

**Real estate and  
renting and leasing**

**23**

In this chapter, the term 'real estate, renting and leasing' is used to refer to the aggregate of two activities: real estate services (NACE Division 70) and renting and operating leasing (NACE Division 71), each of which is covered in turn in a subchapter.

Real estate services and renting and leasing services are provided to households and to business clients. The use of renting or operating leasing can increase financial flexibility, reducing the need to commit own capital, whether for buildings, machinery, equipment or appliances.

### Structural profile

The number of persons employed by the 1.3 million enterprises active in the EU-27's real estate, renting and leasing sector (NACE Divisions 70 and 71) was EUR 3.3 million in 2005. Within this total, paid employees made up 72.9 % of the workforce, some 13.4 percentage points below the non-financial business economy average (NACE Sections C to I and K). Both subsectors recorded a low share of paid employees (and therefore a high share of working proprietors and unpaid family workers), particularly real estate where the

share of paid employees was 69.3 % in 2006, more than 10 percentage points lower than the next lowest share (retail trade and repair) across all of the non-financial business economy NACE divisions in 2005 or 2006. This workforce generated EUR 340 billion of value added in 2006, 6.0 % of the non-financial business economy's total, more than double this sector's 2.6 % (in 2005) share of employment. These remarkable differences result from the capital intensive nature of this sector. In the renting and leasing subsector as well as parts of the real estate subsector (notably letting of own property), enterprises own a good, often of high value, and this good is then rented or leased out to customers. As such, financial costs and depreciation charges may constitute the main element of total costs, neither of which are considered when calculating gross value added.

Real estate (NACE Division 70) accounted for close to four fifths (79.4 %) of the sector's value added in 2006 and a slightly larger share of employment (81.8 %) in 2005. Renting and leasing (NACE Division 71) naturally made up the remainder of the sector, and generated close to one quarter (23.1 %) of the sector's EUR 650 billion of turnover in 2005.

**Table 23.1:** Real estate activities; renting of machinery and equipment without operator and of personal and household goods (NACE Divisions 70 and 71)  
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)
<b>Real estate, renting and leasing (2)</b>	1 251.1	100.0	650 000	100.0	340 000	100.0	3 290	100.0
<b>Real estate activities (3)</b>	1 100.9	88.0	570 000	76.9	270 000	79.4	2 900	81.8
<b>Renting and leasing (2)</b>	150.2	12.0	150 000	23.1	70 000	20.6	600	18.2

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

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

(3) Shares in total for turnover and number of persons employed, 2005.

Source: Eurostat (SBS)

**Table 23.2:** Real estate activities; renting of machinery and equipment without operator and of personal and household goods (NACE Divisions 70 and 71)  
Structural profile: ranking of top five Member States, 2006 (1)

	Highest value added			Largest number of persons employed (2)			Most specialised: share in the non-financial business economy (%)	
	Country	(EUR million)	(% of EU-27)	Country	(thousand)	(% of EU-27)	Value added (3)	Persons employed (4)
<b>1</b>	Germany	82 061	24.1	United Kingdom	686.3	20.5	Denmark (12.9)	Latvia (6.1)
<b>2</b>	United Kingdom	63 168	18.6	Germany	513.1	14.6	Latvia (8.3)	United Kingdom (3.9)
<b>3</b>	France	50 017	14.7	Spain	506.9	13.5	Spain (7.2)	Estonia (3.7)
<b>4</b>	Spain	38 682	11.4	France	405.1	12.8	Germany (7.1)	Lithuania (3.7)
<b>5</b>	Italy	23 111	6.8	Italy	345.0	10.0	Cyprus (6.9)	Denmark (3.7)

(1) Luxembourg, Malta and Sweden, not available; Cyprus and Poland, 2005.

(2) Share of EU-27, 2005.

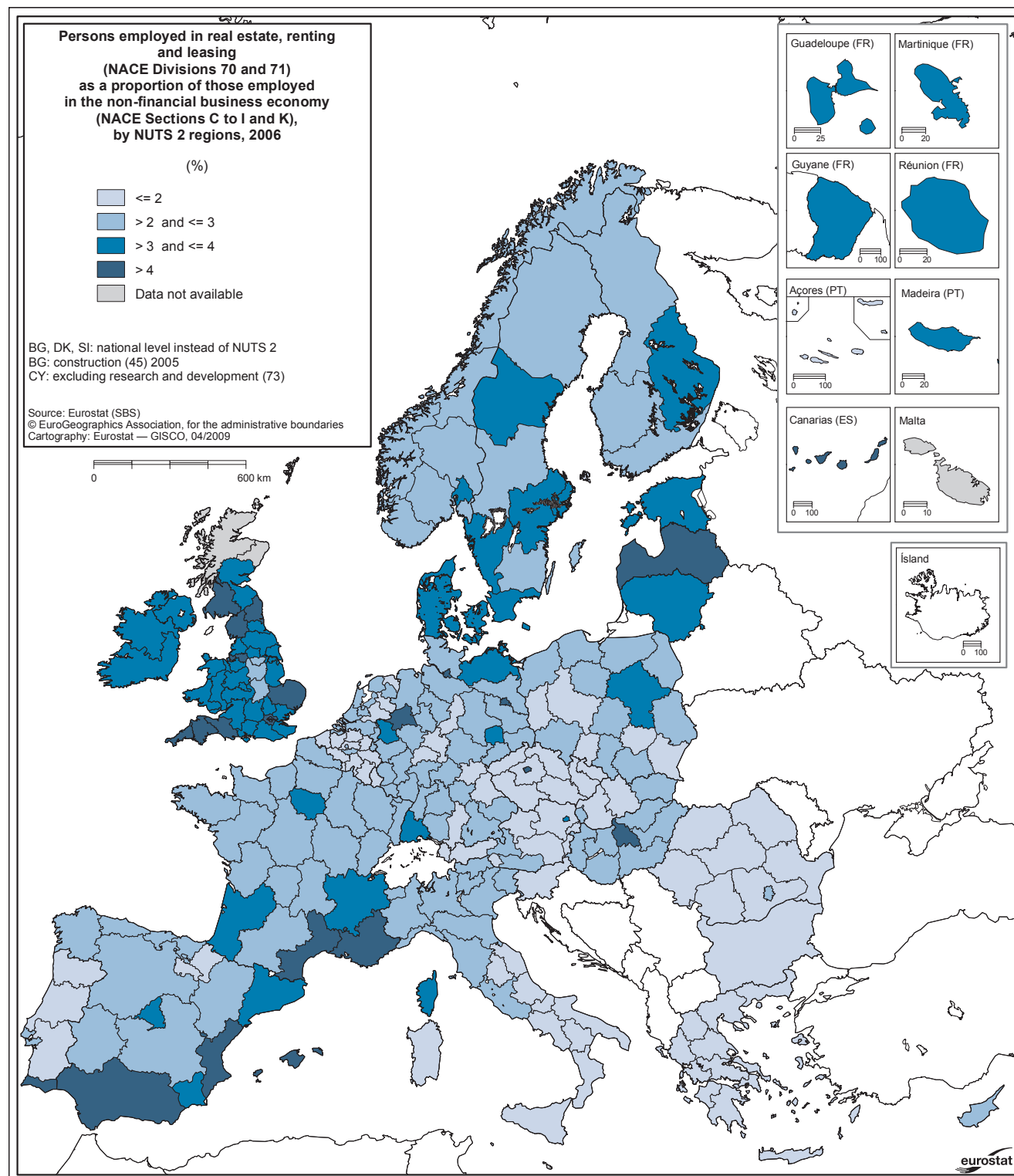
(3) The Netherlands, also not available; Bulgaria and Romania, also 2005.

(4) Bulgaria, the Netherlands and Romania, also 2005.

Source: Eurostat (SBS)

**Map 23.1:** Real estate activities; renting of machinery and equipment without operator and of personal and household goods (NACE Divisions 70 and 71)

Persons employed in real estate, renting and leasing (NACE Divisions 70 and 71) as a proportion of those employed in the non-financial business economy (NACE Sections C to I and K) (%)



Source: Eurostat (SBS)

**Table 23.3:** Real estate activities; renting of machinery and equipment without operator and of personal and household goods (NACE Divisions 70 and 71)

Share of value added and persons employed by enterprise size class, EU-27, 2006 (%)

	Value added (1)		Persons employed	
	Non-financial business economy	Real estate, renting and leasing	Non-financial business economy	Real estate, renting and leasing (2)
<b>1 to 9 persons employed</b>	21.0	52.4	29.7	53.5
<b>10 to 49 persons employed</b>	18.9	16.7	20.7	17.4
<b>50 to 249 persons employed</b>	17.8	16.7	17.0	13.5
<b>250 or more persons employed</b>	42.1	15.6	32.6	15.2

(1) 1 to 9 persons employed and 50 to 249 persons employed, 2005.

(2) 1 to 9 persons employed and 250 or more persons employed, 2005.

Source: Eurostat (SBS)

Germany, with EUR 82.1 billion of value added, accounted for the largest share (24.1 %) of the EU-27's real estate, renting and leasing sector in 2006. The United Kingdom had the second largest share (18.6 %) of EU-27 value added in this sector but the largest workforce, 686.3 thousand persons, equivalent to 20.5 % of the EU-27 total in 2005. In terms of its contribution to value added in the non-financial business economy, the real estate, renting and leasing sector represented 12.9 % of the total in Denmark, more than double the EU-27 average and far ahead of the next highest share. In fact Danish specialisation in this sector was so great that this sector was the second largest sector in the Danish non-financial business economy (based on the sectoral chapter aggregates used in this publication). At the other end of the spectrum, these activities accounted for less than 2 % of non-financial business economy value added in Greece, Slovenia and Bulgaria. In all Member States real estate, renting and leasing accounted for a smaller proportion of non-financial business economy employment than value added.

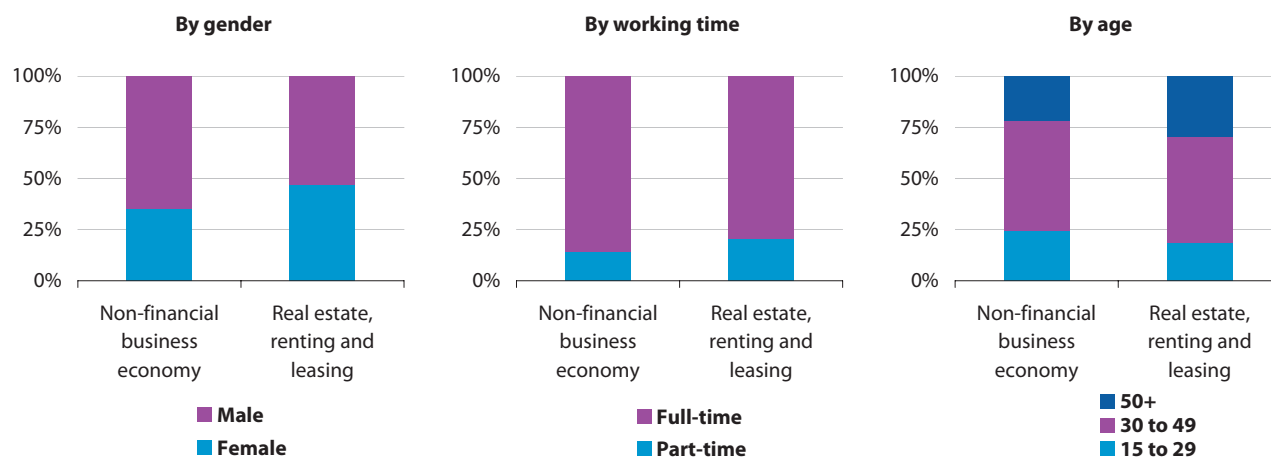
The regional specialisation of the real estate, renting and leasing sector is shown in the map which is based on the non-financial business economy employment share of this sector. The most specialised regions (at the level of detail shown in the map) were Latvia (considered as one region) and the Algarve (Portugal), followed by inner London (the United Kingdom). Many of the regions least specialised in this sector were Greek, including 10 of the 11 least specialised: these, along with one Romanian region, all recorded 0.5 % or less of their non-financial business economy employment in this sector.

An analysis of the EU-27's real estate, renting and leasing sector in 2005 shows that more than one half (52.4 %) of value added was generated by micro enterprises, namely those with less than 10 persons employed, nearly two and a half times the average share within the non-financial business economy. Large enterprises (with 250 or more persons employed) contributed a particularly low share of value added in this sector. Both subsectors recorded a dominant role for micro enterprises: for real estate the value added share of micro enterprises was 57.1 % in 2006 while for renting and leasing the share was 35.9 % in 2005, the highest and third highest shares among all of the non-financial business economy NACE divisions in 2005 or 2006.

### Employment characteristics

The characteristics of the real estate, renting and leasing sector's workforce in the EU-27 were fairly typical of service sectors, in that the shares of male workers and full-time workers were below the non-financial business economy average. Nevertheless, a more complex picture is revealed when analysing the two subsectors that make up the sector. In 2007, according to the Labour Force Survey, 53.0 % of the persons employed in the sector as a whole were male, some 11.9 percentage points lower than the non-financial business economy average. The proportion of male workers within the renting and leasing subsector was higher, at 67.9 %. In the real estate subsector the male and female shares were almost identical, with the share of male workers below 40 % in Luxembourg, Bulgaria and Slovenia.

**Figure 23.1:** Real estate activities; renting of machinery and equipment without operator and of personal and household goods (NACE Divisions 70 and 71)  
Employment characteristics, 2007



Source: Eurostat (LFS)

In the EU-27 as a whole, full-time employment was notably less common in real estate activities (78.6 %) than in renting and leasing (83.9 %), but this was not the case in all Member States, most notably in Slovenia and Ireland where the incidence of full-time employment was at least 5 percentage points higher in real estate than in renting and leasing.

In terms of age profile, there was a much higher proportion of the EU-27's real estate, renting and leasing workforce that were aged 50 or over (29.8 %) than the average for the non-financial business economy (21.9 %). This difference reflects, to a large degree, the fact that just under one third (32.2 %) of workers in real estate services were aged 50 or more in 2007. In contrast, in the renting and leasing subsector the proportion of the workforce aged 50 or over was just 18.7 %, and as such below the non-financial business economy average.

### Expenditure, productivity and profitability

The two subsectors within the real estate, renting and leasing sector were both relatively capital intensive services, but to quite different degrees. In 2006 gross tangible investment in the EU-27's real estate, renting and leasing sector was valued at EUR 252 billion, equivalent to 74.1 % of the sector's value added. The real estate subsector recorded a lower investment rate, 65.6 %, that was

nevertheless more than three and a half times as high as the average rate for the non-financial business economy. The level of investment in the leasing and renting subsector exceeded value added, resulting in an investment rate of 107.1 %. At the NACE division level these were the highest and third highest investment rates recorded within the EU-27's non-financial business economy in 2005 or 2006.

An analysis of expenditure in 2006 shows that personnel costs accounted for 13.3 % of operating expenditure in the EU-27's real estate subsector, and 16.7 % in the renting and leasing subsector, the latter marginally higher than the non-financial business economy average (16.1 %). Average personnel costs were also slightly higher for the renting and leasing subsector than for real estate, but in both cases quite close to the non-financial business economy average. In contrast, the apparent labour productivity ratio was notably greater for renting and leasing than it was for real estate, but in both subsectors this ratio was well above the non-financial business economy average. For the EU-27's renting and leasing subsector this ratio indicated that on average each person employed generated EUR 125.0 thousand of added value in 2005, the fifth highest level for this ratio among the non-financial business economy NACE divisions in 2005 or 2006, and close to three times the non-financial business economy average (EUR 42.3 thousand) in 2005. As noted above, care has to be taken with the ratios based

**Table 23.4:** Real estate activities; renting of machinery and equipment without operator and of personal and household goods (NACE Divisions 70 and 71)  
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
<b>Real estate, renting and leasing (2)</b>	76 000	470 000	252 000	98.2	28.3	346.5	39.2
<b>Real estate activities</b>	60 000	390 000	177 000	93.1	29.9	311.9	36.8
<b>Renting and leasing</b>	16 000	80 000	75 000	125.0	30.0	400.0	40.0

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

(2) Apparent labour productivity, average personnel costs, wage adjusted labour productivity and gross operating rate, 2005.

Source: Eurostat (SBS)

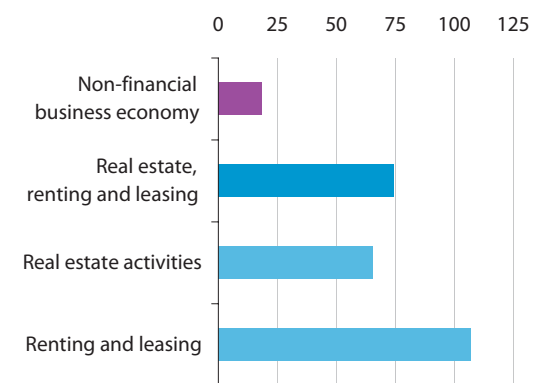
on value added for the renting and leasing subsector, and parts of the real estate subsector: financial costs and depreciation charges may constitute the main costs for these activities and these are not considered when calculating gross value added and the gross operating surplus.

The combination of particularly high apparent labour productivity and slightly higher than average personnel costs led to wage adjusted labour productivity ratios of 400 % in 2005 for the EU-27's renting and leasing subsector, and 311.9 % for the real estate subsector in 2006, both more than double the non-financial business economy average. These two subsectors recorded the third and sixth highest wage adjusted labour productivity ratios among the non-financial business economy NACE divisions in 2005 or 2006. Every Member State<sup>(1)</sup> recorded a higher wage adjusted labour productivity ratio for the real estate, renting and leasing sector than for the non-financial business economy, with Cyprus (2005), Denmark and Austria recording ratios in this sector at least three times as high as their national non-financial business economy average ratios.

The gross operating rate shows the percentage relationship between the gross operating surplus (value added minus personnel costs) and turnover, and is a measure of operating profitability. The gross operating rate of the EU-27's real estate, renting and leasing sector was 39.2 % in 2005, close to four times as high as the non-financial business economy average of 10.0 % in the same year. This rate was high for both subsectors, the second and third highest levels for this rate among the non-financial business economy NACE divisions in 2005 or 2006.

(1) Bulgaria, Cyprus, Poland and Romania, 2005; Ireland, Luxembourg, Malta, the Netherlands and Sweden, not available.

**Figure 23.2:** Real estate activities; renting of machinery and equipment without operator and of personal and household goods (NACE Divisions 70 and 71)  
Investment rate, EU-27, 2006 (%)



Source: Eurostat (SBS)

## 23.1: Real estate services

Within NACE, real estate services are covered by Division 70, which is classified alongside a range of business services within NACE Section K. However, some parts of the activity have a close relationship with the construction sector (Chapter 16) and others with architectural activities (Subchapter 25.3).

The activities of real estate services are very diverse: real estate agents let (rent) or sell on a commission basis; traders buy and sell property; valuers, facilities and estate managers provide professional services; and finally owners let property. Most of these activities are related to the secondary market concerned with existing property, although some, such as property developers are active in the primary market and are therefore more closely related to construction. The wide range of real estate service activities have very different cost structures and revenue streams and care has to be taken when comparing them, particularly when trying to measure the size of each subsector or their labour productivity. In particular, when enterprises are the owner of a good that they rent or lease, their financial costs and depreciation charges may constitute the main element of their total costs, but these are not considered when calculating gross value added or indicators of productivity based on this.

One indicator of the level of activity in the residential property market is lending for house purchases. Data from the European Central Bank (ECB) indicate how the stock of such lending, was increasing at a progressively stronger rate throughout the period 2003 to 2005, and peaked at 12.1 % in March and April 2006; since when the rate of growth slowed mirroring the increase in interest rates that started in December 2005.

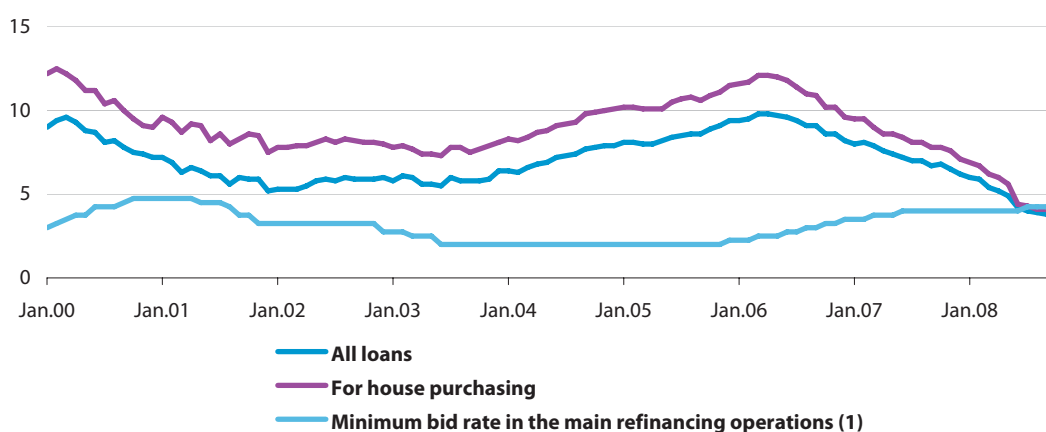
### Structural profile

There were around 1.1 million enterprises active in the EU-27's real estate services sector (NACE Division 70) in 2006 and together they employed 2.9 million persons. These enterprises generated EUR 570 billion of turnover, from which close to half (EUR 270 billion) was retained as value added. As such, this sector's contribution to the total for real estate, renting and leasing (NACE Divisions 70 and 71) ranged in 2005 and 2006 between three quarters for turnover to four fifths for value added and employment.

Germany had by far the largest real estate services sector in the EU-27, generating EUR 64.4 billion of value added, close to one quarter of the EU-27 total. In contrast the United Kingdom had the largest workforce in this sector, with just over half a million persons employed in real estate services, some 17.5 % of the EU-27 total. As

**Figure 23.3:** Real estate activities

Annual growth rate for stocks of loans by MFIs to households and individual enterprises, euro area (%)



(1) Fixed rate tenders until June 2000 and from October 2008; variable rate tenders for other periods.

Source: European Central Bank (ECB)

**Table 23.5:** Real estate activities (NACE Division 70)

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	64 410	23.9	United Kingdom	507.6	17.5	Denmark	12.2
2	United Kingdom	45 382	16.8	Germany	427.2	14.7	Latvia	7.4
3	France	38 932	14.4	Spain	421.6	14.5	Sweden	7.2
4	Spain	33 112	12.3	France	319.0	11.0	Cyprus	6.2
5	Italy	19 188	7.1	Italy	303.0	10.4	Spain	6.2

(1) Luxembourg and Malta, not available; Cyprus and Poland, 2005.

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

Source: Eurostat (SBS)

a proportion of value added in the non-financial business economy (NACE Sections C to I and K), the real estate services sector in 2006 was largest<sup>(2)</sup> in Denmark, generating 12.2 % of the non-financial business economy value added, far ahead of the proportions recorded in Latvia and Sweden (just over 7 %). This sector's smallest contribution to non-financial business economy value added was in Greece where it was less than 1 %.

### Expenditure and productivity

In 2006, gross tangible investment in the real estate services sector was valued at EUR 177 billion, equivalent to 70.2 % of such investment in real estate, renting and leasing. The investment rate in the real estate services sector was 65.6 %, slightly below the real estate, renting and leasing average of 74.1 %, but still more than three and a half times as high as the non-financial business economy average, and the third highest investment rate among the non-financial business economy NACE divisions in 2005 or 2006. In more than one third of the Member States the investment rate in this sector was above 100 %, indicating that investment exceeded value added: particularly high investment rates were recorded in Bulgaria and Greece.

Another indicator of the capital intensive nature of this sector in the EU-27, though less spectacular than the investment rate, is the relatively low (13.3 %) share of personnel costs in operating expenditure in 2006, below the non-financial business economy average (16.1 %). Average personnel cost in 2006 in the EU-27's real estate services sector were EUR 29.9 thousand per employee, very close to the non-financial business economy average.

As noted in the overview, financial costs and depreciation charges may constitute the main costs faced in some parts of the real estate sector, and these are not considered when calculating gross value added. As such, productivity measures based on gross value added tend to be particularly high. Apparent labour productivity was EUR 93.1 thousand per person employed for real estate services in the EU-27 in 2006, more than double the non-financial business economy average. The combination of high apparent labour productivity yet typical average personnel costs resulted also in a very high wage adjusted labour productivity ratio of 311.9 %, which was also more than double the non-financial business economy average (151.1 %). In every Member State the wage adjusted labour productivity ratio in real estate services exceeded 200 %, and was always above the national non-financial business economy average.

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



## 23.2: Renting and operating leasing

This subchapter covers the activities of renting of machinery and equipment without operators and the renting of personal and household goods (NACE Division 71). A distinction can be made between operational leasing (or long-term rental) which is included in this subchapter, and financial leasing which is considered as a special form of credit granting and is hence covered as part of the financial and insurance services sector (see Chapter 26). The renting and leasing of real estate is covered in Subchapter 23.1.

In general, durable goods can be purchased, leased or rented. In the case of leasing, the two parties involved in the transaction are the lessor and the lessee (the person or enterprise that uses the good in leasing). In exchange for the transfer of user rights, the lessor receives payments. Leasing, contrary to renting, often foresees the

possibility of the acquisition of the good at the end of the leasing term; renting is also usually for shorter periods than leasing. The most important items that are rented or leased include transport equipment (motor vehicles, ships, aircraft, etc.) and agricultural, industrial, construction or office equipment.

### Structural profile

Around 150.2 thousand enterprises were active in the EU-27's renting and leasing sector (NACE Division 71) in 2006, and they generated EUR 70 billion of value added. This sector employed an estimated 600.0 thousand persons in 2005. The renting of transport equipment (NACE Groups 71.1 and 71.2) generated EUR 41.2 billion of value added in the EU-27 in 2005, and accounted for more than half of the renting and leasing sector's value added. The renting of other machinery and equipment (NACE Group 71.3) generated EUR 29.0 billion of value added in 2006, with

**Table 23.6:** Renting of machinery and equipment without operator and of personal and household goods (NACE Division 71)

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
<b>Renting and leasing (2)</b>	150.2	150 000	70 000	600.0	100.0	100.0
<b>Renting of transport equipment (3)</b>	39.0	85 837	41 155	180.0	54.9	30.0
<b>Other machinery and equipment (4)</b>	60.0	55 000	29 000	280.0	41.4	:
<b>Personal and household goods n.e.c. (5)</b>	45.8	14 000	6 600	170.0	8.8	28.9

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

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

(3) Turnover and value added, 2005; shares in total, 2005.

(4) Number of enterprises, 2005.

(5) Value added, 2005; shares in total, 2005.

Source: Eurostat (SBS)

**Table 23.7:** Renting of machinery and equipment without operator and of personal and household goods (NACE Division 71)

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 (2)			Most specialised: share in non-financial business economy (%) (3)	
	Country	(EUR million)	(% of EU-27)	Country	(thousand)	(% of EU-27)	Country	Value added
<b>1</b>	United Kingdom	17 786	25.4	United Kingdom	178.7	29.1	Austria	1.9
<b>2</b>	Germany	17 651	25.2	France	86.0	14.4	Luxembourg	1.7
<b>3</b>	France	11 085	15.8	Germany	85.9	13.7	United Kingdom	1.7
<b>4</b>	Spain	5 570	8.0	Spain	85.3	13.7	Ireland	1.6
<b>5</b>	Italy	3 923	5.6	Italy	42.0	6.6	Germany	1.5

(1) Malta and Sweden, not available; Cyprus and Poland, 2005.

(2) Malta and Sweden, not available; number of persons employed: Cyprus and Poland, 2005; share of EU-27: all values, 2005.

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

Source: Eurostat (SBS)

the renting of personal and household goods (NACE Group 71.4) clearly the smallest subsector with value added of EUR 6.6 billion in 2005. In employment terms, the largest workforce in 2006 was for the renting of other machinery and equipment, where an estimated 280.0 thousand persons were employed: in each of the other two subsectors around 100.0 thousand fewer persons were employed.

The United Kingdom and Germany together generated just over half of the value added in the EU-27's renting and leasing sector in 2006, while France was the only other Member State to record a double digit share. The relative importance in terms of employment was very different, as the United Kingdom had by far the largest workforce, 178.7 thousand persons employed, close to three tenths of the EU-27 total in 2005, more than double the shares recorded in France, Germany and Spain in the same year. Given the very high concentration of the sector's value added in the United Kingdom and Germany, it is unsurprising that these two larger Member States figure among the Member States most specialised in this sector. Austria was however the Member State that was most specialised in the renting and leasing sector<sup>(3)</sup>, as 1.9 % of value added in the Austrian non-financial business economy was generated by this sector in 2006. In these terms, Slovenia and Bulgaria (2005) were the least specialised Member States, as value added from renting and leasing activities contributed just 0.1 % and 0.3 % respectively of the total value added in their non-financial business economies.

An analysis of the three subsectors<sup>(4)</sup> shows that the renting of transport equipment accounted for 70 % or more of the renting and leasing sector's

total value added in Luxembourg, Cyprus (2005), Portugal and the Netherlands. In Slovakia, Latvia, Spain and Finland the renting of other machinery and equipment subsector generated more than half of sectoral value added, while only in the small Slovenian renting and leasing sector did the renting of personal and household goods exceed one fifth of total renting and leasing value added.

### Expenditure and productivity

Gross tangible investment in the EU-27's renting and leasing sector was valued at EUR 75 billion in 2006, some 29.8 % of the real estate, renting and leasing total. Most of this investment, EUR 52 billion, was recorded in the renting of transport equipment subsector, with EUR 19 billion for the renting of other equipment, and a relatively low amount in the renting of personal and household goods, just EUR 3 billion. The investment rate, which relates the level of investment to the value added, illustrates the very different investment levels of the three subsectors, which in 2005 ranged from 29.8 % for the renting of personal and household goods to 130.8 % for the renting of transport equipment. As a whole, the EU-27's renting and leasing sector recorded an investment rate of 107.1 % in 2006, some 5.8 times as high as the non-financial business economy average, and the highest rate among all of the non-financial business economy NACE divisions in 2005 or 2006.

Unlike for the real estate sector, personnel costs represented a relatively normal (16.7 %) share of operating expenditure in the EU-27's renting and leasing sector in 2006, 0.5 percentage points above the non-financial business economy average. This share was however notably lower (10.0 %

<sup>(3)</sup> Bulgaria, Cyprus, Poland and Romania, 2005; Malta, the Netherlands and Sweden, not available.

<sup>(4)</sup> Cyprus and Poland, 2005; Ireland, Malta and Sweden, incomplete or not available.

**Table 23.8:** Renting of machinery and equipment without operator and of personal and household goods (NACE Division 71)  
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
<b>Renting and leasing (2)</b>	16 000	80 000	75 000	125.0	30.0
<b>Renting of transport equipment (3)</b>	5 000	43 561	52 000	230.4	33.3
<b>Other machinery and equipment</b>	8 000	27 000	19 000	103.6	33.3
<b>Personal and household goods n.e.c. (3)</b>	3 000	7 028	3 800	38.1	23.1

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

(2) Apparent labour productivity, 2005.

(3) Purchases of goods and services and apparent labour productivity, 2005.

Source: Eurostat (SBS)

in 2005) for the renting of transport equipment subsector, while it was above average for the other two subsectors. Average personnel costs ranged from EUR 23.1 thousand per employee in the renting of personal and household goods subsector, which was below the non-financial business economy average of EUR 28.8 thousand per employee, to EUR 33.3 thousand per employee in both of the two larger subsectors.

Reflecting the high capital intensity, apparent labour productivity for EU-27 renting and leasing activities averaged EUR 125.0 thousand per person employed in 2005. This productivity measure rose to EUR 230.4 thousand per person employed for the renting of transport equipment subsector, one of the highest levels recorded in the non-

financial business economy. Equally the wage adjusted labour productivity ratio of the renting of transport equipment subsector was very high, 720 % in the EU-27 in 2005. This helped boost this ratio for the whole of the EU-27's renting and leasing sector to 400 %, the third highest of any NACE division in the non-financial business economy in 2005 or 2006, lower only than two of the mining and quarrying divisions. These high productivity measures in the renting and leasing sector can, in part, be explained by the specific nature of this activity, where the main costs of enterprises are likely to be financial ones covering borrowing as well as depreciation charges, neither of which impact on gross value added.

**Table 23.9:** Real estate activities (NACE Division 70)

Main indicators, 2006 (1)

	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	IT	CY	LV	LT
<b>Enterprises</b>	14.3	7.5	40.2	25.4	185.7	4.2	7.3	2.9	181.3	114.0	189.6	0.9	11.6	13.5
<b>Persons employed</b>	32.6	23.5	56.9	56.2	427.2	13.9	23.9	5.8	421.6	319.0	303.0	3.1	36.3	30.8
<b>Turnover</b>	8 340	684	4 240	12 210	105 827	957	4 437	441	97 769	106 543	52 159	474	1 266	1 167
<b>Production</b>	7 331	719	4 383	20 813	95 115	736	3 228	650	67 671	106 166	53 826	746	1 638	1 410
<b>Purch. of goods &amp; serv.</b>	4 525	623	2 870	10 781	45 160	775	2 592	275	125 876	68 457	34 655	311	956	985
<b>Value added</b>	3 688	231	1 791	14 285	64 410	437	2 188	386	33 112	38 932	19 188	434	644	558
<b>Personnel costs</b>	740	54	483	1 598	10 297	90	528	61	7 720	11 829	1 839	45	130	105
<b>Average personnel costs</b>	37.9	3.2	11.2	35.9	38.0	7.4	44.6	20.3	26.6	42.5	31.6	14.7	4.5	5.2
<b>Gross operating surplus</b>	2 948	177	1 309	12 686	54 113	347	1 660	325	25 392	27 102	17 350	389	514	453
<b>Gross investment</b>	2 029	960	1 585	15 363	22 301	718	1 366	1 421	23 430	38 049	8 479	9	851	895
<b>Apparent labour prod.</b>	113.2	9.8	31.5	254.0	150.8	31.4	91.6	66.5	78.5	122.0	63.3	140.0	17.7	18.1
<b>Wage adj. labour prod.</b>	298.8	307.1	280.8	706.7	396.2	422.5	205.3	326.8	295.5	287.1	200.5	950.9	392.2	344.7
<b>Gross operating rate</b>	35.3	25.9	30.9	103.9	51.1	36.3	37.4	73.8	26.0	25.4	33.3	82.1	40.6	38.8
<b>Investment rate</b>	55.0	416.3	88.5	107.5	34.6	164.2	62.5	367.9	70.8	97.7	44.2	2.2	132.0	160.4
	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK	NO
<b>Enterprises</b>	2.8	26.6	:	13.2	15.4	29.2	30.2	12.2	1.8	3.1	16.2	43.9	104.8	40.3
<b>Persons employed</b>	:	70.6	:	85.7	46.1	155.6	63.7	43.8	4.2	16.7	25.5	73.3	507.6	28.6
<b>Turnover</b>	:	6 123	:	27 326	13 373	9 239	8 385	1 529	669	659	6 973	23 867	74 975	16 199
<b>Production</b>	:	3 394	:	26 308	11 533	9 452	7 760	1 927	580	654	7 191	24 729	79 637	16 064
<b>Purch. of goods &amp; serv.</b>	:	5 094	:	14 858	7 728	5 010	7 621	910	548	350	3 818	13 258	31 702	9 572
<b>Value added</b>	:	1 631	:	13 440	6 408	3 731	2 411	664	232	300	3 558	11 642	45 382	7 026
<b>Personnel costs</b>	:	506	:	3 639	1 247	1 065	632	169	68	117	843	2 641	14 770	1 364
<b>Average personnel costs</b>	:	8.8	:	46.8	33.9	8.5	13.4	4.0	19.5	7.9	37.3	45.6	34.7	53.6
<b>Gross operating surplus</b>	:	1 125	:	9 802	5 162	2 666	1 778	495	164	183	2 715	9 001	30 613	5 662
<b>Gross investment</b>	:	1 072	:	6 733	8 784	1 339	2 540	1 744	380	210	2 151	14 374	19 031	7 509
<b>Apparent labour prod.</b>	:	23.1	:	156.8	138.9	24.0	37.9	15.1	54.7	18.0	139.8	158.7	89.4	245.4
<b>Wage adj. labour prod.</b>	:	263.3	:	334.7	409.5	283.4	281.5	375.0	280.9	227.4	374.7	347.8	257.6	457.9
<b>Gross operating rate</b>	:	18.4	:	35.9	38.6	28.9	21.2	32.4	24.5	27.7	38.9	37.7	40.8	35.0
<b>Investment rate</b>	:	65.7	:	50.1	137.1	35.9	105.4	262.9	164.2	70.1	60.5	123.5	41.9	106.9

(1) Cyprus 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)

**Table 23.10:** Renting of machinery and equipment without operator and of personal and household goods (NACE Division 71)

Main indicators, 2006 (1)

	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	IT	CY	LV	LT
<b>Enterprises</b>	3.5	0.7	4.6	2.4	15.1	0.6	2.2	3.3	23.2	29.9	16.5	0.5	1.2	1.1
<b>Persons employed</b>	11.4	2.3	7.6	8.9	85.9	1.9	12.4	8.8	85.3	86.0	42.0	1.1	3.1	3.6
<b>Turnover</b>	4 768	72	846	2 455	30 357	186	3 941	1 096	11 694	24 812	10 090	77	144	153
<b>Production</b>	4 557	61	741	1 564	26 707	174	2 156	1 036	9 998	23 164	10 520	75	144	145
<b>Purch. of goods &amp; serv.</b>	2 596	43	544	1 564	14 105	110	2 482	540	6 222	15 257	6 094	28	75	100
<b>Value added</b>	2 104	35	346	929	17 651	77	1 473	556	5 570	11 085	3 923	47	83	59
<b>Personnel costs</b>	352	4	86	269	2 153	19	332	124	1 683	3 068	693	17	17	18
<b>Average personnel costs</b>	43.5	2.3	15.1	34.0	31.1	11.1	32.1	24.2	25.6	37.3	31.9	18.9	6.7	6.2
<b>Gross operating surplus</b>	1 753	31	260	660	15 498	58	1 141	432	3 887	8 018	3 230	31	66	42
<b>Gross investment</b>	2 920	70	443	1 014	12 725	29	183	1 049	6 769	14 863	8 276	16	86	44
<b>Apparent labour prod.</b>	184.9	15.2	45.7	104.2	205.4	39.7	119.0	62.9	65.3	128.9	93.4	42.7	26.4	16.6
<b>Wage adj. labour prod.</b>	424.9	659.6	302.2	306.4	660.4	357.8	370.6	260.1	255.3	345.7	292.3	226.3	393.9	268.0
<b>Gross operating rate</b>	36.8	43.1	30.7	26.9	51.1	31.1	29.0	39.4	33.2	32.3	32.0	39.9	46.0	27.2
<b>Investment rate</b>	138.8	199.7	128.1	109.2	72.1	38.1	12.4	188.7	121.5	134.1	211.0	33.4	103.9	73.2
	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK	NO
<b>Enterprises</b>	0.3	3.4	:	4.3	2.1	4.3	4.5	1.4	0.4	0.6	1.2	5.7	16.5	2.5
<b>Persons employed</b>	0.8	9.1	:	27.4	9.6	13.1	12.9	4.4	0.6	2.6	3.9	:	178.7	5.9
<b>Turnover</b>	491	743	:	7 971	5 263	935	1 349	187	57	204	1 167	:	34 177	1 838
<b>Production</b>	384	529	:	7 621	3 929	909	1 238	176	43	188	1 038	:	32 686	1 716
<b>Purch. of goods &amp; serv.</b>	247	387	:	4 062	2 725	417	655	100	37	102	754	:	16 022	1 024
<b>Value added</b>	245	360	:	3 912	2 648	460	724	89	21	98	449	:	17 786	826
<b>Personnel costs</b>	34	65	:	757	311	76	160	15	6	18	137	:	5 591	254
<b>Average personnel costs</b>	45.6	9.2	:	32.2	39.0	9.8	13.0	3.6	15.8	7.9	37.4	:	33.7	49.1
<b>Gross operating surplus</b>	211	295	:	3 155	2 336	383	564	74	15	80	312	:	12 195	571
<b>Gross investment</b>	164	189	:	3 870	5 490	267	1 235	92	24	76	578	:	13 825	755
<b>Apparent labour prod.</b>	299.2	39.7	:	142.5	275.1	35.1	56.1	20.0	33.6	37.3	115.4	:	99.5	140.4
<b>Wage adj. labour prod.</b>	655.9	433.1	:	442.7	705.6	357.9	431.6	551.0	212.6	470.7	308.8	:	295.1	285.9
<b>Gross operating rate</b>	43.0	39.7	:	39.6	44.4	41.0	41.8	39.4	25.9	39.3	26.8	:	35.7	31.1
<b>Investment rate</b>	67.0	52.6	:	98.9	207.3	58.1	170.7	103.4	115.6	77.3	128.6	:	77.7	91.4

(1) Cyprus 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)