STATISTICS IN FOCUS

Distributive trades, services and transport

1998 □ 5

ISSN 1017-589X

SERVICES IN EUROPE

Key figures

Table of contents

Manuscript completed on = 07.05.1998

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Price (excl. VAT) in Luxembourg: Subscription 'Statistics in focus' of all themes: ECU 348
Single copy: ECU 6

Catalogue number: CA-NP-98-005-EN-C

1. Introduction

On the verge of the 21st century, the European economy has become to a large extent a service economy, sometimes also characterised as "post-industrial". This is the result of a major structural change started in the 1970s, whose causes are both economic and social.

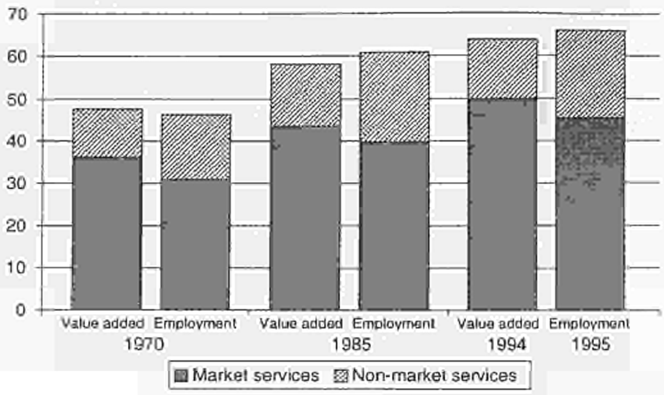
On the one hand, economic recession and the increasing openness of world markets have put enterprises under high competitive pressure, forcing them to thoroughly re-organise their production methods. One of the consequences has been that many manufacturing enterprises have increasingly outsourced non-core activities to independent service providers belonging to the so-called "business services" sector.

On the other hand, major social changes have taken place; just to name a few: the increasing importance of the elderly in the population and of women in the labour force, rising environmental awareness, or the general reduction in working time. These gave birth to or stimulated demand for some categories of services, such as local services, tourism, audio-visual services, leisure and cultural services, improvement of the quality of life and environmental protection.

As a result, services now dominate the European economy, both in terms of wealth created and employment (see figure 1). In 1970, market services represented 36% of the Community's GDP and 31% of the total occupied population. Today they account for 50% of the EU's GDP, ranging from 40% in Finland to 63% in Luxembourg. In employment terms 45% of the Union's employment is in services ranging from 30% in Greece to 60% in the United Kingdom. If we add non-market services weight to these shares, the total proportion of services reaches 64% of GDP and 66% of total occupied population.

However, despite this predominant role in the European economy, the statistical information system on services is still in its infancy. At the European level, its centrepiece is the *Mercure* database containing structural statistics on European service enterprises. This database will also be the main source of data presented in this short report, whose objective is to give a statistical snapshot of the current state of services in Europe.

Figure 1
Share of services in the European economy
(% of total employment and value added)



Source: Eurostat, National Accounts

2. Sectoral overview

The services sector encompasses a vast and varied group of economic activities. In contrast to other sectors of activity, it is difficult to define precisely. In some definitions, the services sector is simply described as opposed to primary and secondary sectors. Other definitions try to define the sectors starting from their production, and are based on specific characteristics that distinguish a service from a manufactured product: its non-storability, its non-transportability or the simultaneity of production and consumption. This is not entirely satisfactory since manufacturing activities may produce both goods and services (e.g. after-sales service).

Beyond the theoretical debate, a definition is also necessary to facilitate a straightforward classification of services. As far as enterprise statistics are concerned, Member States and Eurostat use the statistical classification of economic activities in the European Community[1] (NACE Rev.1) or a national classification derived directly from it. Services are classified in the following sections: distributive trade (Section G), hotels and restaurants (Section H), transport, storage and communication (Section I), financial intermediation (Section J), real estate, renting and business activities (Section K), public administration (Section L), education (Section M), health and social work (Section N) and other community, social and personal services (Section O).

This sectoral overview will focus on the main branches of market services: trade, hotels and restaurants, transport and communications, financial services and business services.

[1] Council Regulation (EEC) N° 3037 of 9 October 1990.

The source of most of the data presented here is Eurostat's *Mercure* database containing structural statistics on service enterprises. Other sources include national accounts statistics and the database on small and medium sized enterprises.

2.1 Distributive trades

Distributive trades are usually divided in two main sub-categories: wholesale distribution and retail distribution. In practice, though, the demarcation is not that clear. Many wholesalers, or even the manufacturers themselves, sell direct to consumers, while many retailers, especially the larger ones, also engage in wholesale trade. In addition, other activities are also included in this category, such as the maintenance and repair of consumer goods and vehicles.

Table 1

Distributive trades

Main indicators

	Number of enterprises	*year*	Number of persons employed	*year*	Turnover (million ECU)	*year*
B	215,459	*95*	583,231	*95*	191,088	*95*
DK	79,108	*95*	418,587	*95*	97,981	*95*
D	777,477	*94*	4,976,922	*93*	1,131,538	*94*
EL	341,795	*94*	434,776	*94*	83,515	*94*
E	801,368	*95*	2,054,000	*95*	331,026	*95*
F	514,803	*95*	2,843,961	*95*	657,330	*95*
IRL	26,544	*95*	182,404	*95*	30,010	*95*
I	1,269,157	*93*	2,947,920	*93*	444,363	*93*
L	5,698	*95*	28,925	*95*	11,160	*95*
NL	161,689	*95*	1,142,390	*95*	217,872	*95*
A	53,640	*94*	440,056	*94*	122,304	*94*
P	173,257	*95*	600,876	*95*	66,940	*95*
FIN	47,122	*95*	194,171	*95*	60,829	*95*
S	66,674	*95*	388,807	*95*	120,795	*95*
UK	472,021	*94*	4,093,247	*95*	690,613	*94*

Notes : *Source : Eurostat*

Sources: Mercure database for B, DK, F, IRL, I, NL, A, P, FIN, S, UK
SME database for B (number of entreprises) and EL
National statistical institutes for D, E and L

Figures cover NACE Section G: Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods

B: excluding NACE 52.7 (except number of entreprises).

D: covers only enterprises with turnover greater than 25,000 DM.

IRL: excluding NACE 50.4, 51.13, 51.37, 51.63, 52.63.

L: estimates. Employment: number of employees.

NL: excluding NACE 51.1 and 52.3, as well as NACE 50 for turnover.

A: excluding NACE 50.2.

FIN: provisional data.

Distributive trades constitute the largest section in the market services, representing more than 13% of GDP and 16% of employment in the EU. The sector numbers approximately five million enterprises (see table 1) which is close to one third of the total number of non-agricultural enterprises active in the European Union. Most of these are small and medium enterprises[2] and operate in the retail trade sector.

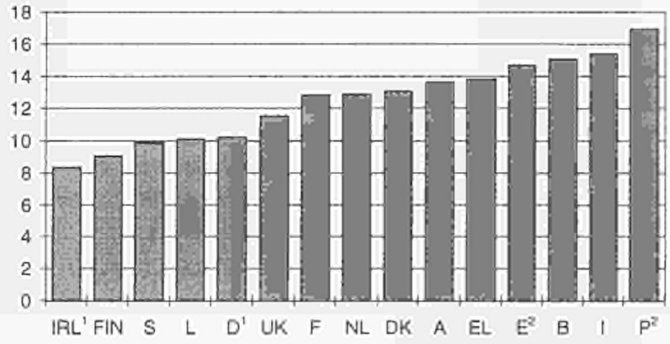
In total, distributive trade and repair activities provides work for more than 21.5 million Europeans, or about a fifth of the total occupied population, generating an annual value added of almost 640 billion ECU.

In terms of gross value added (see figure 2), distributive trades represent a large proportion of national economies. Its share in total gross value added approaches or exceeds 15% in four countries: Portugal (17%), Italy (15.4%), Belgium (15.1%) and Spain (14.7%). In the other countries, the share fluctuates between 10% and 14%, with the exceptions of Ireland, Finland and Sweden (8 to 10%).

Figure 2

Value added of distributive trades – 1995

(% of total economy)



Notes: *Source: Eurostat, National Accounts*

¹ 1994

² 1993

In all countries except Denmark, distributive trades has a higher share in the national economy in terms of employment (see figure 3) than in terms of value added. In Ireland, for instance, it represents 13.7% of total occupied persons, or more than five percentage points higher than its share in the country's value added. Amongst all Member States, distributive trades has the highest share of total employment in the Netherlands, Italy and Portugal (more than 17%), the UK, Spain and Belgium (more than 16%). The lowest share is found in Sweden and Denmark with 12%.

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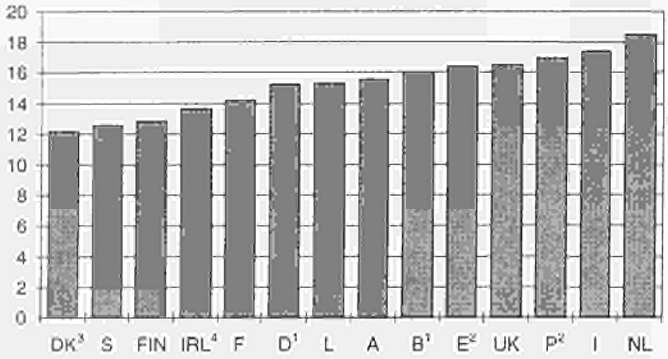
[2] According to Eurostat's SME database, 27% of wholesale companies employ less than 10 people, 57% less than 50. The share for retail businesses reaches 52% and 70%, respectively.

Figure 3
Employment in distributive trades – 1995
(% of total economy)



Notes:
1 1994
2 1993
3 1992
4 1991

Source: Eurostat, National Accounts

2.2 Hotels and restaurants

The sector encompassing the activities of hotels, restaurants and cafes is sometimes known by its acronym: Horeca. In the classification of economic activities, it is defined as the provision of drinks, meals and accommodation from specialist outlets.

This sector is often associated with the tourism industry, but tourism is in fact a demand-side concept involving a much wider range of industries and services, which is hence better viewed as a market rather than as a sector. It is however true that a significant part of the Horeca sector supplies this "tourism market".

A total 1.3 million enterprises are active in the sector of hotels, restaurants and cafes in Europe. This represents a share of 7.5% of the total number of non-agricultural enterprises active in Europe.

As for distributive trades, a majority of these enterprises are small or very small ones. Nearly 60% of all persons employed in the sector work in businesses with less than 10 employees, and 80% in businesses with less than 50 employees[3]. On average, Horeca enterprises in Europe employ between three and six persons.

[3] Source: SME database

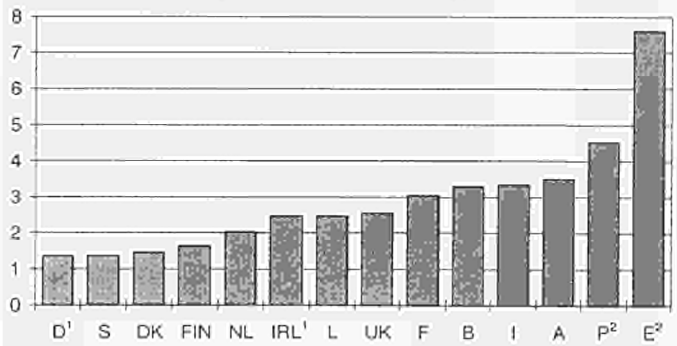
Table 2
Horeca
Main indicators

	Number of enterprises	year	Number of persons employed	year	Turnover (million ECU)	year
B	59,002	95	139,537	95	6,361	95
DK	13,657	95	78,923	95	3,334	95
D	247,172	94	1,228,113	93	52,051	94
EL	27,418	94	86,937	94	2,981	94
E	256,167	95	886,738	95	27,393	95
F	161,967	95	726,286	95	35,118	95
IRL	12,041	95	75,961	95	2,859	95
I	216,697	93	714,866	93	29,070	93
L	2,383	95	9,570	95	652	95
NL	41,096	95	301,615	95	10,344	95
A	44,416	95	171,497	95	10,621	95
P	38,349	95	162,463	95	3,410	95
FIN	9,533	95	40,747	95	3,295	95
S	10,263	95	63,541	95	4,661	95
UK	128,867	94	1,418,338	95	46,893	94

Notes: Source : Eurostat
Sources: Mercure database for B, DK, F, I, NL, P, FIN, S, UK
SME database for B (number of enterprises), EL, E
National statistical institutes for D, IRL, L, A
Figures cover NACE Section H: Hotels and restaurants.
D: covers only enterprises with turnover greater than 25,000 DM.
F: excluding NACE 55.2.
IRL and FIN: provisional data.
L: number of employees.
Estimates: L, employment for A, employment and turnover for E.

As can be clearly seen from figure 4, Spain is the Member State in which the Horeca sector contributes most to the national total value added, with a share of 7.5%. This is almost twice the share of the second country in the ranking, Portugal. Except three countries, the share of the other Member States ranges from 1.7% (Finland) to 3.6% (Austria). Denmark, Sweden and Germany lag behind the European average with shares below 1.5%.

Figure 4
Value added of hotels and restaurants – 1995
(% of total economy)

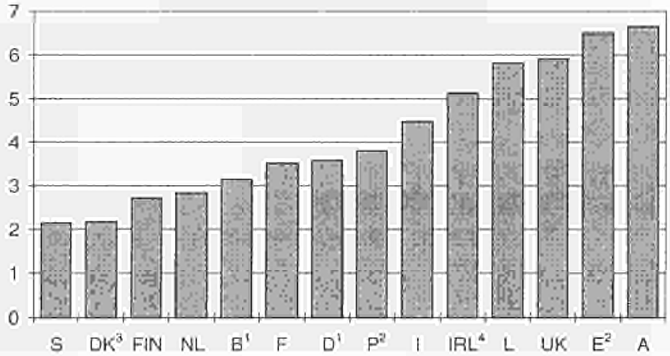


Notes:
1 1994
2 1993

Source: Eurostat, National Accounts

In total, more than 6 million Europeans work in the Horeca business. Austria and Spain have the largest share of people employed in Horeca in their economy (6.5%). The gap with the other countries however is much smaller than in the case of gross value added. In the United Kingdom for instance, the share is as high as 5.9%, that is more than one and a half times the share of the sector in total gross value added. Other countries with a share higher than 5% include Ireland and Luxembourg (5.1% and 5.8% respectively). Compared to the other Member States, the sector is the least represented in the total occupied persons in Denmark and Sweden (2.2% both).

Figure 5
Employment in hotels and restaurants – 1995
(% of total economy)



Notes:
[1] 1994
[2] 1993
[3] 1992
[4] 1991

Source: Eurostat, National Accounts

During the 1980s, the number of people employed in Horeca has experienced a slow upward trend in all Member States. In the beginning of the 1990s however, some countries witnessed a decline in the employment, e.g. Denmark or Austria where the annual decrease rate was equal to 2%. This contrasts with other countries like France, Portugal, Luxembourg or Italy where the positive trend continued, with average growth rates exceeding 1% *per annum*.

2.3 Transport

The transport services industry covers enterprises engaged in the conveyance of goods and passengers, either directly (e.g. land, sea or air transport) or indirectly (e.g. airports, sea ports or freight storage). It should be noted, however, that the statistics covered in this section relate only to the transport industry in itself, and not to transport traffic, i.e., they do not cover the quantity of freight or the number of transported passengers per kilometre. In addition, it should be noted that a large proportion of the transport activities is done by the own transport of enterprises, particularly large enterprises in the distribution sector.

The evolution of the transport sector is highly influenced by general economic activity. Indeed, there is a very close relationship between the transport sector and the other sectors. On one hand, the other sectors need an efficient transport sector to develop. On the other hand, the transport sector depends on the other sectors' activity.

In recent years, several external factors have had a major impact on the transport industry. To name just a few: the completion of the Single European Market, a change in the production methods of manufacturing industry (e.g. just-in-time production, leading to more frequent deliveries of smaller quantities) and a greater deregulation of transport activities.

The transport services sector has witnessed a rising trend in the number of enterprises since 1980. In countries like Germany or Belgium, their number has doubled between 1980 and 1990. According to Eurostat estimates, the total number of enterprises operating in transport services in Europe now exceeds 730,000, which is more than 4% of the total number of active non-agricultural companies.

Table 3
Transport
Main indicators

	Number of Enterprises	*year*	Number of persons employed	*year*	Turnover (million ECU)	*year*
B	19,289	*95*	128,489	*95*	22,944	*95*
DK	11,345	*95*	67,267	*95*	11,006	*95*
D	125,748	*94*	1,100,605	*94*	107,020	*94*
EL	14,737	*94*	53,089	*94*	3,284	*94*
E	200,985	*94*	741,653	*94*	53,642	*94*
F	68,396	*95*	817,487	*95*	71,026	*95*
IRL	3,087	*95*	35,015	*95*	:	
I	120,481	*93*	650,692	*93*	45,242	*93*
L	704	*95*	12,020	*95*	1,057	*95*
NL	20,352	*95*	272,777	*95*	23,665	*95*
A	13,917	*95*	189,272	*95*	17,316	*95*
P	14,814	*95*	108,472	*95*	6,553	*95*
FIN	21,020	*95*	90,388	*95*	9,987	*95*
S	26,832	*95*	229,695	*95*	29,681	*95*
UK	74,735	*94*	962,764	*95*	109,629	*94*

Notes: *Source: Eurostat*

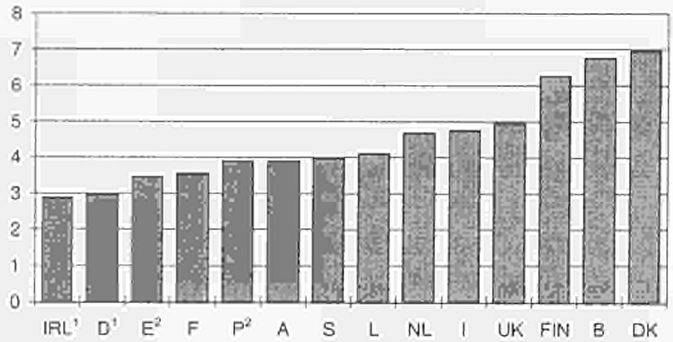
Sources: Mercure database for B, DK, F, I, NL, P, FIN, S, UK
SME database for B (number of entreprises), D (employment), EL, E, UK (turnover)
National statistical institutes for D, IRL, L, A.

Figures cover NACE 60 to 63: land, water and air transport, supporting and auxiliary transport activities, activities of travel agencies.
IRL and FIN: provisional data.
B: excluding NACE 60.1 (except number of entreprises).
D: covers only enterprises with turnover greater than 25 000 DM.
F: excluding NACE 60.21 (partly), 62.3, 63.2 and 63.3.
L: number of employees.
NL: employment excluding NACE 62.
Estimates: L, employment for D, employment and turnover for E.

The transport sector covers a mixture of public, semi-public and private companies. In the case of railway or air transport, a few large companies dominate the market. This contrasts with the highly competitive land transport (NACE 60.2) and transport auxiliaries (NACE 63) activities, where SMEs take the lion's share. In land transport, close to two thirds of the persons employed work in businesses of less than 50 people. For transport auxiliaries, this share is just under 45%.

The transport services sector contributes almost 7% of Denmark's total gross value added. It is the highest share in the EU. Only two other countries have a share greater than 6%: Belgium (6.8%) and Finland (6.3%). Another group of countries have shares between 3.9% (Portugal) and 5.0% (UK). Four other countries make up the final group with shares lower than 3.9%: France (3.6%), Spain (3.5%), Germany (3.0%) and Ireland (2.9%).

Figure 6
Value added of transport – 1995
(% of total economy)



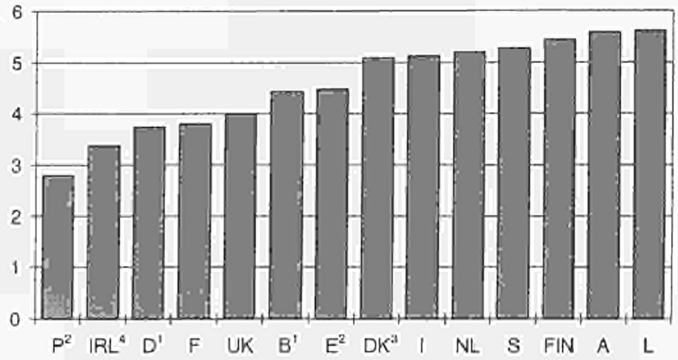
Notes:
[1] 1994
[2] 1993

Source: Eurostat, National Accounts

The transport services sector employs close to 5.5 million people in Europe, or 4% of the total number of persons employed in non-agricultural businesses. The evolution of employment during the 1980s has been parallel to the general economic situation in Europe, depressed in the first half of the decade and expanding in the second half. The positive trend has continued in the early 1990s.

In Austria and Luxembourg 5.6% of persons employed work in transport services, the highest proportion in Europe. The majority of the other Member States have a share ranging from 4.5% to 5.5%. Four countries have a share below 4%: France (3.8%), Germany (3.7%), Ireland (3.4%) and Portugal (2.8%).

Figure 7
Employment in transport – 1995
(% of total economy)



Notes:
[1] 1994
[2] 1993
[3] 1992
[4] 1991

Source: Eurostat, National Accounts

2.4 Communication

The communications services sector covers the enterprises engaged in postal and telecommunication activities. In Europe this sector has a long tradition of state monopoly. This situation is changing fast, however. National public operators are preparing themselves to tackle new competitors in opening markets.

Postal services are facing increased competition from private operators in non-reserved services (i.e. parcel and express deliveries). These operators are mainly active in high value-added services, such as express business-to-business services. In the future, they could also enter the business-to-private market.

The communication services sector is characterised by a very high concentration: 97% of the persons employed work in companies with more than 250 people. This clearly reflects the weight of national monopolies in this sector of activity.

Table 4
Communications
Main indicators

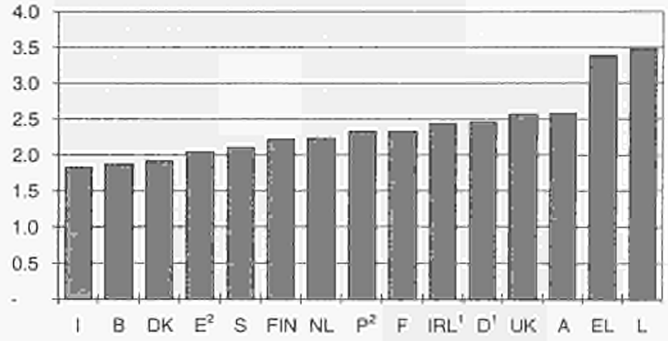
	Number of enterprises	year	Number of persons Employed	year	Turnover (million ECU)	year
B	2,139	95	80,974	95	4,517	95
DK	73	95	15,253	95	2,894	95
D	1,994	94	405,398	94	6,885	94
EL	175	94	3,111	94	332	94
E	4,793	94	121,998	94	:	
F	1,060	95	5,242	95	235	95
IRL	440	95	21,478	95	:	
I	1,285	93	320,521	93	20,307	93
L	21	95	3,042	95	:	
NL	1,541	95	67,224	95	9,782	95
A	128	95	60,394	95	4,884	95
P	49	95	37,306	95	2,602	95
FIN	552	95	74,008	95	2,951	95
S	232	95	77,968	95	8,093	95
UK	6,813	94	459,864	95	24,756	94

Notes: *Source : Eurostat*
Sources: Mercure database for DK, F, I, NL, P, FIN, S, UK
SME database for B, D (emploi), EL, E
national statistical institutes for D, IRL, L, A
Figures cover NACE 64: post and telecommunications.
D: covers only enterprises with turnover greater than 25,000 DM.
F : covers only NACE 64.12 (courier activities other than national post)
IRL and FIN: provisional data.
L: number of employees.
Estimates: L, employment for B, D and E.

During the 1980s, the number of enterprises has been rapidly expanding as a consequence of the increasing number of small businesses taking advantage of the opening markets.

When analysing the share of communications services in total gross value added, we can distinguish three main groups. Firstly, Luxembourg and Greece, where the share is highest in the EU at 3.5% and 3.4% respectively. Secondly, Belgium, Denmark and Italy where the share lags behind the European average, below 2%. Finally all other Member where the share lies between 2% and 2.5%.

Figure 8
Value added of communications – 1995
(% of total economy)

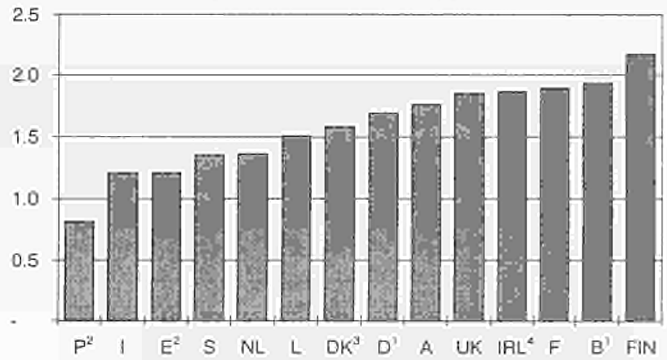


Notes:
¹ 1994
² 1993
Source: Eurostat, National Accounts

A total of 1.8 million persons are employed in communication services in Europe. The 1980s have witnessed no major changes in this figure.

Finland has the highest share of persons employed in communications services (2.2%). With the exception of the Netherlands, Sweden (both 1.4%), Spain, Italy (both 1.2%) and Portugal (0.8%), all other Member States have a share situated between 1.5% and 2%.

Figure 9
Employment in communications – 1995
(% of total economy)



Notes:
¹ 1994
² 1993
³ 1992
⁴ 1991
Source: Eurostat, National Accounts

2.5 Financial sector[4]

The financial services sector (NACE Rev.1 Section J) has undergone rapid changes in its market structure in the last decade. Besides its natural relation with general economic activity, the evolution of the sector has been influenced by several political and technological factors.

On the political side, the European Commission has put up a legislative programme aimed at deregulating the sector and promoting free competition inside the Single Market. Exchange control regulations have been abolished, while legal and administrative barriers have been lowered. The deregulation of the sector has triggered the expansion of the financial markets and the introduction of new products.

On the technological side, the emergence of information technology has had a notable effect on the sector. The use of computers has reduced the need for human intervention in transactions. The financial markets have become truly global. Today, financial transactions can be executed around the globe almost instantaneously.

About 12,600 enterprises are operating in the insurance and banking sector in Europe. One-third are insurance enterprises and two-thirds financial intermediation enterprises.

As far as insurance companies are concerned, the evolution over the past decade of the number of enterprises has been different from one country to another. In some Member States, such as Belgium or Spain, it has been following a decreasing trend. In contrast, France, Italy and Luxembourg have experienced a market expansion between 1980 and today.

Looking at the banking sector, it totals just under 8,400 enterprises in the European Union. In the recent years, the number of credit institutions has been decreasing, often as a consequence of mergers and acquisitions.

Table 5

Insurance

Main indicators, 1996

	Number of enterprises	Number of persons employed	Gross premiums written (million ECU)
B	169	25,937	13,799
DK	258	14,178	9,602
D	495	220,589	153,455
EL	152	:	1,640
E	311	40,076	23,776
F	507	:	121,051
IRL	102	10,386	4,488
I	235	48,829	38,999
L	318	1,211	5,505
NL	396	:	28,872
A	66	32,481	3,084
P	55	12,513	4,400
FIN	169	9,454	4,191
S	135	:	11,870
UK	868	:	104,934

Notes: *Source: Eurostat, Statonis database*

Number of enterprises: preliminary data for DK, EL, F, I, NL, P, UK

Employment: DK, IRL, I, P: 1995 data

Gross premiums: A, UK: 1995 data; preliminary data for DK, EL, F, IRL, I, NL, P, S

Table 6

Banking

Main indicators, 1996

	Number of enterprises	Number of persons employed	Interests and commissions received (million ECU)
B	140	76,266	36,960
DK	203	43,757	10,214
D	3,542	750,100	288,918
EL	58	56,768	6,985
E	313	242,221	64,508
F	573	338,470	418,712
IRL	63	23,700	:
I	937	331,035	113,807
L	221	18,582	33,545
NL	172	97,000	40,089
A	923	66,958	23,181
P	233	63,149	12,851
FIN	353	27,707	6,115
S	124	43,238	15,462
UK	538	451,800	172,033

Notes: *Source: Eurostat, Mercure database*

Figures cover NACE 65.12, except UK (NACE 65.1)

Enterprise definitions vary according to country.

F: number of persons employed excluding the 'Caisse Nationale d'Épargne' and the 'Caisse des dépôts et consignations'.

[4] For more information on this sector, see Eurostat's "Statistics in Focus - theme 7" collection: *"Insurance Services Statistics"*, 1998, n°1 and *"Financial Services Statistics"*, 1998, n°3.

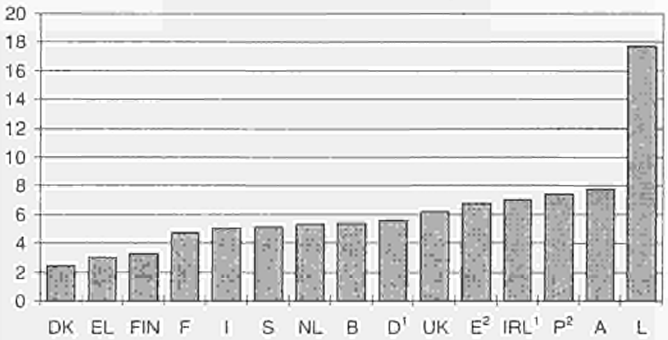
Financial services are highly dominated by large enterprises. In the case of banking and insurance, 80% of the persons employed in the sector are working for enterprises with more than 250 people.

In a majority of the Member States, financial services represent between four and six percent of the national total gross value added. Luxembourg, which is one of the most important financial centres in Europe, is the European economy where financial services have the highest weight in terms of value added, with a share of more than 17%. Next is Austria, with a share of 7.8%, followed by Portugal (7.4%), Ireland (7.1%) and Spain (6.8%). Finland, Greece and Denmark are below the European average with shares of 3.3%, 3.0% and 2.4% respectively.

Figure 10

Value added of the financial sector – 1995

(% of total economy)



Notes:
1 1994
2 1993

Source: Eurostat, National Accounts

In total, financial services employ an estimated 3.5 million Europeans, about one million in insurance enterprises and 2.5 million in the banking sector.

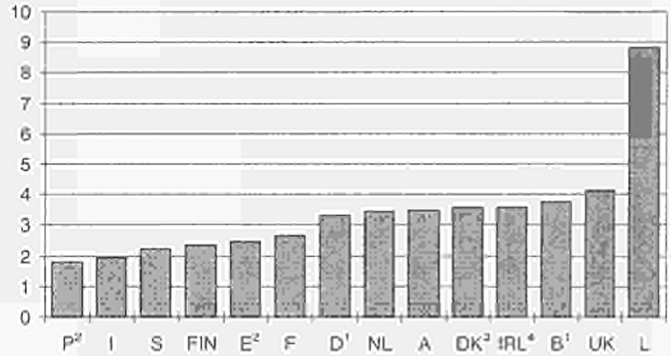
The share of employment in the financial sector reaches 9% in Luxembourg. That is two to three times more than in any other Member State. Indeed, in most countries this share lies between 3% and 4%.

One only country has a share of less than 2%: Portugal (1.8%). This is noticeably low compared to the importance of the finance sector in terms of gross value added (7.4%) in the same country.

Figure 11

Employment in the financial sector – 1995

(% of total economy)



Notes:
1 1994
2 1993
3 1992
4 1991

Source: Eurostat, National Accounts

2.6 Other market services

Other market services cover a number of miscellaneous activities, such as real estate, renting activities, computer services, research and development and other business services. This sector has experienced faster growth over the past two decades than any other market service.

The expansion of this sector can be attributed to three main factors. Firstly, manufacturing industries have increasingly outsourced non-core activities to independent service providers during the past two decades. This is particularly true for business services, such as management and administrative services (e.g. legal or accountancy services), personnel-related services, marketing services (e.g. advertising or public relations) or operational services (e.g. cleaning or security). Secondly, the sector has benefited from strong internal growth, and thirdly, the residual nature of this sector means that all new services activities not fitting into the definition of other sectors are included here.

Today, the European Union numbers about 2 million business services enterprises. This sector has been particularly buoyant during the 1980s. In most Member States, the number of enterprises active in them has doubled during the last decade, for example Germany, 375,000 in 1993, up from 158,000 in 1980, or Spain where the number increased from 38,000 in 1980 to 73,000 in 1990.

Table 7
Business services
Main indicators

	Number of Enterprises	year	Number of persons employed	year	Turnover (million ECU)	year
B	94,109	*95*	304,757	*95*	28,451	*95*
DK	51,851	*95*	167,147	*95*	12,616	*95*
D	425,443	*94*	3,122,564	*94*	246,715	*94*
EL	18,916	*94*	50,034	*94*	2,868	*94*
E	268,602	*94*	1,080,858	*94*	51,507	*94*
F	191,119	*95*	1,426,088	*95*	115,960	*95*
IRL	9,601	*95*	65,709	*95*	3,272	*95*
I	332,490	*93*	808,857	*93*	45,284	*93*
L	2,852	*95*	16,581	*95*	1,541	*95*
NL	76,676	*95*	555,200	*95*	28,644	*95*
A	32,263	*95*	167,086	*95*	13,447	*95*
P	19,137	*95*	101,397	*95*	6,466	*95*
FIN	24,518	*95*	96,086	*95*	8,269	*95*
S	47,533	*95*	203,232	*95*	21,823	*95*
UK	333,179	*94*	2,717,181	*95*	121,669	*94*

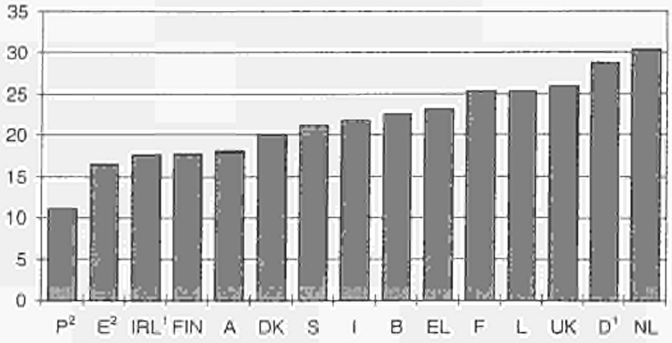
Notes: *Source: Eurostat*
Sources: Mercure database for B, DK, F, IRL, I, NL, P, FIN, S, UK.
SME database for B (number of entreprises), D (employment), EL, E.
National statistical institutes for D, L, A.
Figures cover NACE 71, 72 and 74: renting, computer services and other business services.
D: covers only enterprises with turnover greater than 25,000 DM.
FIN: provisional data.
L: number of employees.
NL: excluding NACE 74.11, 74.15, 74.81 and 74.84, as well as NACE 74.5 for turnover.
Estimates: L, employment for D, employment and turnover for E.

Business services are a typical field of activity for SMEs. In the European Union, enterprises with less than 50 persons employed make up almost two thirds of the total workforce of the sector.

The share of the "other market services" sector in the total gross value added varies greatly from one Member State to another. In the Netherlands, Germany, the United Kingdom, Luxembourg and France, it represents more than one-quarter of the total economy. In Greece, Belgium, Italy, Sweden and Denmark more than one-fifth. In Portugal the sector is under-represented with respect to the EU average accounting for only 11.1% of the economy.

With the exception of this country, the "other market services" sector is the biggest contributor to the GDP in all Member States.

Figure 12
Value added of other market services – 1995
(% of total economy)



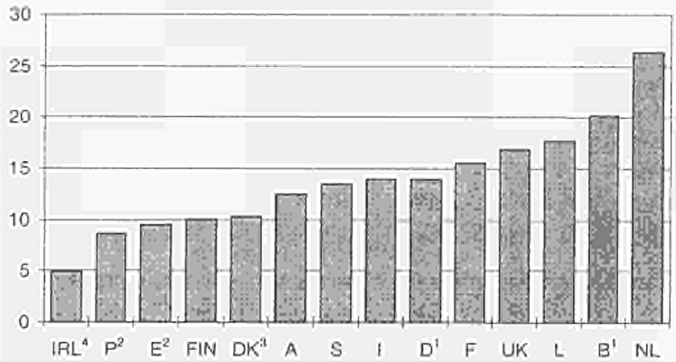
Notes: *Source: Eurostat, National Accounts*
¹ 1994
² 1993

The economies of the Benelux countries, the UK and, to a lesser extent, France employ a very large proportion of the labour force in the "other market services" sector. In all these countries, the share is higher than 15%, and even exceeds 25% in the case of the Netherlands.

At the other side of the spectrum we find Ireland, Portugal and Spain with shares ranging from 5% (IRL) to 9.5% (E).

In many Member States, this sector is the largest in terms of number of persons employed. In the others, it is very often second to distributive trade.

Figure 13
Employment in other market services – 1995
(% of total economy)



Notes: *Source: Eurostat, National Accounts*
¹ 1994
² 1993
³ 1992
⁴ 1991