

**Furniture and other
manufacturing activities**

13

This chapter covers a number of unrelated manufacturing activities that are classified within NACE Division 36. The largest of these is furniture manufacturing (NACE Group 36.1), which is the subject of the first subchapter. The remaining activities include the manufacture of jewellery and related articles (NACE Group 36.2), musical instruments (NACE Group 36.3), sports goods (NACE Group 36.4), games and toys (NACE Group 36.5) and miscellaneous manufacturing (NACE Group 36.6) which includes, for example, the manufacture of brushes, pens, umbrellas and candles: these are all treated in the second subchapter.

Structural profile

The furniture and other manufacturing sector (NACE Division 36) comprised 235.2 thousand enterprises in the EU-27 in 2006. These enterprises generated EUR 53.4 billion of value added and employed 1.8 million persons. These figures equate to a 0.9 % share of non-financial business economy (NACE Sections C to I and K) value

added and a 1.4 % share of the workforce. The furniture and other manufacturing activities sector had the second smallest level of value added among the industrial sectors presented in chapters 2 to 15 of this publication.

The furniture subsector (NACE Group 36.1) accounted for over two thirds (71.2 %) of the value added generated in the EU-27 in this sector in 2006 and closer to three quarters (74.8 %) of employment. Among the other activities (see Subchapter 13.2) the largest in employment terms were miscellaneous manufacturing (NACE Group 36.6) with 231 1 thousand persons employed and jewellery manufacture (NACE Group 36.2) with 115.4 thousand persons employed.

Germany generated the largest share of EU-27 value added in this sector in 2006, slightly more than the Italian share. In employment terms this situation was reversed, with more than one quarter of a million persons employed in the Italian furniture and other manufacturing sector. Poland also recorded a large workforce in this sector, the third largest in the EU-27. Many of the

Table 13.1: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)
Structural profile, EU-27, 2006 (1)

	Enterprises		Turnover		Value added		Persons employed	
	(thousand)	(% of total)	(EUR million)	(% of total)	(EUR million)	(% of total)	(thousand)	(% of total)
Furniture and other manufacturing	235.2	100.0	174 506	100.0	53 391	100.0	1 800.0	100.0
Furniture	150.4	64.0	125 695	72.0	38 001	71.2	1 346.3	74.8
Jewellery and related articles (2)	30.3	12.9	13 000	7.4	3 247	6.5	115.4	6.4
Musical instruments	6.0	2.6	1 652	0.9	743	1.4	24.9	1.4
Sports goods	4.3	1.8	6 139	3.5	1 745	3.3	43.6	2.4
Games and toys (3)	6.1	2.6	7 000	4.2	:	:	61.3	3.4
Miscellaneous manufacturing	38.0	16.2	20 918	12.0	6 978	13.1	231.1	12.8

(1) Rounded estimates based on non-confidential data.

(2) Value added, 2005.

(3) Turnover and number of persons employed, 2005.

Source: Eurostat (SBS)

Table 13.2: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)
Structural profile: ranking of top five Member States, 2006

	Highest value added (1)			Largest number of persons employed (1)			Most specialised: share in the non-financial business economy (%) (2)	
	Country	(EUR million)	(% of EU-27)	Country	(thousand)	(% of EU-27)	Value added	Persons employed
1	Germany	10 769	20.2	Italy	287.6	16.0	Lithuania (1.9)	Lithuania (3.0)
2	Italy	10 057	18.8	Germany	229.8	12.8	Estonia (1.7)	Romania (2.8)
3	United Kingdom	7 485	14.0	Poland	198.6	11.0	Italy (1.6)	Estonia (2.8)
4	France	5 583	10.5	Spain	170.2	9.5	Slovenia (1.6)	Poland (2.6)
5	Spain	5 048	9.5	United Kingdom	166.8	9.3	Poland (1.5)	Slovenia (2.5)

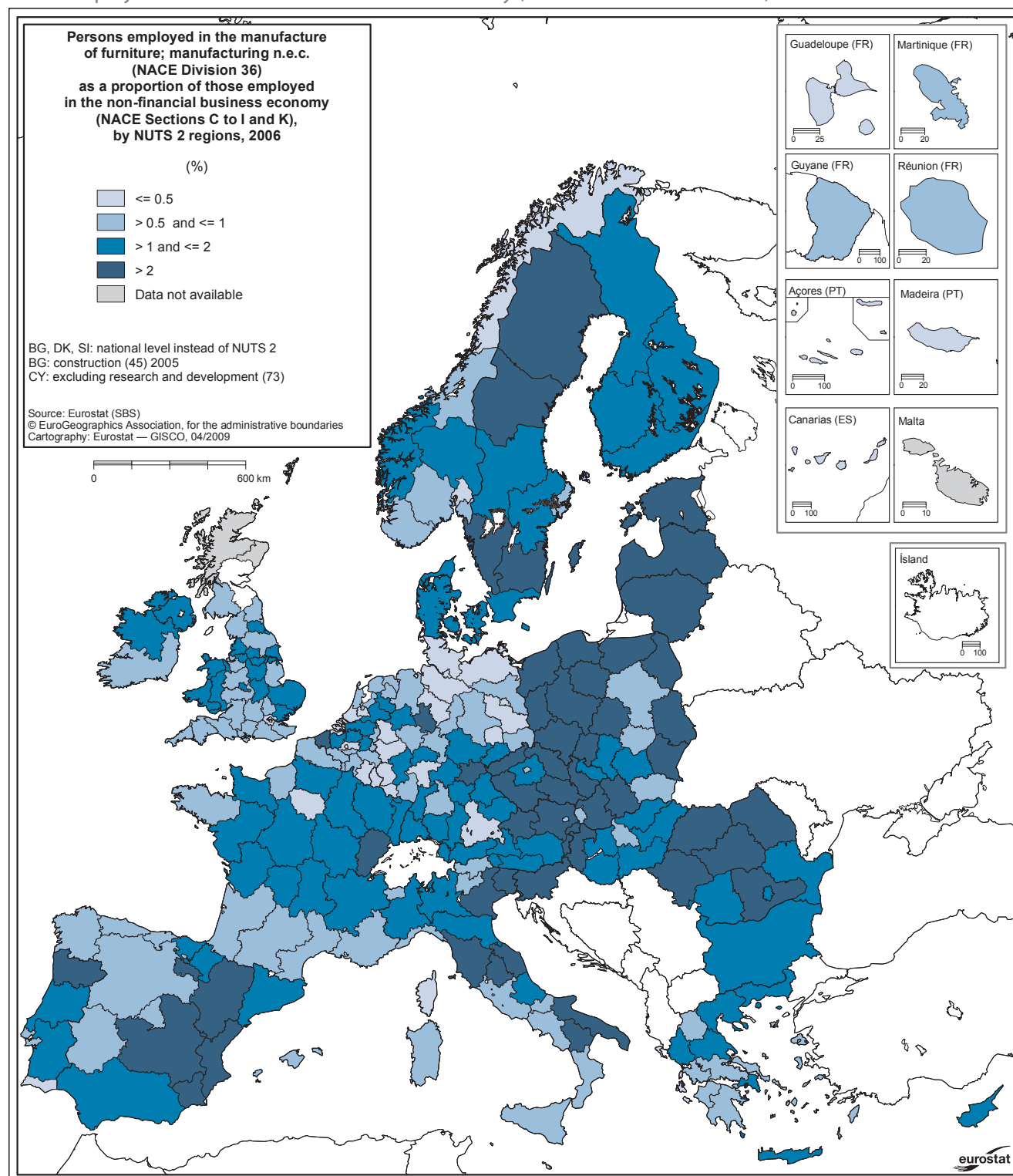
(1) Ireland, Greece and Malta, not available; the Netherlands and Poland, 2005.

(2) Bulgaria, Ireland, Greece and Malta, not available; Cyprus, the Netherlands, Poland and Romania, 2005.

Source: Eurostat (SBS)

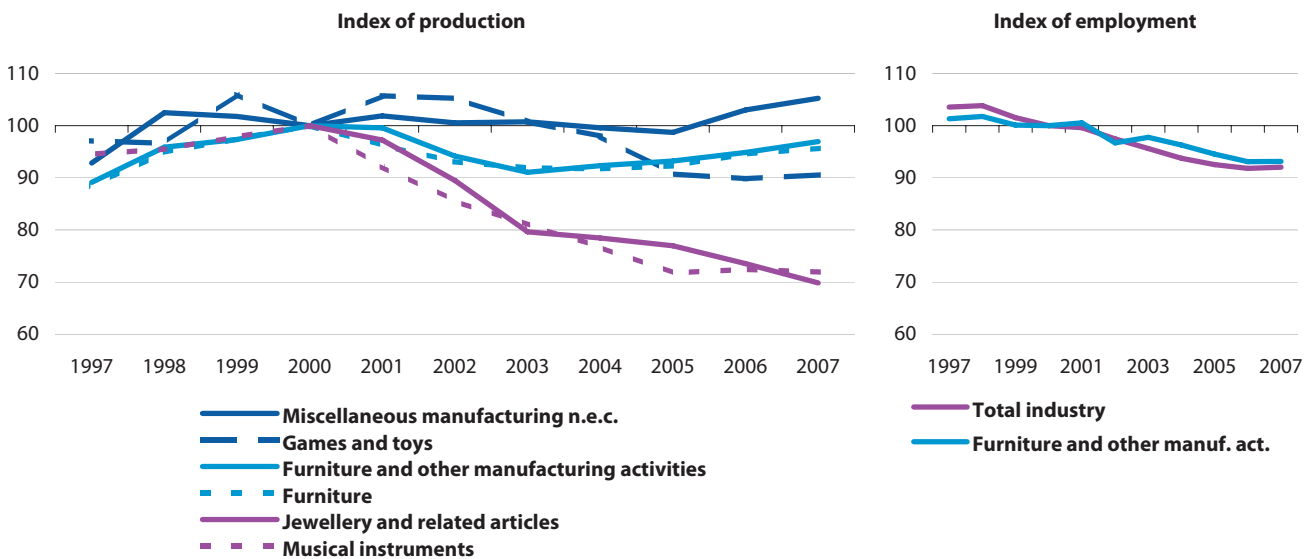
Map 13.1: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)

Persons employed in the manufacture of furniture; manufacturing n.e.c. (NACE Division 36) as a proportion of those employed in the non-financial business economy (NACE Sections C to I and K)



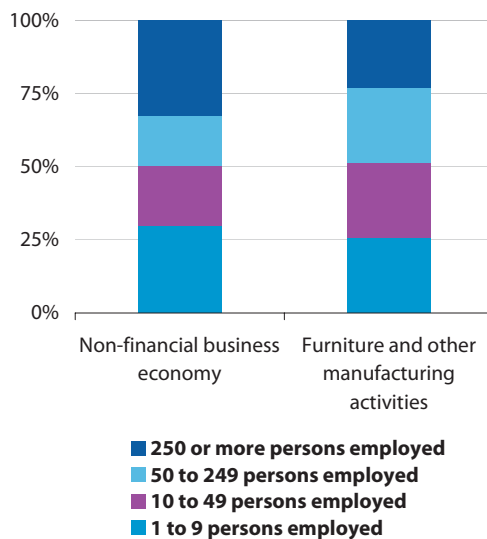
Source: Eurostat (SBS)

Figure 13.1: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)
Evolution of main indicators, EU-27 (2000=100)



Source: Eurostat (STS)

Figure 13.2: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)
Share of employment by enterprise size class, EU-27, 2006



Source: Eurostat (SBS)

Member States that joined the EU in 2004 or 2007 were relatively specialised in these activities, mainly due to a specialisation in one or two particular subsectors, as were Italy and to a lesser extent Austria and Denmark.

The specialisation in the furniture and other manufacturing sector in some regions within these countries (in some cases the whole country is treated as one region) can clearly be seen from the map which is based on the non-financial business economy employment share of this sector. Many of the most specialised regions were in Italy, Poland and Romania. The Czech Republic, Spain, Slovakia and Sweden also had several regions specialised in these activities in employment terms, while the Baltic Member States and Slovenia (each treated as one region in the map) were also among the most specialised regions.

The EU-27's index of production for furniture and other manufacturing activities rose on average by 0.8 % per annum during the period 1997 to 2007, compared with an industrial (NACE Sections C to E) average of 2.1 %. Only once in the ten years between 1997 and 2007 did the furniture and other manufacturing activities record year on year growth above the industrial average, and that was back in 1998. After peaking in 2000, output from furniture and other manufacturing activities declined for three years. Output grew each year thereafter, averaging 1.6 % per annum between 2003 and 2007.

EU-27 employment in furniture and other manufacturing activities declined relatively gently between 1997 and 2007, falling an average of 0.8 % per annum compared to an industrial average rate of change of -1.2 %. Nevertheless, in 2005 and 2006 employment fell more quickly in furniture and other manufacturing activities than in industry as a whole, and employment was stable in 2007 in furniture and other manufacturing compared with growth in industry as a whole.

The EU-27's furniture and other manufacturing activities were particularly concentrated in medium-sized enterprises (with between 50 and 249 persons employed), as they accounted for 27.9 % of the sector's value added and 25.5 % of the workforce in 2006. Small enterprises (with between 10 and 49 persons employed) were also relatively more important, also contributing more than one quarter of the sector's value added and workforce.

Employment characteristics

The EU-27's furniture and other manufacturing activities employed a relatively high proportion of men (71.9 %) and had a high proportion of full-time employment (89.9 %) in 2007, both well above the equivalent figures for the non-financial business economy as a whole. However, these characteristics were fairly typical for the industrial economy (NACE Sections C to E), with male employment in the furniture and other manufacturing activities sector 2.0 percentage points above the industrial average and full-time employment 2.8 percentage points below the average.

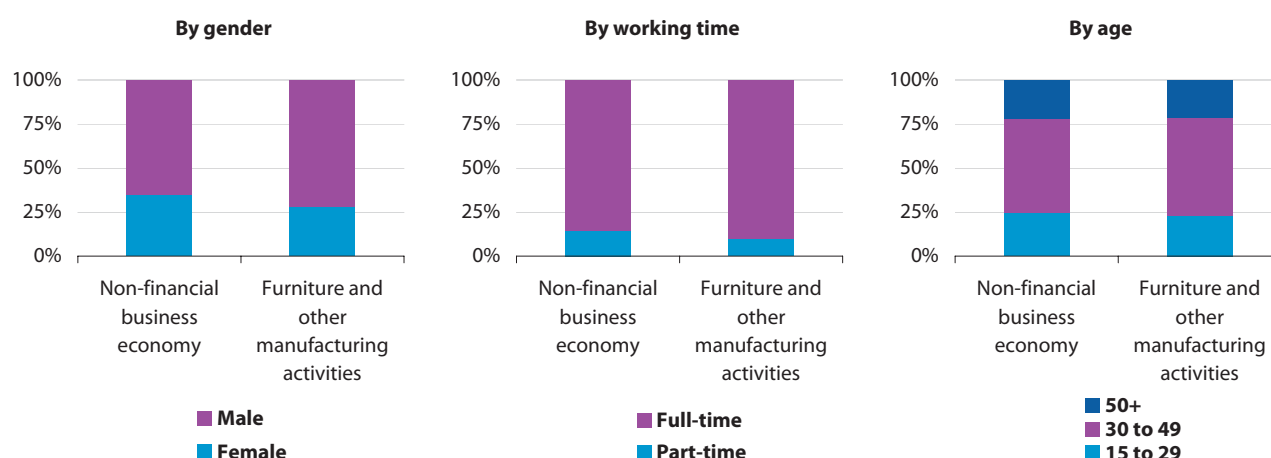
The age profile of the workforce in this sector was fairly close to the non-financial business economy average based on the age classes presented, with a slightly higher proportion of workers aged 30 to 49, and lower proportions in both of the other two age classes.

Expenditure, productivity and profitability

The EU-27's furniture and other manufacturing sector recorded EUR 6.0 billion of tangible investment in 2006, resulting in an investment rate of 11.3 %, about three fifths the average within the non-financial business economy. Personnel costs accounted for a large part of the furniture and other manufacturing sector's operating expenditure in the EU-27, 22.9 % compared with a non-financial business economy average of 16.1 %. This share was particularly high in the musical instruments manufacturing subsector where it reached 34.8 %, while it was around half this level (17.5 %) in the jewellery manufacturing subsector.

Apparent labour productivity of the EU-27's furniture and other manufacturing activities workforce was EUR 29.7 thousand per person employed in 2006 and average personnel costs equated to EUR 22.8 thousand per employee. Both of these ratios were well below the non-financial business economy averages, in particular the apparent labour productivity. As a result, the EU-27 wage adjusted labour productivity ratio was also considerably below average, 129.9 % for furniture and other manufacturing activities compared

Figure 13.3: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)
Employment characteristics, 2007



Source: Eurostat (LFS)

Table 13.3: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)
Expenditure, productivity and profitability, EU-27, 2006 (1)

	(EUR million)			(EUR thousand per person)		(%)	
	Personnel costs	Purchases of goods & services	Investment in tangible goods	Apparent labour productivity	Average personnel costs	Wage adjusted labour productivity	Gross operating rate
Furniture and other manufacturing	36 635	123 008	6 025	29.7	22.8	129.9	9.6
Furniture	26 564	88 756	4 141	28.2	22.0	128.1	9.1
Jewellery and related articles (2)	2 121	10 000	371	26.7	24.6	115.2	10.8
Musical instruments	501	938	53	29.8	25.1	119.1	14.6
Sports goods	1 172	4 517	193	40.0	29.1	137.3	9.3
Games and toys (3)	1 381	5 000	441	:	26.2	:	11.0
Miscellaneous manufacturing	4 896	14 107	827	30.2	24.5	123.2	10.0

(1) Rounded estimates based on non-confidential data.

(2) Apparent labour productivity and wage adjusted labour productivity, 2005.

(3) Purchases of goods and services and gross operating rate, 2005.

Source: Eurostat (SBS)

Table 13.4: Furniture; other manufactured goods n.e.c. (CPA Division 36)
External trade, EU-27, 2007

	Value (EUR million)			Share of industrial exports (%)	Share of industrial imports (%)
	Extra-EU exports	Extra-EU imports	Trade balance		
Furniture; other manufactured goods n.e.c.	31 506	47 153	-15 647	2.7	3.5
Furniture	11 657	12 855	-1 198	1.0	1.0
Jewellery and related articles	12 525	10 891	1 634	1.1	0.8
Musical instruments	465	927	-462	0.0	0.1
Sports goods	1 249	3 266	-2 017	0.1	0.2
Games and toys	1 856	12 314	-10 458	0.2	0.9
Miscellaneous manufactured goods n.e.c.	3 753	6 900	-3 147	0.3	0.5

Source: Eurostat (Comext)

with the non-financial business economy average of 151.1 %. None of the subsectors recorded a wage adjusted labour productivity ratio above the non-financial business economy average, the highest being 137.3 % for sports goods manufacturing. In all Member States⁽¹⁾ the wage adjusted labour productivity ratio for the furniture and other manufacturing sector was below the non-financial business economy average; in Sweden and Luxembourg this ratio was below 100 %, indicating that average personnel costs exceeded average value added per person employed.

The gross operating rate (the ratio of gross operating surplus to turnover, expressed as a percentage) was 9.6 % for the EU-27's furniture and other manufacturing sector in 2006, only slightly below the 10.8 % average for the non-financial business economy. The jewellery manufacturing subsector recorded a gross operating rate equal to the non-

financial business economy average, while the musical instruments manufacturing subsector exceeded this average, with a rate of 14.6 %.

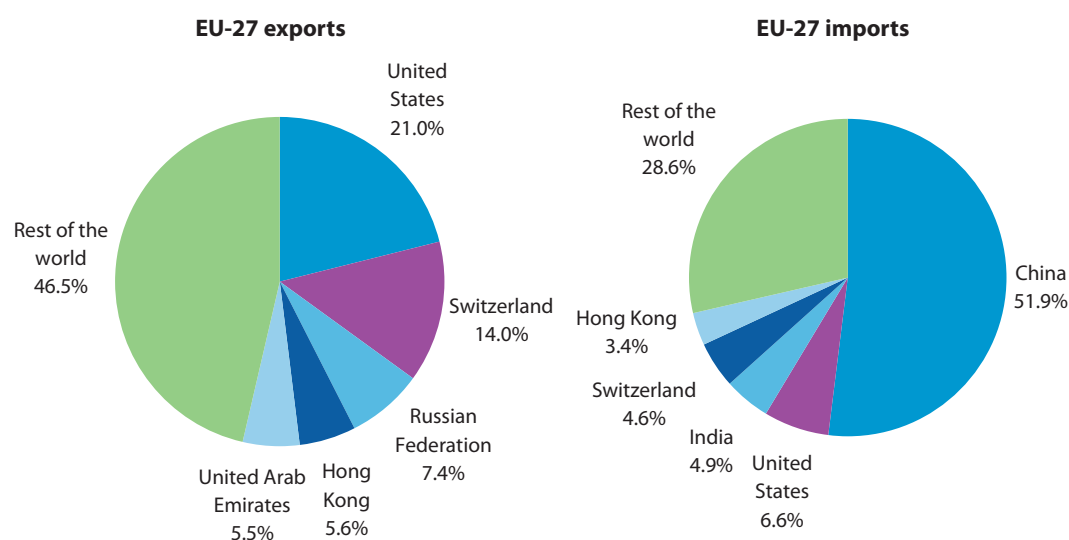
External trade

Just under two thirds (66.2 %) of furniture and other manufactured goods (CPA Division 36) exported by the EU-27 Member States was intra-EU trade and the remainder was exported outside of the EU-27. This share was slightly lower than the average for all industrial products (CPA Sections C to E). Furniture and other manufactured goods accounted for 5 % or more of industrial exports in Poland, Lithuania and Slovenia. Italy and Poland recorded the largest trade surplus for these products, with the United Kingdom and France recording the largest trade deficits.

The EU-27 exported EUR 31.5 billion of furniture and other manufactured goods outside of the EU

(1) Cyprus, Poland and Romania, 2005; Bulgaria, Ireland, Greece, Malta and the Netherlands, not available or incomplete.

Figure 13.4: Furniture; other manufactured goods n.e.c. (CPA Division 36)
Main trading partners, EU-27, 2007 (% share of exports/imports in value terms)



Source: Eurostat (Comext)

in 2007, equivalent to a 2.7 % share of industrial exports. With imports valued at EUR 47.2 billion the EU-27 recorded a trade deficit of EUR 15.6 billion in 2007 for furniture and other manufactured goods. A large trade deficit was recorded for games and toys (CPA Group 36.5) – while the only trade surplus (at the CPA group level) was recorded for jewellery and related articles (CPA Group 36.2).

China was the dominant partner for EU-27 imports, supplying more than half (51.9 %) of all furniture and other manufactured goods imported in 2007, far ahead of any other country. To put this into context, the Chinese share of all industrial imports by the EU-27 was 17.1 %. At the CPA group level, China dominated EU-27 imports for several products, notably games and toys (85.1 %), miscellaneous manufactured goods (CPA Group 36.6, 66.0 %), and sports goods (CPA Group 36.4, 60.7 %). The only CPA group where China was not the main origin of EU-27 imports was jewellery, where India (17.0 %) had the largest share.

13.1: Furniture

Furniture manufacturing (NACE Group 36.1) concerns the manufacture of chairs and seats, office, shop, kitchen and other furniture, and mattresses.

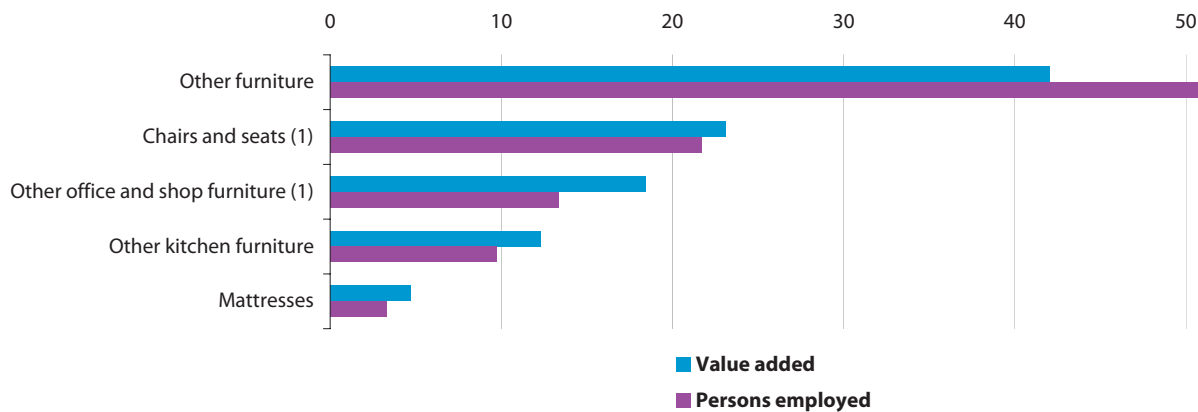
The EU's furniture manufacturing activity draws on a variety of materials to manufacture its products, including wood, metal, leather, glass and synthetic materials; material innovation along with design are key factors within the EU's furniture activity in the face of competition from countries that are characterised by low labour costs.

Structural profile

In 2006, furniture manufacturing (NACE Group 36.1) consisted of 150.4 thousand enterprises which generated EUR 38.0 billion of value added in the EU-27, equivalent to 71.2 % of the total for furniture and other manufacturing activities (NACE Division 36). There were 1.3 million persons employed in the EU-27's furniture manufacturing sector, which was 74.8 % of the furniture and other manufacturing activities workforce.

Just less than one quarter of the sector's value added was in the manufacture of chairs and seats (NACE Class 36.11), just under one fifth in the manufacture of other office and shop furniture (NACE Class 36.12), and just over one tenth

Figure 13.5: Manufacture of furniture (NACE Group 36.1)
Relative weight within furniture manufacturing, EU-27, 2006 (%)



(1) Rounded estimates based on non-confidential data.

Source: Eurostat (SBS)

Table 13.5: Manufacture of furniture (NACE Group 36.1)
Structural profile: ranking of top five Member States in terms of value added and persons employed, 2006

	Highest value added (1)			Largest number of persons employed (1)			Most specialised: share in non-financial business economy (%) (2)	
	Country	(EUR million)	(% of EU-27)	Country	(thousand)	(% of EU-27)	Country	Value added
1	Germany	7 702	20.3	Italy	202.8	15.1	Lithuania	1.7
2	Italy	6 753	17.8	Germany	162.0	12.0	Estonia	1.4
3	United Kingdom	5 117	13.5	Poland	160.7	11.5	Romania	1.3
4	Spain	3 995	10.5	Spain	139.8	10.4	Poland	1.3
5	France	3 589	9.4	United Kingdom	110.2	8.2	Slovenia	1.3

(1) Malta, not available; the Netherlands and Poland, 2005.

(2) Malta and the Netherlands, not available; Bulgaria, Cyprus, Poland and Romania, 2005.

Source: Eurostat (SBS)

in the manufacture of other kitchen furniture (NACE Class 36.13). Smaller than these was the manufacture of mattresses (NACE Class 36.15) with just under 5 % of the sector's value added. The miscellaneous grouping of the manufacture of other furniture (NACE Class 36.14) was the largest subsector, with a 42 % share of value added and 52 % of the workforce.

Germany made the largest contribution to EU-27 value added in the furniture manufacturing sector in 2006 followed closely by Italy, with the United Kingdom and Spain the only other Member States with a double-digit share of EU-27 value added. Italy had the largest workforce, just over 200 thousand persons employed, followed by Germany and Poland. In value added terms, the relative importance of the furniture manufacturing sector was highest in Lithuania in 2006, as furniture manufacturing accounted for 1.7 % of Lithuanian non-financial business economy

(NACE Sections C to I and K) value added. Most of the other Member States that joined the EU in 2004 or 2007 were relatively specialised in furniture manufacturing: the only ones that were relatively unspecialised were Cyprus and Hungary. Italy, Denmark, Austria, Portugal and Spain were the only EU-15 Member States where the furniture manufacturing sector's contribution to non-financial business economy value added was above the EU-27 average.

Expenditure and productivity

EU-27 gross tangible investment in furniture manufacturing was valued at EUR 4.1 billion in 2006, equivalent to 10.9 % of the sector's value added. Bulgaria (56.5 %) and Romania (52.4 %) recorded particularly high investment rates for furniture manufacturing in 2006. This sector's expenditure on personnel costs was 23.0 % of all operating expenditure in the EU-27 in 2006,

Table 13.6: Furniture (CPA Group 36.1)
Production of selected products, EU-27, 2007 (1)

	Prodcom code	Production value (EUR million)	Rounding base (EUR million)	Volume of sold production (million)	Unit of volume	Rounding base (million)
Seats for motor vehicles	36.11.11.30	12 368	-	49.0	units	-
Wooden units for fitted kitchens	36.13.10.50	11 880	90	117.0	units	0.9
Upholstered seats with wooden frames (including three piece suites) (excluding swivel seats)	36.11.12.50	9 000	300	64.4	units	0.7
Wooden bedroom furniture (excluding builders' fittings for cupboards to be built into walls, mattress supports, lamps and lighting fittings, floor standing mirrors, seats)	36.14.12.30	7 470	90	77.4	units	0.6
Wooden furniture for the dining-room and living-room (excluding floor standing mirrors, seats)	36.14.12.50	6 400	80	17.9	units	-

(1) Excluding products of a generic nature (other), sales of services such as repair, maintenance and installation; estimates; threshold of production value set at EUR 6 billion; the rounding base indicates the magnitude of the rounding employed to protect confidential cells (in the case of PRODCOM code 36.13.10.50, the value lies within the range +/- EUR 90 million of the reported value).

Source: Eurostat (PRODCOM)

Table 13.7: Manufacture of furniture (NACE Group 36.1)
Expenditure, productivity and profitability, EU-27, 2006 (1)

	(EUR million)			(EUR thousand per person)	
	Personnel costs	Purchases of goods & services	Investment in tangible goods	Apparent labour productivity	Average personnel costs
Furniture	88 756	26 564	4 141	28.2	22.0
Chairs and seats	27 000	6 350	754	30.0	24.0
Other office and shop furniture	14 000	5 000	625	38.9	31.3
Other kitchen furniture	10 862	3 230	600	35.7	27.0
Other furniture	32 861	11 118	2 004	22.8	18.1
Mattresses	4 111	1 145	147	40.1	27.3

(1) Rounded estimates based on non-confidential data.

Source: Eurostat (SBS)

1.4 times as high as the average share for the non-financial business economy. This high share was achieved despite relatively low average personnel costs of EUR 22.0 thousand per employee in the EU-27's furniture manufacturing sector, which when combined with apparent labour

productivity of EUR 28.2 thousand per person employed, led to a wage adjusted labour productivity ratio of 128.1 %. In all Member States with data available this ratio for furniture manufacturing was below the average ratio for their non-financial business economies.

13.2: Other manufacturing activities

This subchapter covers the manufacture of jewellery and related articles (NACE Group 36.2), musical instruments (NACE Group 36.3), sports goods (NACE Group 36.4), games and toys including electronic games (NACE Group 36.5) and miscellaneous manufacturing (NACE Group 36.6) which includes, for example, the manufacture of brushes, pens, umbrellas and candles. Note that NACE Division 36 does not cover the manufacture of sports clothes or footwear (which are classified within NACE Divisions 18 and 19).

In 2006, the other manufacturing activities sector (NACE Groups 36.2 to 36.6) generated around EUR 15.4 billion of value added in the EU-27 and employed under half a million persons.

Jewellery

The EU-27's jewellery (NACE Group 36.2) subsector consisted of 30.3 thousand enterprises which generated EUR 3.2 billion of value added in 2005 and employed 115.4 thousand persons in 2006, which was about one quarter of the other manufacturing activities workforce and a slightly smaller share of value added.

Italy accounted for the highest share of EU-27 value added in this subsector with 35.9 %, more than double the share of France, the next largest. Italy was also the most specialised Member State in jewellery manufacturing, followed by Greece and Cyprus, with none of the other Member States⁽²⁾ registering even one tenth of 1 % of their non-financial business economy value added in this subsector.

(1) Cyprus, the Netherlands and Poland, 2005; Denmark, Estonia, Ireland and Malta, not available.

(2) Ireland, Greece, the Netherlands, Poland and Portugal, 2005; Estonia and Malta, not available.

Investment in the EU-27's jewellery subsector was valued at EUR 371 million in 2006. Personnel costs made up 17.5 % of this subsector's operating expenditure, the lowest share of any of the other manufacturing subsectors; this was the result of relatively high purchases of goods and services, reflecting the high value of many of the materials used in this activity. Low apparent labour productivity (EUR 26.7 thousand per person employed) in 2005 contributed to a particularly low wage adjusted labour productivity ratio (115.2 %), the second lowest ratio among all of the industrial (NACE Sections C to E) NACE groups in 2005 or 2006.

Musical instruments

Musical instruments manufacturing (NACE Group 36.3) was the smallest subsector within the EU-27's other manufacturing activities sector, with value added of EUR 740 million and a workforce of 24.9 thousand persons. Germany alone generated more than two fifths of the EU-27's value added in this sector, and was the second most specialised Member State⁽³⁾ in musical instrument manufacturing, behind the Czech Republic.

Tangible investment in the EU-27's musical instruments subsector was valued at EUR 53 million in 2006, resulting in an investment rate of 7.1 %, the lowest among the other manufacturing activities subsectors. The labour-intensive nature of this activity can be seen from the extremely high share of personnel costs in total operating expenditure, which reached 34.8 % in 2006, the third highest among all of the industrial NACE groups in 2005 or 2006. Apparent labour productivity (EUR 29.8 thousand per person employed) was below the

Table 13.8: Other manufacturing activities (NACE Groups 36.2 to 36.6)
Structural profile, EU-27, 2006 (1)

	Enterprises (thousand)	Turnover (EUR million)	Value added (EUR million)	Persons employed (thousand)	Share in total (%)	
					Value added	Persons employed
Other manufacturing activities	84.7	48 811	15 390	453.7	100.0	100.0
Jewellery and related articles (2)	30.3	13 000	3 247	115.4	23.2	25.4
Musical instruments	6.0	1 652	743	24.9	4.8	5.5
Sports goods	4.3	6 139	1 745	43.6	11.3	9.6
Games and toys (3)	6.1	7 000	:	61.3	:	12.6
Miscellaneous manufacturing	38.0	20 918	6 978	231.1	45.3	50.9

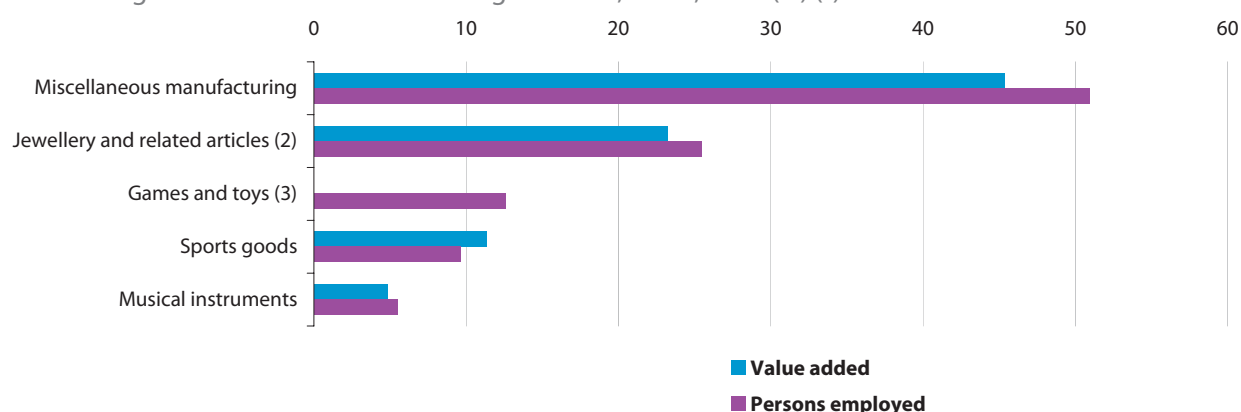
(1) Rounded estimates based on non-confidential data.

(2) Value added, 2005.

(3) Turnover and number of persons employed, 2005.

Source: Eurostat (SBS)

Figure 13.6: Other manufacturing activities (NACE Groups 36.2 to 36.6)
Relative weight within other manufacturing activities, EU-27, 2006 (%) (1)



(1) Rounded estimates based on non-confidential data.

(2) Value added, 2005.

(3) Value added, not available; number of persons employed, 2005.

Source: Eurostat (SBS)

Table 13.9: Other manufacturing activities (NACE Groups 36.2 to 36.6)
Structural profile: ranking of top Member States in terms of value added, 2006

	Highest value added			Second highest value added			Most specialised: share in non-financial business economy	
	Country	(EUR million)	(% of EU-27)	Country	(EUR million)	(% of EU-27)	Highest	Second highest
Jewellery and related articles (1)	Italy	1 245	35.9	France	546.7	15.5	Italy	Greece
Musical instruments (2)	Germany	337	45.3	France	119.8	16.1	Czech Rep.	Germany
Sports goods (3)	France	365	20.9	U. Kingdom	298.6	17.1	Austria	Estonia
Games and toys (4)	Germany	698	:	Italy	277.2	:	Austria	Czech Rep.
Miscellaneous manufacturing (5)	Germany	1 444	20.7	Italy	1 416.3	20.3	Czech Rep.	Italy

(1) Denmark, Estonia, Ireland and Malta, not available; Cyprus, the Netherlands and Poland, 2005; share of EU-27, 2005.

(2) Estonia and Malta, not available; Ireland, Greece, the Netherlands, Poland and Portugal, 2005.

(3) Malta, not available; the Netherlands and Poland, 2005.

(4) Denmark, Ireland, Cyprus, Luxembourg and Malta, not available; Greece, the Netherlands, Poland and Portugal, 2005.

(5) Cyprus, Luxembourg and Malta, not available; the Netherlands, Poland and Portugal, 2005.

Source: Eurostat (SBS)

average for the other manufacturing activities sector (EUR 33.9 thousand per person employed), while average personnel costs (EUR 25.1 thousand per employee) were almost identical to the sectoral average: the resulting wage adjusted labour productivity ratio was 119.1 % in 2006.

Sports goods

Sports goods manufacturing (NACE Group 36.4) in the EU-27 consisted of 4.3 thousand enterprises which recorded a value added of EUR 1.7 billion in 2006 and employed 43.6 thousand persons. France, the United Kingdom, Italy and Austria had

the largest sports goods manufacturing subsectors in terms of value added, all generating at least EUR 200 million of value added in this subsector. As a result, Austria recorded by far the highest value added specialisation ratio for this subsector⁽⁴⁾.

Investment in sports goods manufacturing in the EU-27 was valued at EUR 193 million in 2006, leading to an investment rate of 11.1 %, slightly below the average for the other manufacturing activities sector (12.2 %). This subsector is most notable for having by far the highest apparent labour productivity (EUR 40.0 thousand per person employed) and average personnel costs (EUR 29.1

(4) The Netherlands and Poland, 2005; Malta, not available.

Table 13.10: Other manufacturing activities (NACE Groups 36.2 to 36.6)
Expenditure, productivity and profitability, EU-27, 2006 (1)

	(EUR million)			(EUR thousand per person)	
	Personnel costs	Purchases of goods & services	Investment in tangible goods	Apparent labour productivity	Average personnel costs
Other manufacturing activities	34 251	10 071	1 885	33.9	25.2
Jewellery and related articles (2)	10 000	2 121	371	26.7	24.6
Musical instruments	938	501	53	29.8	25.1
Sports goods	4 517	1 172	193	40.0	29.1
Games and toys (3)	5 000	1 381	441	:	26.2
Miscellaneous manufacturing	14 107	4 896	827	30.2	24.5

(1) Rounded estimates based on non-confidential data.

(2) Apparent labour productivity, 2005.

(3) Personnel costs and average personnel costs, 2005.

Source: Eurostat (SBS)

thousand per employee) among the EU-27's other manufacturing activities NACE groups; this was the only subsector where average personnel costs were above the non-financial business economy average. The wage adjusted labour productivity ratio of 137.3 % was also the highest within the other manufacturing activities sector, but still 13.8 percentage points below the non-financial business economy average.

Games and toys

One of the key issues for toys is safety. In January 2008 the European Commission adopted proposals⁽⁵⁾ to revise the legislation on this issue, in particular with respect to the use of chemical substances in toys.

The EU-27's toys and games manufacturing (NACE Group 36.5) subsector consisted of over six thousand enterprises, which employed 61.3 thousand persons in 2005. Germany recorded value added of EUR 697.5 million in games and toys manufacturing in 2006, with the United Kingdom, Italy and Austria generating more than EUR 200 million of value added each in this subsector, and Spain just under this amount. Austria and the Czech Republic were relatively specialised in this activity, as this subsector contributed much more to their non-financial business economy value added than in any other Member State⁽⁶⁾. Note that no recent data are available for either Denmark or Malta, both of whom are known to be relatively highly specialised in

games and toys manufacturing. Tangible investment in the EU-27's toys and games manufacturing subsector was valued at EUR 441 million in 2006, just under one quarter (23.4 %) of the total for the other manufacturing activities sector.

Miscellaneous manufacturing

The activity of miscellaneous manufacturing (NACE Group 36.6) was the largest of the five NACE groups covered within this subchapter as it generated 45.3 % of the EU-27's value added in the other manufacturing activities sector, and employed 50.9 % of its workforce. The estimated 38.0 thousand enterprises in this subsector generated a value added of EUR 7.0 billion with a workforce of 231.1 thousand persons employed. Germany, Italy and the United Kingdom had the largest miscellaneous manufacturing subsectors in 2006, each contributing around one fifth of EU-27 value added.

The miscellaneous manufacturing activity recorded tangible investment valued at EUR 827 million in 2006. Personnel costs represented one quarter (25.8 %) of operating expenditure in this subsector in the EU-27, considerably higher than the average share within the non-financial business economy (16.1 %). Apparent labour productivity (EUR 30.2 thousand per person employed) and average personnel costs (EUR 24.5 thousand per employee) were both below the average for other manufacturing activities, as was the wage adjusted labour productivity ratio of 123.2 %.

(5) COM(2008) 9.

(6) Greece, the Netherlands, Poland and Portugal, 2005; Denmark, Ireland, Cyprus, Luxembourg and Malta, not available.

Table 13.11: Manufacture of furniture; manufacturing n.e.c. (NACE Division 36)
Main indicators, 2006 (1)

	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	IT	CY	LV	LT
Enterprises	3.6	2.3	11.0	1.7	15.3	0.6	:	:	25.0	28.8	47.4	0.7	1.0	2.0
Persons employed	23.6	34.2	66.8	25.7	229.8	11.8	:	:	170.2	141.2	287.6	2.4	14.1	28.4
Turnover	4 299	441	3 195	4 306	32 156	451	:	:	15 547	20 395	38 393	150	304	693
Production	4 096	417	3 079	4 244	30 749	429	:	:	15 066	18 396	37 740	126	310	671
Purch. of goods & serv.	3 304	357	2 460	2 932	21 335	329	:	:	10 824	14 772	28 684	96	216	525
Value added	1 029	116	888	1 497	10 769	128	:	:	5 048	5 583	10 057	58	111	194
Personnel costs	704	62	509	1 023	7 557	91	:	:	3 616	4 684	6 044	39	61	148
Average personnel costs	35.2	1.9	8.8	41.5	35.2	7.8	:	:	23.7	36.3	27.7	18.1	4.4	5.5
Gross operating surplus	324	54	379	473	3 212	37	:	:	1 431	899	4 012	19	50	47
Gross investment	155	59	125	151	852	29	:	:	637	559	1 084	8	39	60
Apparent labour prod.	43.6	3.4	13.3	58.3	46.9	10.9	:	:	29.7	39.5	35.0	23.7	7.9	6.8
Wage adj. labour prod.	123.7	177.9	150.8	140.3	133.1	139.7	:	:	125.2	109.1	126.2	131.2	178.6	125.1
Gross operating rate	7.5	12.3	11.9	11.0	10.0	8.2	:	:	9.2	4.4	10.5	12.4	16.3	6.7
Investment rate	15.0	51.3	14.1	10.1	7.9	22.8	:	:	12.6	10.0	10.8	13.3	35.6	30.8
	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK	NO
Enterprises	0.1	5.9	:	7.2	4.9	20.7	10.3	5.3	1.7	0.5	2.5	6.1	16.5	1.7
Persons employed	0.3	30.9	:	36.6	43.6	198.6	57.2	105.6	14.8	17.4	13.5	47.0	166.8	10.9
Turnover	27	990	:	4 643	5 021	7 131	2 524	1 860	775	928	1 852	4 035	20 641	1 819
Production	26	798	:	4 362	4 743	6 652	2 378	1 830	716	909	1 746	3 906	18 654	1 656
Purch. of goods & serv.	17	751	:	3 178	3 253	5 221	1 832	1 580	532	744	1 295	2 846	13 200	1 227
Value added	11	257	:	1 475	1 913	1 881	741	477	249	221	601	1 221	7 485	645
Personnel costs	9	167	:	1 063	1 264	946	551	324	188	123	431	1 376	4 806	464
Average personnel costs	37.6	6.1	:	37.0	32.3	5.5	10.1	3.1	13.8	7.1	34.2	30.9	30.9	46.0
Gross operating surplus	1	90	:	412	649	935	190	153	61	98	170	-187	2 679	181
Gross investment	1	37	:	180	147	420	139	242	52	71	55	121	574	66
Apparent labour prod.	35.9	8.3	:	40.3	43.9	9.5	13.0	4.5	16.8	12.7	44.6	26.0	44.9	59.1
Wage adj. labour prod.	95.5	136.4	:	109.0	135.7	173.6	128.5	145.9	121.6	179.1	130.7	84.0	145.4	128.4
Gross operating rate	4.5	9.1	:	8.9	12.9	13.1	7.5	8.2	7.8	10.5	9.2	-4.6	13.0	10.0
Investment rate	5.3	14.2	:	12.2	7.7	22.3	18.7	50.7	21.0	32.0	9.1	9.9	7.7	10.2

(1) Netherlands and Poland, 2005; unless otherwise stated, values refer to EUR million; number of enterprises and number of persons employed are given in thousands; average personnel costs and apparent labour productivity are given in EUR thousand per person; wage adjusted labour productivity, gross operating rate and investment are ratios expressed as percentages.

Source: Eurostat (SBS)

