

# Annual national accounts - evolution of the income components of GDP

Statistics Explained

*Data extracted on 14 March 2025  
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## Highlights

Compensation of employees was the largest income component of EU GDP in 2024, accounting for 47.9%.<sup>1</sup> This article explains the income components of [Gross Domestic Product \(GDP\)](#) and presents the changes in their composition over the last 20 years as a proportion of GDP. The first part of the article presents the income components as a proportion of GDP based on the 2024 values and how these have changed compared to 2023. The second part presents changes in main income components since 2004, which reflect also the impact of the economic and financial crisis and of the COVID-19 pandemic.

## Shares of income components to GDP in 2024

In 2024, compensation of employees was the largest income component in the [European Union \(EU\)](#), accounting for 47.9% and 48.5% of GDP in the EU and the [euro area](#), respectively. It increased by 0.9 percentage points (pp) for the EU in comparison with 2023 and by 0.8 pp for the euro area. Taxes on production and imports (less subsidies) increased by 0.4 pp both for the EU and for the euro area compared to 2023 and accounted for 11.2% in the EU and 10.8% in the euro area in 2024. Finally, gross operating surplus and mixed income accounted for 40.9% of GDP for the EU and 40.7% for the euro area, decreasing in both the EU (-1.3 pp) and the euro area (-1.2 pp) in comparison with 2023.

## Shares of income components to GDP in %, 2024 and 2023

	Compensation of employees			Wages and salaries			Employers' social contributions			Taxes on production and imports less subsidies			Gross operating surplus and mixed income		
	2024	2023	Difference 2024 - 2023 (in pp <sup>1</sup> )	2024	2023	Difference 2024 - 2023 (in pp <sup>1</sup> )	2024	2023	Difference 2024 - 2023 (in pp <sup>1</sup> )	2024	2023	Difference 2024 - 2023 (in pp <sup>1</sup> )	2024	2023	Difference 2024 - 2023 (in pp <sup>1</sup> )
EU	47.9	47.0	0.9	38.2	37.4	0.7	9.7	9.6	0.2	11.2	10.8	0.4	40.9	42.2	-1.3
<b>Euro Area</b>	<b>48.5</b>	<b>47.7</b>	<b>0.8</b>	<b>38.2</b>	<b>37.5</b>	<b>0.6</b>	<b>10.4</b>	<b>10.2</b>	<b>0.2</b>	<b>10.8</b>	<b>10.4</b>	<b>0.4</b>	<b>40.7</b>	<b>41.9</b>	<b>-1.2</b>
Belgium (*)	49.1	49.1	0.0	36.8	36.9	-0.1	12.3	12.2	0.1	8.7	8.9	-0.2	42.2	42.0	0.2
Bulgaria (*)	44.4	43.7	0.8	37.7	37.5	0.2	6.8	6.2	0.5	11.9	11.4	0.5	43.6	44.9	-1.2
Czechia	43.3	42.9	0.4	33.3	32.9	0.4	10.0	10.0	0.0	8.5	7.6	0.9	48.3	49.5	-1.3
Denmark	50.9	51.0	-0.1	46.9	47.0	-0.1	4.0	4.0	0.0	12.1	12.5	-0.4	37.0	36.6	0.4
Germany (*)	54.5	53.1	1.4	45.2	44.0	1.2	9.3	9.1	0.2	9.0	8.3	0.7	36.5	38.6	-2.1
Estonia	50.4	49.7	0.7	38.0	37.5	0.5	12.5	12.3	0.2	12.1	12.0	0.1	37.5	38.3	-0.7
Ireland	28.5	28.0	0.5	24.2	23.8	0.5	4.3	4.2	0.1	6.0	5.9	0.1	64.8	66.5	-1.7
Greece (*)	35.0	34.4	0.6	27.6	27.1	0.5	7.5	7.3	0.1	14.7	14.2	0.6	50.2	51.4	-1.2
Spain (*)	48.4	47.8	0.6	37.5	37.0	0.5	10.9	10.7	0.2	9.8	9.6	0.2	41.9	42.7	-0.8
France (*)	51.5	51.3	0.1	38.0	38.0	0.0	13.5	13.3	0.2	13.3	13.1	0.2	35.2	35.5	-0.4
Croatia (*)	49.8	46.2	3.6	43.7	40.5	3.2	6.1	5.7	0.4	16.9	16.6	0.4	33.3	37.3	-4.0
Italy	39.5	38.6	0.9	29.0	28.3	0.7	10.5	10.3	0.2	12.4	11.8	0.6	48.1	49.6	-1.4
Cyprus (*)	43.7	43.5	0.2	35.7	35.6	0.1	8.0	7.9	0.1	13.6	13.8	-0.2	42.7	42.7	0.0
Latvia	55.4	52.5	2.9	45.4	43.1	2.3	10.0	9.4	0.6	11.5	11.2	0.3	33.1	36.3	-3.2
Lithuania	50.8	48.5	2.3	49.0	46.8	2.3	1.8	1.7	0.1	10.3	9.8	0.5	38.9	41.7	-2.8
Luxembourg	52.8	52.8	0.0	46.1	46.1	0.0	6.7	6.7	0.0	9.8	9.8	0.0	37.4	37.4	0.0
Hungary (*)	42.7	40.9	1.8	38.4	36.7	1.6	4.4	4.2	0.2	14.4	14.2	0.3	42.8	44.9	-2.1
Malta	41.5	40.7	0.8	38.3	37.5	0.8	3.2	3.2	0.0	6.6	6.0	0.6	51.9	53.3	-1.4
Netherlands (*)	46.3	45.9	0.4	35.6	35.4	0.3	10.6	10.5	0.1	10.0	9.7	0.3	43.7	44.5	-0.7
Austria	52.9	49.6	3.2	43.9	41.2	2.7	9.0	8.5	0.5	11.8	11.5	0.4	35.3	38.9	-3.6
Poland	41.6	38.8	2.7	34.9	32.8	2.1	6.7	6.1	0.6	13.0	11.8	1.2	45.4	49.3	-3.9
Portugal (*)	48.3	47.1	1.2	37.9	36.9	1.0	10.4	10.2	0.2	12.9	13.2	-0.3	38.8	39.6	-0.9
Romania (*)	40.8	37.7	3.1	39.1	36.0	3.0	1.8	1.7	0.1	9.6	9.1	0.5	49.6	53.2	-3.6
Slovenia	51.8	51.2	0.6	44.5	44.0	0.5	7.3	7.2	0.1	11.6	10.7	0.9	36.6	38.1	-1.5
Slovakia	42.1	41.8	0.3	31.6	31.6	0.0	10.6	10.2	0.3	9.4	8.1	1.2	48.5	50.0	-1.5
Finland	48.2	48.5	-0.3	40.4	40.4	0.0	7.8	8.2	-0.4	12.5	12.6	-0.1	39.3	38.9	0.5
Sweden	47.7	47.4	0.3	39.2	39.1	0.0	8.5	8.2	0.3	19.5	19.7	-0.2	32.8	32.9	-0.1
Iceland	53.3	52.8	0.4	42.6	42.3	0.3	10.6	10.6	0.0	12.9	12.1	0.8	33.9	35.1	-1.2
Norway	43.7	42.2	1.5	34.5	33.2	1.3	9.2	9.0	0.2	8.2	8.0	0.2	48.1	49.7	-1.7
Switzerland	59.2	58.9	0.3	49.8	49.6	0.3	9.4	9.4	0.0	2.0	2.0	0.0	38.7	39.0	-0.3

Source: Eurostat (nama\_10\_gdp)

\* pp: percentage points

(\*) provisional

(†) estimated

**Table 1: Share of income components to GDP in %, 2024 and 2023 Source: Eurostat (nama\_10\_gdp)**

Table 1 shows the income components as a proportion of GDP for the EU and the euro area, as well as for EU and [European Free Trade Association \(EFTA\)](#) countries in 2023 and 2024. The share of the income components varied significantly across the EU. Figure 1 shows the structure of income components for all countries, as well as for the EU and euro area. Countries are sorted according to the share of compensation of employees. Compensation of employees is made up of two components: 'wages and salaries' and 'employers' social contributions'.

### Compensation of employees

Fourteen EU countries recorded a higher share of GDP than the EU average for compensation of employees. In 9 countries, Latvia (55.4%), Germany (54.5%), Austria (52.9%), Luxembourg (52.8%)<sup>1</sup>, Slovenia (51.8%), France (51.5%), Denmark (50.9%), Lithuania (50.8%) and Estonia (50.4%), this component accounted for over half the value of GDP. Thirteen EU countries recorded a share of GDP that was below the EU average for compensation of employees, with the lowest proportions in Ireland (28.5%), Greece (35.0%) and Italy (39.5%). This particularly low share observed in Ireland is a consequence of [globalisation related effects](#) that began in 2015 when Irish GDP recorded an exceptional increase reflecting the activities of multinational enterprises.

### Wages and salaries

Thirteen EU countries recorded a higher share of GDP compared to the EU average for wages and salaries, with Lithuania (49.0%), Denmark (46.9%), Luxembourg (46.1%)<sup>2</sup>, Latvia (45.4%) and Germany (45.2%), accounting for over 45% of GDP. The lowest proportions were recorded in Ireland (24.2%), Greece (27.6%) and Italy (29.0%).

### Employers' social contributions

<sup>1</sup>|1.1

2023 data

<sup>2</sup>|1.1

2023 data

Ten EU countries recorded a higher share of GDP than the EU average for employers' social contributions, with the highest proportions being observed in France (13.5%), Estonia (12.5%) and Belgium (12.3%). Six countries reported shares less than 5% of GDP for this component: Lithuania and Romania (both 1.8%), Malta (3.2%), Denmark (4.0%), Ireland (4.3%) and Hungary (4.4%).

### **Taxes on production and imports (less subsidies)**

Sixteen EU countries recorded a higher share of GDP than the EU average for taxes on production and imports (less subsidies), with the largest values observed in Sweden (19.5%), Croatia (16.9%), Greece (14.7%) and Hungary (14.4%). Ireland (6.0%) and Malta (6.6%) recorded shares of less than 7% of GDP.

### **Gross operating surplus and mixed income**

Fourteen EU countries recorded a higher share of GDP than the EU average for gross operating surplus and mixed income. In Ireland (64.8%), Malta (51.9%) and Greece (50.2%), this component accounted for over half the value of GDP, while the lowest proportions were observed in Sweden (32.8%), Latvia (33.1%) and Croatia (33.3%). The particularly high share of this component in Ireland is related to [globalisation related effects](#).

## **Changes over the last 20 years**

Figure 2 and Table 2 present the changes to the share of each of the income components between 2004 and 2024, for the EU, the euro area and EU and EFTA countries. While the shares of different income components in the EU have been relatively stable over the last 20 years, impacts of the economic and financial crisis and the COVID-19 pandemic are visible in 2009 and 2020. Between 2004 and 2007, a trend is observed of decreasing compensation of employees and increasing profit shares in relation to rather high increases of GDP. Then, the share of compensation of employees remained relatively resilient during the financial crisis, as profits took the biggest hits. After the crisis, trends remained relatively stable until 2019. With the COVID-19 pandemic in 2020, shares moved to the benefit of compensation of employees and gross operating surplus and mixed income and at the expense of taxes on production and imports (less subsidies). In 2024, after 3 years of increase, share of gross operating surplus and mixed income decreased but remained slightly above pre-COVID levels while other components recorded an increase.

**Shares of income components to GDP in %, 2024 and 2004**

	Compensation of employees			Wages and salaries			Employers' social contributions			Taxes on production and imports less subsidies			Gross operating surplus and mixed income		
	2024	2004	Difference 2024 - 2004 (in pp <sup>*</sup> )	2024	2004	Difference 2024 - 2004 (in pp <sup>*</sup> )	2024	2004	Difference 2024 - 2004 (in pp <sup>*</sup> )	2024	2004	Difference 2024 - 2004 (in pp <sup>*</sup> )	2024	2004	Difference 2024 - 2004 (in pp <sup>*</sup> )
EU	47.9	46.6	1.3	38.2	36.3	1.8	9.7	10.3	-0.5	11.2	11.6	-0.4	40.9	41.8	-0.9
Euro Area	48.5	47.0	1.6	38.2	36.3	1.9	10.4	10.7	-0.3	10.8	11.2	-0.4	40.7	41.8	-1.2
Belgium (*)	49.1	50.1	-1.1	36.8	36.9	-0.1	12.3	13.3	-1.0	8.7	11.4	-2.6	42.2	38.5	3.7
Bulgaria (*)	44.4	33.6	10.8	37.7	27.1	10.6	6.8	6.5	0.3	11.9	14.8	-2.9	43.6	51.6	-8.0
Czechia	43.3	40.2	3.1	33.3	30.6	2.7	10.0	9.6	0.4	8.5	9.0	-0.6	48.3	50.7	-2.5
Denmark	50.9	50.5	0.4	46.9	46.5	0.4	4.0	4.0	0.0	12.1	14.6	-2.6	37.0	34.8	2.2
Germany (*)	54.5	51.1	3.5	45.2	41.5	3.7	9.3	9.6	-0.2	9.0	9.2	-0.2	36.5	39.7	-3.3
Estonia	50.4	43.6	6.8	38.0	33.1	4.9	12.5	10.6	1.9	12.1	11.5	0.6	37.5	44.9	-7.4
Ireland	28.5	38.0	-9.5	24.2	32.3	-8.0	4.3	5.8	-1.5	6.0	10.6	-4.6	64.8	49.9	14.9
Greece (*)	35.0	33.3	1.7	27.6	26.2	1.4	7.5	7.1	0.4	14.7	10.3	4.4	50.2	56.4	-6.2
Spain (*)	48.4	47.2	1.2	37.5	36.6	0.9	10.9	10.6	0.3	9.8	10.1	-0.3	41.9	42.8	-0.9
France (*)	51.5	51.1	0.3	38.0	37.1	0.8	13.5	14.0	-0.5	13.3	13.4	0.0	35.2	35.5	-0.3
Croatia (*)	49.8	48.2	1.6	43.7	41.4	2.2	6.1	6.7	-0.6	16.9	16.4	0.6	33.3	35.5	-2.2
Italy	39.5	37.3	2.2	29.0	27.0	2.0	10.5	10.3	0.2	12.4	12.2	0.1	48.1	50.5	-2.3
Cyprus (*)	43.7	41.3	2.5	35.7	34.2	1.5	8.0	7.0	0.9	13.6	14.4	-0.8	42.7	44.4	-1.7
Latvia	55.4	39.8	15.6	45.4	33.0	12.4	10.0	6.8	3.2	11.5	11.4	0.1	33.1	48.8	-15.7
Lithuania	50.8	39.9	10.9	49.0	31.9	17.2	1.8	8.1	-6.3	10.3	9.9	0.4	38.9	50.2	-11.3
Luxembourg (*)	52.8	48.4	4.4	46.1	41.9	4.2	6.7	6.5	0.2	9.8	11.7	-1.9	37.4	39.8	-2.5
Hungary (*)	42.7	45.5	-2.7	38.4	35.6	2.8	4.4	9.9	-5.5	14.4	14.1	0.3	42.8	40.4	2.4
Malta	41.5	44.6	-3.1	38.3	40.0	-1.8	3.2	4.6	-1.4	6.6	11.9	-5.3	51.9	43.5	8.5
Netherlands (*)	46.3	49.2	-3.0	35.6	38.6	-3.0	10.6	10.6	0.0	10.0	10.6	-0.5	43.7	40.2	3.5
Austria	52.9	47.0	5.9	43.9	38.5	5.4	9.0	8.5	0.5	11.8	12.4	-0.6	35.3	40.6	-5.3
Poland	41.6	36.9	4.6	34.9	30.9	4.0	6.7	6.0	0.6	13.0	12.5	0.5	45.4	50.6	-5.1
Portugal (*)	48.3	47.5	0.8	37.9	37.8	0.0	10.4	9.7	0.7	12.9	12.1	0.8	38.8	40.4	-1.6
Romania (*)	40.8	37.2	3.6	39.1	30.8	8.3	1.8	6.4	-4.7	9.6	9.8	-0.2	49.6	53.0	-3.4
Slovenia	51.8	49.8	2.0	44.5	42.6	1.9	7.3	7.1	0.1	11.6	13.8	-2.2	36.6	36.4	0.2
Slovakia	42.1	36.3	5.8	31.6	28.0	3.6	10.6	8.3	2.2	9.4	10.2	-0.9	48.5	53.5	-5.0
Finland	48.2	46.4	1.8	40.4	37.3	3.1	7.8	9.1	-1.3	12.5	11.5	1.0	39.3	42.1	-2.8
Sweden	47.7	45.4	2.3	39.2	38.1	1.1	8.5	7.3	1.2	19.5	20.6	-1.1	32.8	34.0	-1.2
Iceland	53.3	53.1	0.1	42.6	46.5	-3.9	10.6	6.6	4.1	12.9	15.5	-2.6	33.9	31.4	2.5
Norway	43.7	42.9	0.9	34.5	35.0	-0.5	9.2	7.9	1.3	8.2	10.4	-2.2	48.1	46.8	1.3
Switzerland	59.2	56.3	3.0	49.8	47.3	2.5	9.4	8.9	0.4	2.0	2.7	-0.7	38.7	41.0	-2.3

Source: Eurostat (nama\_10\_gdp)

\* pp: percentage points

(\*) provisional

(\*) Change 2004–2023 instead of 2004–2024

(\*) estimated

**Table 2: Share of income components to GDP in %, 2024 and 2004 Source: Eurostat (nama\_10\_gdp)**

Figure 3 presents the change in the shares of income components between 2004 and 2024, for the EU, the euro area and EU and EFTA countries, ordered by change in the share of compensation of employees (sum of wages and salaries and employers' social contributions).

### Figure 3 Compensation of employees

For the EU, the share of compensation of employees had a decreasing trend between 2004 and 2007 then increased significantly in 2008-2009 during the economic crisis. In 2020, the share increased during the COVID-19 pandemic but started decreasing steadily since 2021. In 2023, the trend reversed, and by 2024, the share had surpassed the level of 2019. Over the last 20 years, the share of compensation of employees increased in both the EU (+1.3 percentage points (pp)) and the euro area (+1.6 pp). Significant changes were noted across the EU countries. The largest increases in the shares of GDP for compensation of employees over the last 20 years were observed in Latvia (from 39.8% in 2004 to 55.4% in 2024 or +15.6 pp), Lithuania (+10.9 pp) and Bulgaria (+10.8 pp), while Ireland recorded the largest decrease (from 38.0% in 2004 to 28.5% in 2024, or -9.5 pp).

The **share of wages and salaries** has risen in both the EU (+1.8 pp) and the euro area (+1.9 pp) over the last 20 years, with same trends as compensation of employees.

The **share of employers' social contributions** has decreased slightly in both EU (-0.5 pp) and the euro area (-0.3 pp) over the last 20 years. The most notable increases were observed in Latvia (+3.2 pp), Slovakia (+2.2 pp) and Estonia (+1.9 pp). Significant decreases in the share of this component were recorded in Lithuania (-6.3 pp), Hungary (-5.5 pp) and Romania (-4.7 pp).

### Taxes on production and imports (less subsidies)

Over the past 20 years, the share of taxes on production and imports (less subsidies) in the EU generally increased except in 2008-2009 with the economic crisis (in 2008-2009), and in 2020 with the COVID-19 pandemic. In 2024, this share still remained below its pre-pandemic level. As a result, over the last 20 years, this share decreased slightly in the EU and in the euro area (both -0.4 pp). Sixteen countries recorded a decrease in this share with the most significant decreases observed for Malta (-5.3 pp) and Ireland (-4.6 pp). In 10 EU countries, the share of this income component to GDP has increased over the same period with the most notable increases observed in

Greece (+4.4 pp) and Finland (+1.0 pp).

### Gross operation surplus and mixed income

The share of gross operating surplus and mixed income in the EU increased steadily between 2004 and 2007 and took a big hit during the financial crisis in 2008-2009. Since 2016, this share decreased slightly, up until 2019. From 2020 to 2023, this share steadily increased, but in 2024, it recorded a significant decrease, returning to its 2020 level. As a result, over the last 20 years, this share decreased slightly in the EU (-0.9 pp) and in the euro area (-1.2 pp). The largest increases in the share of GDP to gross operating surplus and mixed income were observed in Ireland (+14.9 pp) and Malta (+8.5 pp); these two countries recording the highest decrease in share of compensation of employees. The largest decreases in this share were recorded in Latvia (-15.7 pp) and Lithuania (-11.3 pp), with a comparable increase in share of compensation of employees.

[Annual national accounts - evolution of the income components of GDP: tables and figures](#)

## Data sources and availability

GDP at market prices is the final result of the production activity of resident producer units. The income components of GDP are the main focus of the generation of income accounts, which can also be presented by industries. The aim of the GDP income components is to show how the value added, which has been generated in the production process, covers compensation of employees and other taxes (less subsidies) on production. The balancing item of this account is the operating surplus of the production units and mixed income of the households who act as producing units in the domestic economy. They present the income components from the point of view of the source sectors, rather than the destination sectors.

### Income components of GDP

**Compensation of employees** (D.1) is defined as the total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter during an accounting period. It is made up of two main components.

The first component is **wages and salaries** (D.11), both in cash and in kind, and the second is employers' social contributions (D.12).

Some examples of transactions included in wages and salaries are basic wages and salaries that are payable to employees at regular intervals, enhanced payments such as overtime, night work, weekend work or disagreeable or hazardous circumstances. They include bonuses, holiday pay for official holidays and annual leave and housing allowances.

**Employers' social contributions** (D.12) are the social contributions payable by employers to social security schemes or other employment-related social insurance schemes to secure social benefits for their employees. These may be either "actual" or "imputed" contributions. Examples of these include actual payments made by employers for the benefit of employees to insurers such as social security and other employment-related social insurance schemes. They also include imputed contributions which represent the counterpart to their social insurance benefits paid directly by employers to their employees without involving an insurance enterprise or autonomous pension fund with a segregated funding reserve.

Compensation of employees is also presented by industry through the NACE Rev.2 A\*10 classification.

**Taxes on production and imports** (D.2) consist of compulsory, unrequited payments, in cash or in kind, which are levied by general government, or by the institutions of the EU in respect of the production and importation of goods and services, the employment of labour, the ownership or use of land, buildings or other assets used in the production process. These taxes are payable irrespective of profits made.

**Subsidies** (D.3) are current unrequited payments which general government or the institutions of the EU make to resident productions. Their objective is mainly for influencing levels of production, prices of product or the remuneration of the factors of production.

**Gross operating surplus** (B.2g) and mixed income (B.3g) is the balancing item of the generation of income account. Operating surplus is a measure of the surplus accruing from the production process before deducting any explicit or implicit interest charges, rent of other property incomes payable on the financial assets, land or other natural resources which have contributed to this production. The latter contains an element of remuneration for work done by the owner or other members of the households that cannot be separately identified from the return to the owner as an entrepreneur and it is associated with the self-employed.

## Context

European institutions, governments, central banks as well as other economic and social bodies in the public and private sectors need a set of comparable and reliable statistics on which to base their decisions. National accounts can be used for various types of analysis and evaluation. The use of internationally accepted concepts and definitions permits an analysis of different economies, such as the interdependencies between the economies of the EU Member States, or a comparison between the EU and non-member countries.

## Footnotes

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#### Database

- [Annual national accounts](#) (nama\_10)

#### Thematic section

- [National accounts \(including GDP\)](#)
- [ESA 2010 — Overview](#)

#### Publications

- [European system of accounts — ESA 2010](#)
- [European system of accounts — ESA 2010 — Transmission programme of data](#)
- [EU Regulation No 734/2023](#) amending the European system of regional and national accounts (ESA 2010)
- [Manual on the changes between ESA 95 and ESA 2010 — 2014 edition](#)
- [Essential SNA — Building the basics — 2014 edition](#)
- [Update of the 1993 SNA and revision of ESA 95](#) (background article)

## Methodology

- [Annual national accounts](#) (ESMS metadata file — nama10\_esms)
- [Gross domestic product and main components](#) (ESMS metadata file — nama\_10\_gdp\_esms)

## Other methodological information

- [National accounts](#) , see Methodology:
  - [Main aggregates](#)
  - [Employment](#)

## External links

- [European Commission — Economic and Financial Affairs — economic forecasts](#)
- [United Nations — Department of Economic and Social Affairs — Statistics Division — SNA implementation](#)

## Selected datasets

- [Annual national accounts](#) (t\_nama)