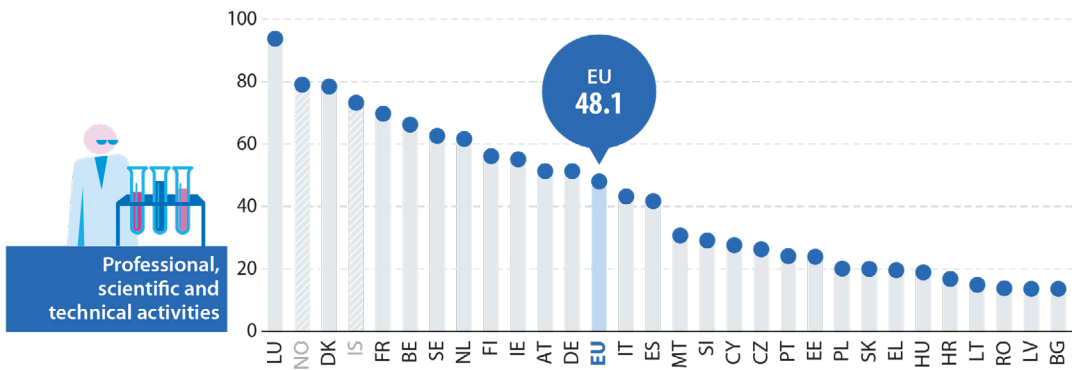
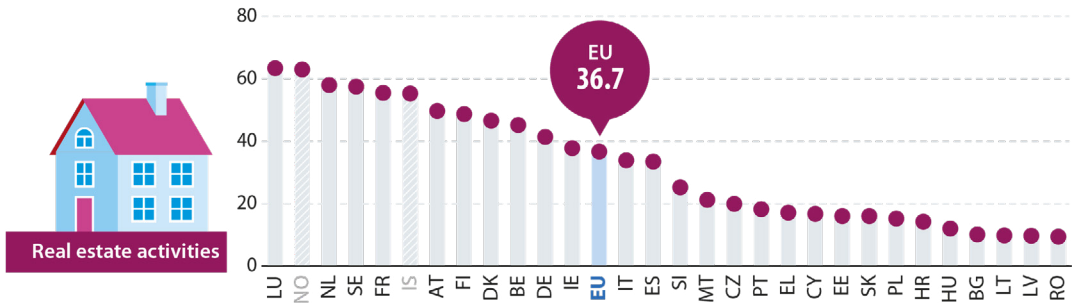
(€ thousand per employee, 2019)

Typically, the lowest average personnel costs across the EU can be observed in activities with a high incidence of part-time and seasonal work, such as accommodation and food services (€18 700 per employee) or administrative and support service activities (€25 800 per employee), whereas higher ratios can be seen for professional, scientific and technical activities (€48 100 per employee) or information and communication services (€56 400 per employee).

Note: IS, 2018.

Source: Eurostat (online data code: sbs\_na\_1a\_se\_r2)

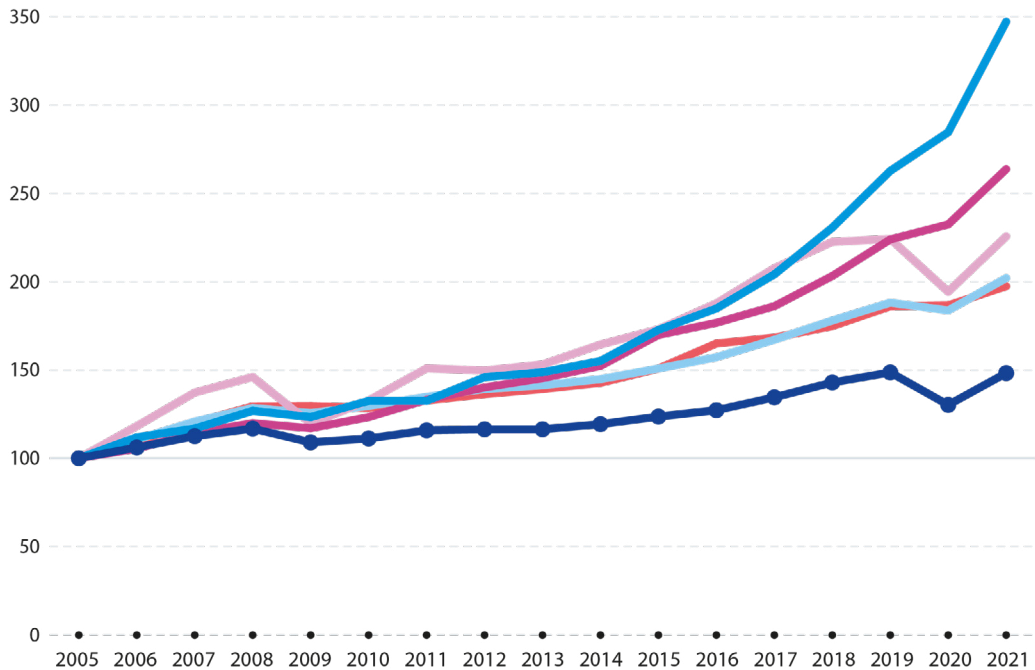




# Developments

## Turnover index for high-growth non-financial services

(2005 = 100, EU, 2005–2021)



### Non-financial services (excl. distributive trades) – total

- Information service activities
- Computer programming, consultancy and related activities
- Employment activities
- Legal, accounting and management consultancy activities
- Security and investigation activities

Note: based on turnover value indices; shows the five non-financial service divisions with the highest rates of change for the EU during the period 2005–2021.

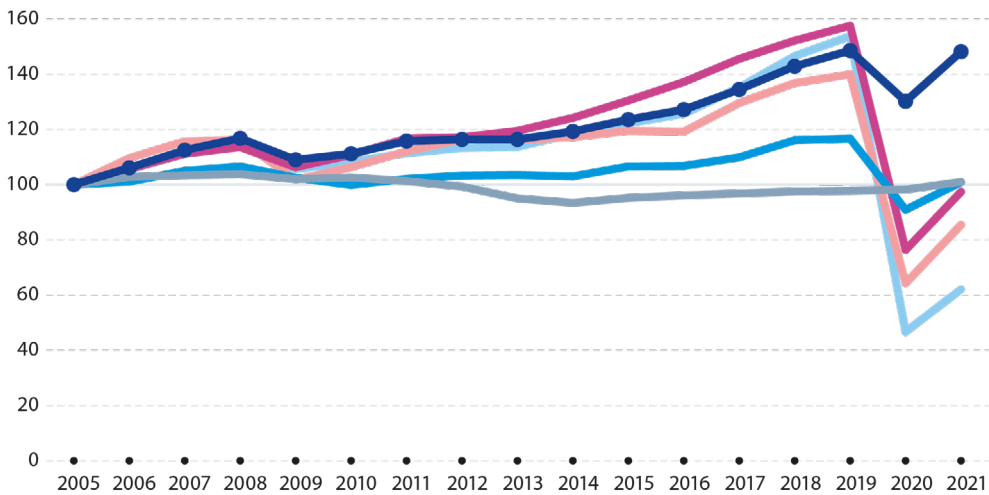
Source: Eurostat (online data code: sts\_setu\_a)

The turnover index illustrates the development of sales in current prices, in other words this index has not been adjusted to remove the effects of price changes. Between 2005 and 2021, the EU turnover index for non-financial services (excluding distributive trades) increased 48 % overall, equivalent to an average of 2.5 % per year. Between 2005 and 2008, the index increased in a fairly regular manner. A fall of 6.7 % was observed in 2009, followed by relatively subdued growth between 2010 and 2016; some of the highest annual rates of turnover growth were recorded between 2017 and 2019 when increases within the range 4.0–6.3 % were recorded. In 2020, the EU turnover index for non-financial services (excluding distributive trades) fell 12.4 %, reflecting the impact of the COVID-19 pandemic, but rebounded 13.9 % the following year.

In turnover terms, the fastest growing non-financial service activity within the EU was information service activities, as sales were 3.5 times as high in 2021 as they had been in 2005, an annual average increase of 8.1 %. Turnover for the related computer programming, consultancy and related activities also increased strongly, 2.6 times as high in 2021 as in 2005. Employment activities more than doubled their turnover, as did legal, accounting and management consultancy activities, while the turnover of publishing activities nearly doubled (up 97 %).

## Turnover index for low-growth non-financial services

(2005 = 100, EU, 2005–2021)



### Non-financial services (excl. distributive trades) – total

- Telecommunications
- Audio-visual activities
- Accommodation
- Air transport
- Travel and tour agencies

Note: based on turnover value indices; shows the five non-financial service divisions with the lowest rates of change for the EU during the period 2005–2021.

Source: Eurostat (online data code: sts\_setu\_a)

For telecommunications and for motion picture, video and television programme production, sound recording and music publishing activities (hereafter referred to as audio-visual activities) the EU had levels of turnover in 2021 that were marginally above those recorded in 2005 (both up 1 %).

Alongside these two low growth activities, three non-financial service activities within the EU had lower turnover in 2021 than in 2005. Accommodation services recorded growth of 57.6 % between 2005 and 2019, but turnover fell 52 % in 2020 (reflecting the impact of the COVID-19 pandemic) and then increased 28 % in 2021. As a consequence, turnover in this activity in 2021 was 3 % lower than in 2005. Similar situations were observed for air transport and for travel agency, tour operator and other reservation service and related activities (hereafter referred to as travel and tour agencies): both grew between 2005 and 2019, experienced falls in excess of 50 % in 2020 and recorded only a partial recovery in 2021. Turnover was below its 2005 level in both activities, 14 % lower for air transport and 38 % lower for travel and tour agencies.

### Overall change in the non-financial services turnover index

(%, 2015–2021)

Among the EU Member States for which data are available, all except for Italy and Greece reported higher turnover for non-financial services in the latest year (2020 or 2021) than in 2015. Turnover growth was highest in Lithuania as sales were nearly twice as high in 2021 as in 2015 (up 95 %). In Luxembourg, sales were 85 % higher in 2021 than in 2015, while they were 81 % higher in Romania. In Italy, sales were down 2 % between 2015 and 2021, while in Greece a fall of 19 % was observed between 2015 and 2020.

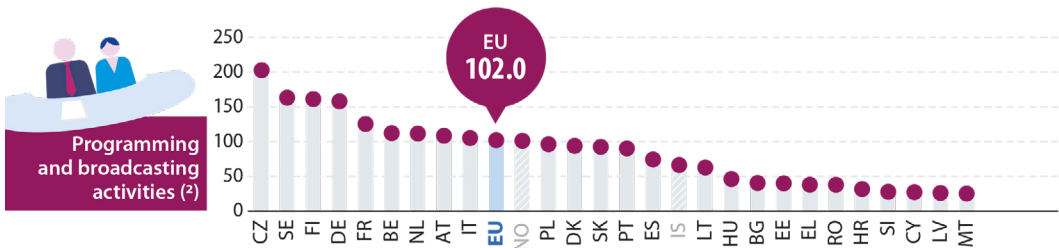
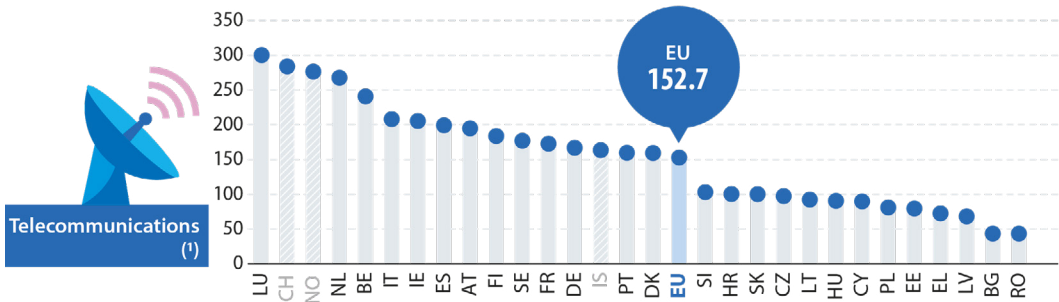
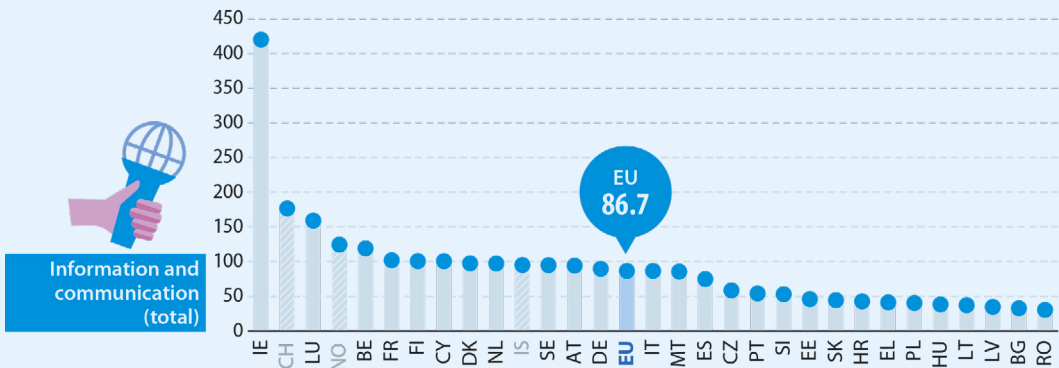
Note: based on turnover value indices. EL: 2015–2020. IE, PL, PT and SE: not available.

Source: Eurostat (online data code: sts\_setu\_a)

# Focus on information and communication services

## Apparent labour productivity for information and communication services

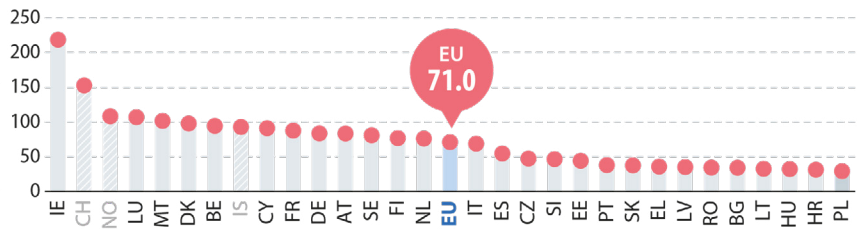
(€ thousand per person employed, 2019)



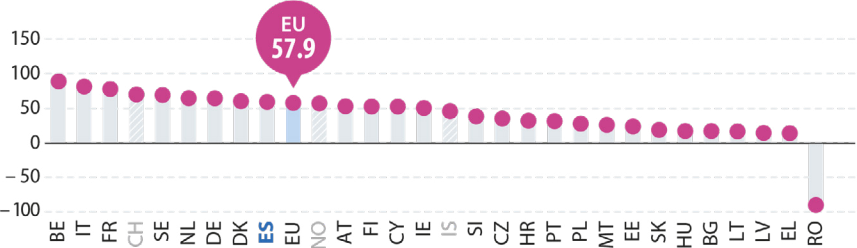




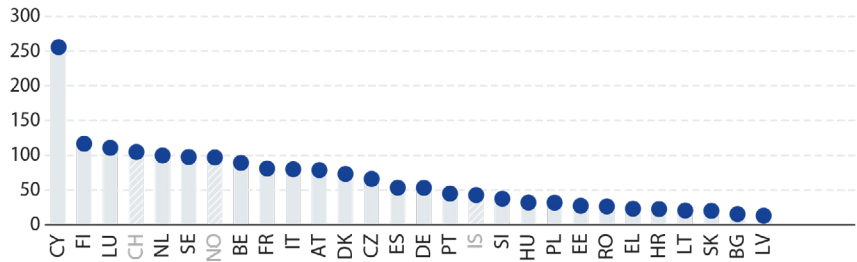
Computer programming, consultancy and related activities



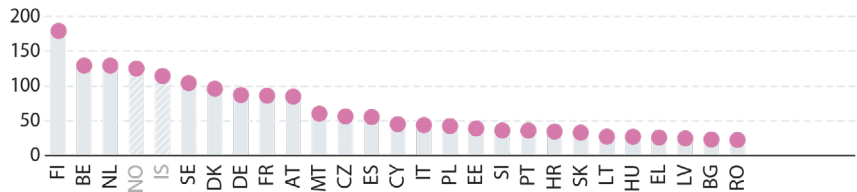
Audio-visual activities <sup>(3)</sup>



Publishing activities <sup>(4)</sup>



Information service activities <sup>(5)</sup>



Apparent labour productivity is calculated from value added divided by the number of persons employed. While this ratio is clearly influenced by the value that employed persons add, it is also influenced by the extent of part-time and seasonal work and this may vary between subsectors, between EU Member States and over time.

The EU's information and communication services had the second highest apparent labour productivity of all other non-financial services sections in 2019, lower only than that in the capital-intensive real estate section. At a more detailed level, the highest levels of apparent labour productivity within information and communication services were observed for telecommunications as well as programming and broadcasting activities.

Note: IS, 2018.

<sup>(1)</sup> MT: not available.

<sup>(2)</sup> EU: 2018. IE, LU and CH: not available.

<sup>(3)</sup> LU: not available.

<sup>(4)</sup> EU, IE and MT: not available.

<sup>(5)</sup> EU, IE, LU and CH: not available.

<sup>(6)</sup> EU, IE, LU and CH: not available.

Source: Eurostat  
(online data code: sbs\_na\_la\_se\_r2)

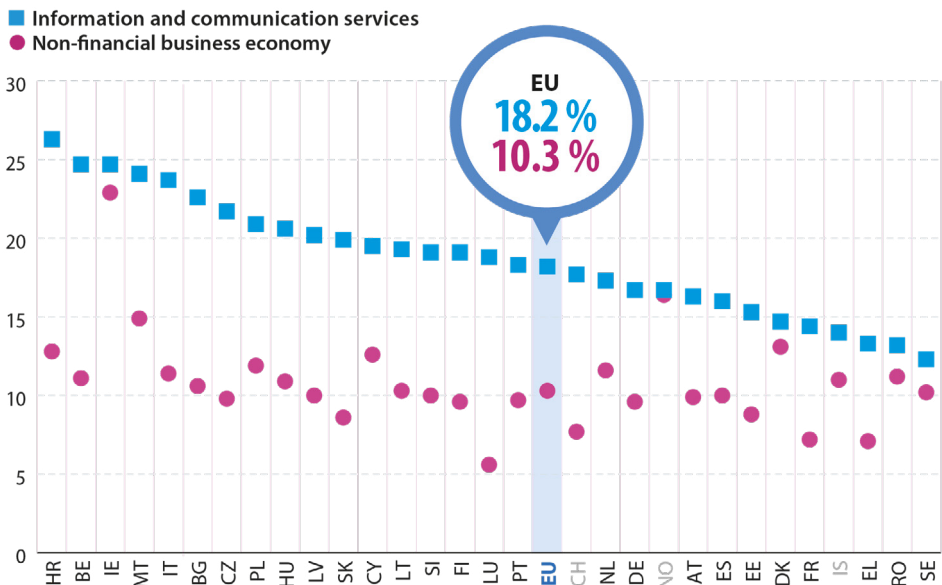
## Gross operating rate for information and communication services

(%, 2019)

The gross operating rate is a measure of profitability and is defined as value added at factor cost minus personnel costs (the gross operating surplus) divided by total turnover. In all EU Member States, information and communication services recorded a gross operating rate in 2019 that was above the non-financial business economy average. Belgium, Croatia and Luxembourg had particularly high rates for information and communication services, around 13–14 percentage points above their non-financial business economy averages. In relative terms, the difference was greatest in Luxembourg, as the gross operating rate for information and communication services was 18.8 %, which was 3.4 times as high as the non-financial business economy average of 5.6 %.

Note: IS, 2018.

Source: Eurostat  
(online data codes:  
sbs\_na\_1a\_se\_r2 and  
sbs\_na\_sca\_r2)



## Exports of telecommunications, computer and information services

(%, share of total exports of services, 2021)

Note: telecommunications, computer and information services form part of the current account for services. The data presented cover total exports of services, in other words, exports to (other) EU Member States and to non-member countries.

Source: Eurostat (online data code: [bop\\_its6\\_det](#))

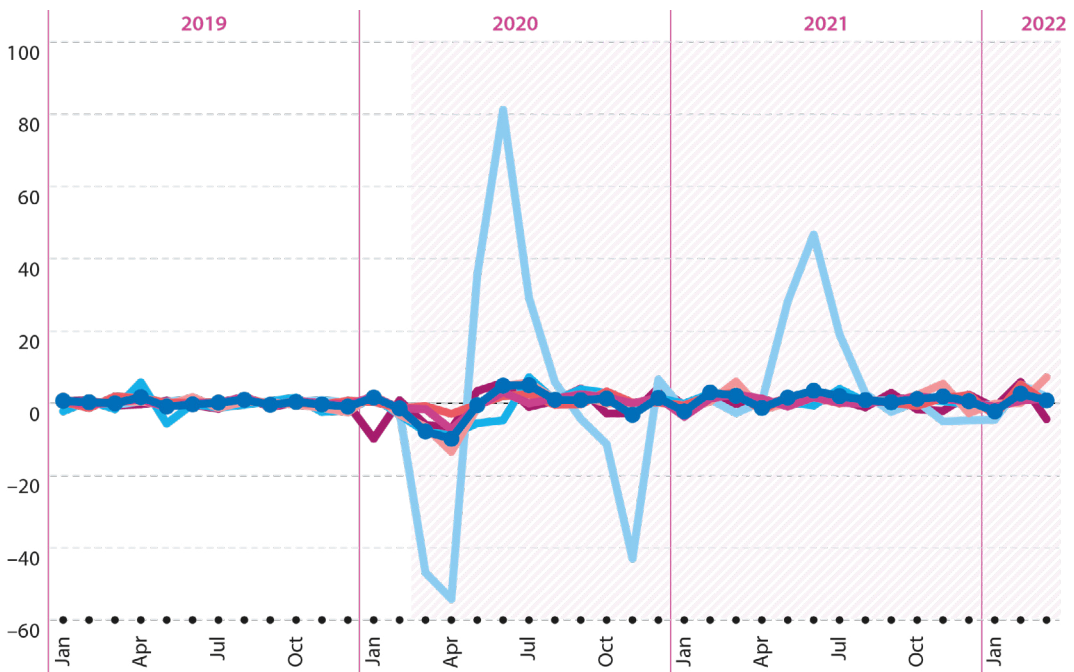
Telecommunications, computer and information services represented 18.3 % of all exports of services from the EU to all countries of the world in 2021. Exports of telecommunications, computer, and information services contributed 59.6 % of all services exports from Ireland, by far the highest share among the EU Member States. These services contributed over two fifths of all services exports in Finland and around one quarter in Romania and Bulgaria. By contrast, in Luxembourg and Greece telecommunications, computer, and information services contributed 3.6 % and 3.4 % of all services exports, while in Malta the share was 0.6 %.

# Latest developments

Monthly data for 2020 and to a lesser extent 2021 show the impact of the COVID-19 pandemic on services. The most recent data for 2022 may be impacted by a wider range of issues, for example aftereffects of the COVID-19 crisis on supply chains and early impacts from the Russian military aggression against Ukraine and the related sanctions.

## Non-financial services production indices

(%, change compared with the previous month, EU, January 2019–March 2022)



### Non-financial services (excluding distributive trades) – total

- Professional, scientific and technical services
- Information and communication
- Transportation and storage
- Administrative and support services
- Accommodation and food services
- Real estate activities

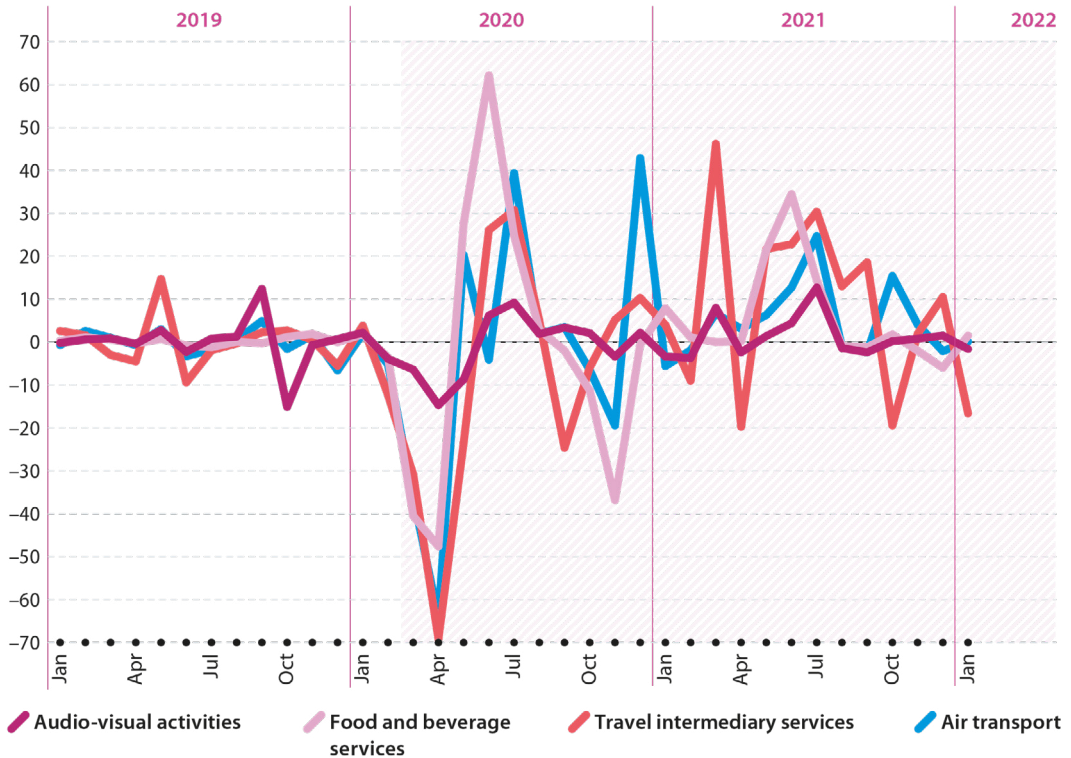
During the first wave of the pandemic, the main decline in non-financial services (excluding distributive trades) output was in March and April 2020, with a partial recovery in May and June. To assess the initial impact, output in April 2020 can be compared with that in February 2020: the strongest decline across the EU among services sections was recorded for accommodation and food services (output fell 76 %). Despite a strong rebound in May, June and July 2020, by March 2022 the output for accommodation and food services remained 15 % below the level it had been in February 2020.

Note: February and March 2022, not available for administrative and support services.

Source: Eurostat (online data code: sts\_sepr\_m)

## Production indices for the five non-financial services divisions most impacted during the COVID-19 pandemic

(%, change compared with the previous month, EU, January 2019–January 2022)



Looking in more detail, namely at non-financial services divisions, several activities experienced a sharp fall in output at the onset of the pandemic. Between February and April 2020, EU production fell 79 % for travel intermediary services, 77 % for air transport services, 69 % for food and beverage services; the next largest fall was 20 % for audio-visual activities. By contrast, the least affected non-financial services during the first wave of the pandemic were: water transport; telecommunications; computer programming, consultancy and related activities; and postal and courier activities.

While there was a partial recovery in late spring / early summer 2020, the picture was mixed, with hospitality and transport services (among others) continuing to face a range of restrictions in some EU Member States. Furthermore, most Member States reintroduced restrictions on hospitality and transport businesses (among others) at various stages during the pandemic.

By January 2022, EU output for travel intermediary services remained 49 % lower than it had been in February 2020, while the output of air transport services was 28 % lower and that of food and beverage services 14 % lower.

Note: the four non-financial services (excluding distributive trades) divisions most impacted by the COVID-19 pandemic were selected on the basis of the change in EU production indices between February and April 2020. Note that the largest fall between February and April 2020 was for accommodation services, but this activity is not shown as the time series is incomplete.

Source: Eurostat (online data code: sts\_sepr\_m)

**For continuously updated visualisation containing time series for services:**

