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Business Services in Europe

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roduction and background

f the main features in the economic ment in Europe in the last two decades is the importance of the services sectors. Around e Member States of the European Union were erised by the market services sectors ting 36 - 42% of the gross value added ed in the total economy. In all member states all pattern of growth in market services´ share otal economy in the period from 1970 to 1990 observed. In 1990 the market services as the most important sector in the European y with between 45% and 55% of the gross dded generated in the economy in 1990, cf. 1.

er, the growth pattern within the services is not uniform as on the one hand the tive trades sector shows a declining share of the total gross value added in many Member Sta and on the other hand the major part of the growtl found in the sector other market services ma generated by the subsector business services. several of the Member States the increas importance of the services sectors is stron connected with the development of the busin services.

More detailed analysis of the performance of differ subsectors within for instance business services hampered by the fact that the statistical coverage these subsectors are relatively limited in m Member States. The growing importance and limited statistical coverage of the services sectors the main forces behind the statistical program for development of the services statistics adopted by European Council, cf. Council Decision 92/326/EI

Table 1.1

Breakdown of gross value added at market prices and employment, by sector in per cent of the total economy, 1970-1990.

	Market services				Other market services			
	Gross value added	Employment	Gross value added	Employment	Gross value added	Employment	Gross value added	Employmen
	1970	1970	1990	1990	1970	1970	1990	1990
	42.4	36.9	54.4	48.4	13.6	9.7	21.3	18
	46.6	34.5	47.8	36.3	13.2	7.1	20.1	10
	35.9	30.4	48.8	38.0	13.5	6.6	25.5	11
	na	na	39.5*	na	na	na	na	
	40.3	na	51.2[5]	38.3	14.9	na	16.2*[5]	9
	41.2	32.8	52.2	40.3	16.3	9.2	24.5	13
	31.7[1]	na	40.1	32.3*	11.3[1]	na	15.1	5
	39.2	28.8	51.5	42.6	13.4	5.6	20.7	13
urg	36.2	38.7[1]	57.4	52.5	12.8	7.7[1]	16.8	15
erlands	42.6	41.5	55.8	53.2	15.3	12.6	27.8	23
	42.4*[4]	23.1*[2]	47.0	28.8	8.0*[4]	2.5*[2]	8.8	3
d Kingdom	42.1[1]	39.8*[3]	51.3	48.5*	9.3[1]	13.6*[3]	23.8	16

d by EUROSTAT.

75

78

79 (Incl. services of credit and insurance institutions).

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89

UROSTAT. National Accounts ESA. Detailed tabels by branch 1970-1984 (1986) and 1985- 1991 (1993).

in objectives of this program are:

set out an European reference framework for atistics on services defining the most opropriate concepts and methods for anaging and monitoring Community policies, specially the implementation of the Single uropean Act, and for satisfying the needs of ational , regional and local administrations, ternational organisations, economic operators nd professional associations;

establish an European statistical information stem for services;

promote and support harmonization of atistics on services in the Member States.

jectives of the pilot survey on the business re twofold:

1) to provide basic statistical information on business services sector within the Mem States

2) to test and develop a methodology for regular collection of statistical data on busin services to be provided on a harmonized ba by all Member States

This paper is a result of the first objective of the p survey on business services, i.e. the provision basic statistical information on the Europe business services sector. The results of the test of the methodology was presented at the Voorb Group Meeting in 1993[1]. The structure of the pa is first to present the methods and definitions used the pilot survey and secondly to give some ba statistical information on the 8 subsectors surve in this study.

thods and definitions used in the pilot survey

dministration of the pilot survey

ot survey launched by EUROSTAT has been out in all Member States except for Belgium. ountries the survey was carried out by the l statistical institute under contract to STAT, and for Ireland and United Kingdom the s were carried out by a private institute[2]. The l statistical institutes in Finland and Sweden lunteered to participate in the pilot survey. er the data were mainly compiled by using statistical information in the two countries did not cover the total range of variables d in the pilot survey.

The national pilot surveys were carried out in 1 covering the statistical year 1990 except for Gre where the survey was carried out in 1992. The d were then processed in accordance with guidelines mentioned below and submitted EUROSTAT for further analysis.

In order to assist the Member States in carrying the pilot survey and to collect data on a harmoni basic, EUROSTAT decided to develop a set guidelines for data collection covering pract issues related to the carrying out of the survey[3]. guidelines included a model questionnaire to be s to the enterprises within the services sector, paragraph 2.3, sampling procedures, cf. paragra 2.4 and a number of designed tables to be submit to EUROSTAT for further analysis.

The methodological manual on the services se which was elaborated in its first version in autu 1990 provided the framework for the definition of business services subsectors, cf. paragraph 2.2, also the definitions of the variables to be collect cf. paragraph 2.3.

2.2 Definition of the business services sector

The business services sector includes

Bøegh-Nielsen and S. Rikama, Methodological Implications ot survey on business services undertaken by Member the European Communities, published in papers and final he 8th Meeting on Services Statistics, Oslo 1993.

reland the survey was conducted by Service Industries Center, Dublin, and for the United Kingdom by Services Research Center, Portsmouth.

OSTAT: Guidelines for a Pilot Survey on the business sector, document SO/91/OG EN, Meeting of 13-14 March ctoral level to give a meaningful appreciation different activities constituting the sector. Thus ctor has been divided into eight subsectors are defined by four digit classes of the activity classification NACE.Rev1. The eight subsectors presented in table 2.1 and a more deta description is given in annex I.

Table 2.1

Definition of the business services sector by NACE.Rev1

Computer and computer related services	(NACE.Rev1: 72.10 - 72.60)
Professional services	(NACE.Rev1: 74.11, 74.12, 74.14)
Marketing services	(NACE.Rev1: 74.13, 74.40)
Technical services	(NACE.Rev1: 74.20, 74.30)
Renting and leasing services	(NACE.Rev1: 71.10 - 71.30)
Labour recruitment and provision of personnel	(NACE.Rev1: 74.50)
Operational services	(NACE.Rev1: 74.60, 74.70)
Other business services	(NACE.Rev1: 74.81 - 74.84)

time when the pilot survey was carried out the tivity classification, NACE.Rev1, had not been ented in the Member States which were using own national nomenclatures of economic . In order to arrive at a common definition of usiness services sector and the eight tors each Member State needed to:

st the various activities making up the ubsectors

lentify these activities in terms of NACE.Rev1 lassification and in terms of the country's own omenclature

egroup these activities into the subsectors efined in the pilot survey

efinition of the collected variables

ntioned above the variables collected in the rvey have been defined by the Methodological l elaborated by EUROSTAT which gives a d classification and definition of variables to be ed[4]. The variables in the manual relevant for a cal description of the services industries can ded into three groups:

1) demographic and structural variables (acti age, size class, legal status)

2) economic variables (turnover, gross va added, labour costs, investments)

3) employment variables (number of pers employed, part-time employees)

2.4 Survey universe and identificati methods

2.4.1 Identification of the universe

According to the recommendations laid down in data collection guidelines, the Member States sh survey a sample of 1 500 or 3 000 enterprises wi the business services sector depending on the of the Member State.

The pilot survey revealed that the Member St had relatively uneven conditions for identifying universe as only a few Member States had busir registers with a full coverage of all enterprises wi the business services sector. In broad terms, th kind of survey frames were used in the pilot su for identifying the universe;

4 Cf. EUROSTAT. Methodological Manual of Statistics on Se Enterprises.

usiness registers with a total and updated overage as in Denmark, France and the etherlands - and also in Finland and Sweden

tatistical registers used for specific statistical urposes, i. e. production or accounts statistics, ith a limited sectoral or size coverage as in ermany, Spain, Greece, Italy, Luxembourg nd Portugal

rivate data bases with only a limited coverage nd updating as in Ireland and United Kingdom

he surveyed population by nationality

oblem of inadequate registers combined with n-mandatory status of the pilot survey resulted verage response rate of 46.8%, cf. table 2.2. any countries the response rate was even e.g. the United Kingdom (12.8%) and ny (24.6%). Altogether the pilot surveys consisted of 44 084 enterprises - or about 3% of total estimated universe of enterprises within business services sector.

As a consequence of the heterogeneous samp procedures and the response rates obtained possibilities for comparative studies of the collec data between the Member States remain rat modest. Only for France and Germany the data raised to the level of the total business servi sector. For all other Member States the data c give information about the responding populatior the sample. Due to the raised data the Fre population constituted nearly two thirds of the t number of surveyed enterprises, thus mak analysis on the EUR(11) level impossible due to unequal national distribution in the pilot survey.

Tabel 2.2

Size of samples and accepted responses in the pilot survey in each Member State.

	Number of surveyed enterprises	Number of accepted responses	%-share of total number of accepted responses	Response rate (%)
	na	na	na	
	1715	925	2.1	5
	16954	4169	9.5	2
	2500	1108	2.5	4
	10589	3037	6.9	2
	38567	27856	63.2	7
	3008	426	1.0	1
	4860	1564	3.5	3
urg	1097	470	1.1	4
erlands	1500	1500	3.4	10
	3307	1500	3.4	4
ed Kingdom	10189	1301	3.0	1
	94286	44084	100.0	4

:UROSTAT. Pilot survey data.

he statistical results of the pilot survey give no on of the total magnitude of the European ss services. The best statistical information on sue are found in the EUROSTAT publication prises in Europe". In this publication the total ean universe of business services enterprises mated to 1.9 million employing 8.4 million people. In 1990 a little more than half of enterprises and two thirds of the employment wi the business services sector are found in the th largest economies of the European Commur Germany, France and The United Kingdom, the la being the main contributor, cf. table 2.3.

Table 2.3

The national shares of the total business services sector at EUR(12) level, 1990, %-share.

	Enterprises	Employed	Turnover
	3.5	2.3	[illegible]
	1.2	1.7	
	19.6	16.3	2[illegible]
	3.2	1.4	[illegible]
	15.1	8.6	
	12.5	19.3	1[illegible]
	na	na	
	0.6	2.4	
rg	0.1	0.1	[illegible]
erlands	2.3	3.0	
	2.4	1.1	
d Kingdom	20.6	30.5	3[illegible]

UROSTAT. Enterprises in Europe (1994).

he surveyed population by size-class

ferences in the coverage of the sample frames n the different Member States are also ed by analyzing the size distribution of the ed enterprise population. Generally, the ed samples show a bias towards the larger ises (100+ persons employed) as 1.2% of the ed enterprises belongs to medium-sized (100- employees) or large enterprises (500+ ees) compared to 0.3% at the EUR(12) level ted in the study by EUROSTAT "Enterprises ope", cf. table 2.4. Especially the sample populations in Italy, the Netherlands and the Un Kingdom show high shares of larger enterpris Also the small enterprises (10-99 employe showed a high share of the surveyed enterprise the three above mentioned countries and in furt three Member States; Denmark, Spain and Irela The micro enterprises (0-9 employees) w particularly dominant in Germany, Greece France, but as the self-employed persons were included in the sample population in all Mem States the national differences in the proportion micro enterprises are difficult to interpret.

Table 2.4

The surveyed enterprises broken down by size class in 1990, %-share.

	0 employees	1-9 employees	10-99 employees	100-499 employees	500+ employees
	na	na	na	na	
	18	52	28	2	
	28	59	12	1	
	na	94	6	1	
	na	66	30	3	
	3	85	11	1	
	1	64	32	3	
	na	na	87	11	
rg	2	75	23[1]	-[1]	
rlands	36	26	31	5	
	na	77	20	2	
d Kingdom	1	38	46	11	
	60	36	4	0	
	na	88	11	1	

mbourg the largest size class is 10+ due to confidentiality.

UROSTAT. Pilot survey data.

g at the size structures broken down by tors, the pilot survey showed that the large ises mainly were found in the subsectors recruitment and provision of personnel and onal services. On the other hand all the other showed a uniform size structure with the enterprises constituting 85 - 90% of the total r of enterprises; only computer services l slightly from this pattern with 82%. The tors labour recruitment and provision of al and operational services were also ding in their share of small enterprises which out 32 respectively 22% on the EUR(11)

ly, the size structure of the sample is also ed by the importance of the different Member concerning the employment in the business s. Thus the employment of the surveyed ises in the Netherlands and the United m is dominated by the large enterprises with espectively 59% of the total employment, cf. table 2.5. Remarkably, the large Italian enterpri only accounted for 26% of the total employmen the Italian population compared to the average sh of 32% for the large enterprises at the EUR(level.

The importance of the employment in the la enterprises can be traced back to the importance the two subsectors labour recruitment and provis of personal and operational services represen three quarters of the total employment in this s class. The large enterprises in all the ot subsectors only accounted for less than 20% of total employment in their respective subsector.

The medium sized enterprises were characterised a pattern of most subsectors showing a share aro the EUR(11) average of 22%. Operational servi is the only subsector with a significant higher sh (32%) and professional and technical servi showed a considerably lower share (1 respectively 12%).

Table 2.5

Employment in the surveyed enterprises broken down by size class, 1990, %-share.

	0-9 employees	10-99 employees	100-499 employees	500+ employees
	na	na	na	na
.	10	38	15	37
/	26	25	21	28
	36	42	23	0
	1	34	28	38
	26	30	16	28
	10	30	26	34
	na	38	36	26
urg	20	80	na	na
erlands	2	19	19	61
	16	26	28	30
ed Kingdom	2	14	25	60
	27	30	18	25
	25	35	40	na

EUROSTAT. Pilot survey data.

mall enterprises also showed a rather uniform n with a share around 38% for all subsectors, t for professional services with a relatively share (48%) and labour recruitment and on of personnel and operational services with nificant lower employment share (11% tively 12%).

icro enterprises which employed the smallest er of employees were dominated by the three ctors professional services (36%), technical es (34%) and other business services (33%). e other end the employment shares of the ctors labour recruitment and provision of nel and operational services are neglectable % respectively 1%.

umber of local units per enterprise is another ation about the demographic structure of the ed enterprises. On average, the surveyed enterprises consisted of 1.5 local unit per enterp cf. table 2.6. The main deviations with 2.3 local u per enterprise are found in the sample populatior Italy and the United Kingdom which were characterized by a relatively huge amount of la enterprises in the surveyed population.

The structural pattern is rather uniform when bro down by subsectors as 5 subsectors (comp services, professional services, marketing servi technical services and operational services) sho an average number of local units amounting to 1.5. The subsector showing the highest ave number of local units per enterprise is renting leasing services (1.8 local units). This is mainly to the relatively high numbers in Italy (3.9 local u and the United Kingdom (4.1 local units).

Table 2.6

Number of local units per enterprise, 1990.

	Computer services	Professional services	Marketing services	Technical services	Renting and leasing services	Recruitment and provision of personnel	Operational services	Other business services	All subsectors
	na	na	na	na	na	na	na	na	r
	1.3	1.1	1.1	1.5	1.1	na	1.4	2.3	1
	1.1	1.1	1.0	1.1	1.2	2.6	1.2	1.0	1
	1.0	1.0	1.0	1.0	1.2	1.3	1.0	1.0	1
	2.3	1.4	1.7	1.7	2.2	1.3	2.3	1.4	1
	1.1	1.1	1.1	1.1	1.2	2.8	1.2	1.1	1
	1.1	1.0	1.3	1.2	1.2	1.4	1.8	2.5	1
	2.0	2,4	4.2	2.0	3.9	na	1.5	1.8	2
	1.1	1.0	1.0	1.0	1.2	1.2	1.1	1.1	1
	1.1	2.0	1.3	1.7	1.1	1.9	1.9	1.1	1
	1.2	1.1	1.2	1.1	1.8	1.2	1.3	1.2	1
	2.3	2.3	0.9	2.2	4.1	1.7	1.5	2.9	2
	1.1	1.1	1.0	1.1	1.0	na	1.7	1.1	1
	1.2	1.1	1.0	1.1	1.3	1.1	1.2	1.0	1

JROSTAT. Pilot survey data.

he surveyed population by legal status

t demographic variable to be analysed is the atus of the surveyed enterprises, cf. table 2.7. orm pattern can be found as the legal status ny is the most frequent among the surveyed ses in 7 Member States (Denmark, Spain, Italy, Luxembourg, the Netherlands and the Kingdom). But in 3 Member States ny, Greece and France) the sole orship is the most frequent legal status, s partnership is the dominant legal status in l. The differences between the national pilot may reflect real differences between r States due to e.g. the legislative conditions a number of cases the recorded differences used by the sample frame e.g. Italy and the United Kingdom which both were dominated by la enterprises and consequently by companies (6 respectively 83%).

The subsectors showed distributions which diffe from the general pattern of legal status. Th companies dominated in computer services a marketing services in all Member States except Germany and Portugal. In renting and leas services companies were dominant in all Mem States except for Portugal where partnerships w the most frequent legal status - as for all ot subsectors. On the other hand sole proprietors was the most frequent legal status in professio services in 6 Member States (Denmark, Germa Greece, Spain, France and Ireland).

Table 2.7

The surveyed enterprises broken down by legal status, 1990, %-share

	Sole proprietorship	Partnership	Company	Other
	na	na	na	
	42	na	58	
	76	14	9	
	70	14	16	
	41	na	54	
	52	11	35	
	30	18	50	
	8	11	67	
urg	33	4	62	
erlands	37	6	46	
	12	81	6	
d Kingdom	4	11	83	
	25	14	60	
	11	29	59	

UROSTAT. Pilot survey data.

atistical results of the pilot survey

ntioned above the statistical results obtained he pilot survey cannot be characterised as representative so the possibilities of rability between Member States are rather In this section a number of basic variables e compared between subsectors in order to try tify the most basic structures and differencies en the different subsectors in the Member

States. Keeping the quality of the data in mind th comparisons will mainly be done by ranking subsectors in the different Member States in rela to a number of basic demographic, employment economic variables, cf. table 3.1[5].

The surveyed enterprises showed a clear patt concerning distribution of enterprises among subsectors as professional services was the m numerous subsector in 8 of the Member States came second in 2. Only in the sample of the Un Kingdom the subsector professional services wa minor importance. Also technical services showe frequent representation in the samples as subsector ranked second in 8 Member States, table 3.1. Altogether the two most frequ subsectors stood for nearly 55% of all the surve enterprises. In France and the United Kingdom subsector other business services was the n numerous and in Italy computer services ran number one.

The structural pattern is more scattered w investigating the importance of the subsec regarding employment. In general the subse operational services showed the highest ranking

to the skewness in the national distribution in the total of surveyed enterprises at the EUR(11) level the following has been used for profiling the subsectors and the total services sector at the European level;

st step in the analysis each subsector is ranked within each in terms of number of enterprises, employees, turnover .1), turnover per employee, gross value added per e, labour costs per employee, investments per employee, es per enterprise (tables 3.1.1-3.8.1), exports and types of ables 3.1.2-3.8.2).

econd step the EUR(11) average has been calculated as eighted average of the national rankings for each analysed ands and Portugal and becoming the second subsector in Denmark, Greece, Spain and Technical services was the most important tor in Denmark, Spain, Ireland and the second nportant in the Netherlands. Totally the two tors operational and technical services ed to half the employment registered in the ed enterprises. Professional services which showed the highest number of enterprises was second most important subsector in 4 Mem States concerning employment. France showe different pattern with the subsector recruitment a provision of personnel as the most import subsector with nearly 20% of the total employmen the business services sector in France.

Table 3.1

Ranking of number of enterprises, employees and turnover by subsector and member state, 1990.

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR (11)
es													
services	na	6	5	4	6	5	4	1	3	5	6	2	
al services	na	1	1	1	1	2	1	2	1	1	1	4	
services	na	5	3	5	3	4	6	5	4	7	4	5	
services	na	2	2	2	2	3	2	3	2	2	2	3	
d leasing	na	7	7	6	5	7	8	7	7	4	5	7	
nt and provision el	na	na	8	8	8	8	5	na	8	8	8	8	
l services	na	3	6	7	7	6	7	4	5	6	7	6	
ness services	na	4	4	3	4	1	3	6	6	3	3	1	
es													
services	na	3	5	5	4	6	5	1	3	5	8	2	
al services	na	4	2	6	3	2	4	4	2	4	2	4	
services	na	6	6	1	5	7	6	5	5	6	4	8	
services	na	1	3	3	1	5	1	3	4	2	3	3	
d leasing	na	7	8	7	6	8	8	7	8	7	6	6	
nt and provision el	na	na	4	8	8	1	7	na	7	8	7	7	
l services	na	2	1	2	2	3	3	2	1	1	1	5	
ness services	na	5	7	4	7	4	2	6	6	3	5	1	
.													
services	na	2	5	2	4	5	7	3	1	5	7	3	
al services	na	4	1	7	3	2	5	4	2	3	4	4	
services	na	3	4	1	2	1	6	2	5	6	1	7	
services	na	1	2	6	1	3	1	1	3	1	2	5	
d leasing	na	7	3	5	6	7	8	6	6	7	3	1	
nt and provision el	na	na	8	8	8	6	4	na	8	8	8	8	
al services	na	5	7	3	5	8	3	5	4	3	5	6	
ness services	na	6	6	3	7	4	2	7	7	2	6	2	

EUROSTAT. Pilot survey data.

studying the third basic variable, turnover, the tor technical services again shows a high being at first place in 5 Member States and in additional 2 Member States. The tor showing the highest amount of turnover is ng services, standing at first place in 3 r States and number two in Italy and Spain. o subsectors stood for a little less than half the egistered turnover in the pilot survey. Not ngly, the subsector operational services which e highest employment showed only a minor (8%) of the total turnover of the surveyed ises.

omputer and related services

ubsector computer services accounted for n 11 - 15% of the total number of ises, employment and turnover in the pilot s. The computer and related services are erised by being one of the fastest growing s industries. The enterprises producing ter services are also often involved in ter hardware/software sales and thus causing ns in the definition of the principal activity cation between trade and services activities. tance in the case of Luxembourg NACE.Rev1 51.64 Wholesale of office machinery and nent was also included in the sample and taken count if the enterprises received more than 10% of their turnover from computer servi activities.

This definition is clearly reflected in the collected c as turnover per employee in Luxembourg exce the amount of all other Member States. In gene computer services was ranked as the third or fo highest subsector concerning turnover per emplo (Denmark, Germany, Spain, France, Italy, Netherlands, Portugal and the United Kingdom) concerning gross value added per emplo (Denmark, Germany, Greece, Spain, Italy, Netherlands and Portugal), cf. table 3.1.1. Only surveyed enterprises in Ireland showed figures ably different from the other European countries.

Computer services showed in 5 (Germany, Gree France, Luxembourg and the Netherlands) out of Member States the highest labour costs employee. The same pattern was registered Finland and Sweden. Concerning investments th is no clear pattern but on average the compu services is the subsector ranking third concern investments per employee. Nor concerning num of employees per enterprise a uniform pattern acr the Member States is found. Especially the Un Kingdom sample differs with a very high aver employment per enterprise - more than employees per enterprise.

Table 3.1.1

Computer services. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	
	3	4	2	2	
	4	4	1	2	
	2	3	1	3	
	4	3	2	5	
	3	2	1	2	
	7	7	7	7	
	4	4	4	5	
urg	2	2	1	na	
erlands	4	3	1	5	
	3	3	3	4	
ed Kingdom	3	2	2	3	
	3	2	1	3	
	3	2	1	2	
	2	4	1	3	

EUROSTAT. Pilot survey data.

lot survey also included a breakdown of the er into domestic sales, exports to other EC es and exports to countries outside the EC. In mber States (Denmark, Germany, France, and the United Kingdom) computer services e subsector with the highest exports share to EC countries, cf. tabel 3.1.2. Especially ter services in Ireland (15% of the total er in computer services) and the United Kingdom (7%) showed high exports shares; altho the highest share was found in Luxembourg (2 even if computer services only ranked secon Luxembourg. Concerning exports to extra countries the pattern was different. Only in Port computer services was ranked at the first pl Extra EC exports came out with relatively shares in Denmark (9%), Ireland (9%) and Port (9%).

Table 3.1.2

Ranking of turnover in computer services broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	1	4	5	
	1	4	8	
	8	3	6	
	5	2	na	
	1	4	6	
	1	2	6	
	5	5	2	
rg	2	5	6	
rlands	2	3	5	
	4	1	5	
d Kingdom	1	5	7	
	1	4	6	

UROSTAT. Pilot survey data.

ot survey also included a breakdown of the r by type of clients, i.e. enterprises, olds and government. Computer services was erised by only minor sales to households red to the other subsectors, cf. table 3.1.2. ception was computer services in Italy which red 6% of the total turnover sold to households nking second in the Italian survey. In all other r States the computer services showed a share of turnover sold to households than in an survey.

ter services also ranked medium concerning ment as client in comparison with the other tors. But both for computer services ises in Greece (22%) and Italy (31%) ment constituted an important client. Thus in early 40% of the turnover generated in er services derived from other clients than ises.

ofessional services

bsector professional services was the most ous subsector and accounted for about 1/3 of pondent enterprises in the pilot surveys. One reason for this high number of enterprises might found in the licensing system for lawyers accountants in the Member States which implies existence of identification sources of a good updated coverage compared to many of the ot subsectors.

The subsector of professional services showed clear performance concerning the selected variab cf. tabel 3.2.1. Not surprisingly, the subsec showed a low ranking concerning turnover investments per employee and also a employment per enterprise. More surprisingly enterprises within the professional services showed relatively low labour costs per emplo which must be seen as a consequence of frequent appointment of partners amongst professional educated employees leaving a relativ high share of non academic employees or you professionals. Only the United Kingdom which dominated by a high number of larger enterpri with a relatively larger part of employees compa to partners showed a different pattern concern labour costs per employee as professional servi in the UK ranked number one.

Table 3.2.1

Professional services. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	
	6	3	4	5	
	6	6	6	6	
	7	7	8	7	
	6	6	5	3	
	5	3	3	6	
	5	6	6	4	
	5	5	5	2	
urg	6	3	2	na	
erlands	6	6	4	6	
	6	5	5	3	
ed Kingdom	4	3	1	5	
	7	5	5	5	
	5	5	5	5	
	4	2	3	2	

EUROSTAT. Pilot survey data.

urprisingly, professional services only showed t rankings for export shares. In all Member the exports shares to other EC countries were han 5% of the total turnover, except for bourg (12%) and the United Kingdom (7%), cf. .2.2.

On the other hand professional services was subsector with the highest export shares to extra countries in Denmark (18%), Luxembourg (8%) Portugal (9%).

Table 3.2.2

Ranking of turnover in professional services broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	6	1	2	
	5	2	2	
	4	6	1	
	2	4	2	
	5	2	1	
	6	6	1	
	4	4	3	
urg	3	1	2	
erlands	3	4	2	
	4	1	3	
d Kingdom	1	2	2	
	4	2	1	

UROSTAT. Pilot survey data.

sional services was characterised by being the tor which generated the highest share of er from households, cf. table 3.2.2. In 9 of 11 er States professional services was ranking second. In Greece (37%), France (21%), ny (18%) and Denmark (17%) the households uted a considerable share of the turnover.

sional services showed secondary rankings ning government as clients. Only in Spain and the United Kingdom (15%) more than 10% generated turnover derived from government nts.

arketing services

ing services is in most of the Member States terised by a large volume in turnover caused large amount of purchases coming from sement space and time sales invoiced by the ing enterprises. In Denmark, Greece, Spain, nd Portugal where marketing services ranked e turnover per employee in this subsector was en 2.5 - 5 times the national average turnover nployee in the business services sector, cf. 3.3.1.

The structure is more distorted when analyzing gr value added per employee. On the one ha marketing services is ranked one or two in Germa Greece, Spain, Ireland and Portugal; on the ot hand marketing services appear to have comparably low generation of gross value addec Denmark, France, Luxembourg and the Un Kingdom.

The marketing services in Spain and Portugal characterised by having the highest labour costs employee of all the surveyed subsectors in these countries. The 4 above mentioned Member Sta with a relatively low gross value added also show relatively low labour costs per employee below national averages in the business services sector.

Except for Greece and Italy the subsector marke services showed a number of employees enterprise below the national averages. investments per employee had a general trenc marketing services being one of the three subsect with the highest investments except for Germa France and the United Kingdom.

Table 3.3.1

Marketing services. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	
	1	6	6	3	
	2	2	4	4	
	1	1	2	2	
	1	1	1	2	
	2	5	5	5	
	3	1	3	1	
	1	3	2	3	
rg	3	6	6	na	
rlands	3	4	2	3	
	1	2	1	2	
d Kingdom	5	6	8	7	
	2	2	3	5	
	2	3	2	3	
	3	1	2	4	

JROSTAT. Pilot survey data.

; were of no major importance in marketing s, cf. table 3.3.2. The subsector showed ı ranking in most Member States. The highest shares to other EC countries were found in (6%), Ireland (12%), Luxembourg (12%) and ted Kingdom (6%). The exports to extra EC es were without significance except for Ireland nd the United Kingdom (7%).

Marketing services was - together with lab recruitment and provision of personnel - subsector with the least share of households clie In all Member States the share was less than 3%, table 3.3.2. Neither government clients were greater importance for the marketing services se compared to the other subsectors as marke services only showed secondary rankings except Spain.

Table 3.3.2

Ranking of turnover in marketing services broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	5	7	7	
	4	5	7	
	3	7	8	
	4	4	3	
	3	5	6	
	2	4	6	
	7	5	7	
urg	3	3	6	
erlands	6	7	7	
	6	7	6	
ed Kingdom	4	2	6	
	6	7	7	

EUROSTAT. Pilot survey data.

echnical services

cal services was one of the most important ctors on the total European level ranking d in all basic variables (number of enterprises, yment and turnover) analysed in section 3.1. cture changes somewhat when looking at the mic variables per employee as technical services then in most of the Member States g medium ranking, cf.table 3.4.1.

Enterprises within the technical services sho relatively high labour costs per employee as subsector ranked first or second in Denm Germany, France, Ireland, Italy and Portugal; onl Greece the labour costs per employee were low.

Table 3.4.1

Technical services. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	n
	4	2	1	6	
	5	5	2	5	
	5	5	6	5	
	3	4	3	4	
	4	4	2	4	
	6	4	2	6	
	3	2	1	6	
rg	5	5	4	na	
rlands	5	5	3	7	
	4	4	2	5	
l Kingdom	8	5	3	6	
	4	4	2	6	
	4	4	3	4	
	5	3	4	1	

JROSTAT. Pilot survey data.

al services showed a relatively high ranking ing exports to other EC countries as the or was in first or second position in 6 Member (Denmark, France, Italy, the Netherlands, l and the United Kingdom), cf. table 3.4.2. lly in Portugal (16%) and in the Netherlands the subsector was showing high exports of the total turnover.

al services was in 4 Member states (Spain, Italy and the Netherlands) the subsector g highest shares of exports to extra EC s, and the subsector was ranking second in 3 Member States (Denmark, Germany and l).

Technical services was the only subsector in Netherlands with any significant exports to extra countries (8%). But also in Denmark (17%), It (14%) and France (13%) technical services showe considerable share of exports to extra EC countri In total, technical services was the most exp oriented sector as the enterprises within techni services in Portugal received 21% of their turno from other countries, the Danish enterprises recei 20% and the Dutch enterprises 18% of their t turnover from exports. The major exception Luxembourg where technical services showed smallest exports share of the surveyed subsectors

Table 3.4.2

Ranking of turnover in technical services broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	2	2	6	
	3	1	1	
	6	4	3	
	3	1	4	
	2	1	4	
	6	6	4	
	2	1	5	
urg	5	3	1	
erlands	1	1	6	
	2	3	4	
d Kingdom	1	5	5	
	2	1	4	

UROSTAT. Pilot survey data.

cal services showed no clear pattern ning breakdown of turnover by type of clients, el 3.4.2. In Germany (19%) and Luxembourg technical services ranked first concerning olds as clients and also in Greece (28%) the olds constituted an import client group. In the Member States households were of minor nce.

other hand the pilot survey clearly showed all Member States technical services is ranked second regarding government as clients. rmore in Denmark (43%), Greece (38%) and 3%) government made up a relatively large f the total turnover in technical services.

enting and leasing services

bsector renting and leasing services is one of nor subsectors in terms of total volume of the ss services sector. The number of enterprises subsector represented about 5% of the total r of surveyed enterprises, only in the lands the subsector represent a larger share Concerning the total employment in the ss services sector the subsector renting and services represents an even minor share

The precondition for carrying out renting and leas activities is a considerable amount of capital availa in contrast to most of the other subsectors wi business services. Thus the investments employee is exceptionally high compared to the ot subsectors. The results of the pilot survey a clearly stresses the high investments share renting and leasing services is ranked in first plac all the Member states except for Ireland, cf. ta 3.5.1.

The subsector also comes in first or second pl concerning gross value added per employee in all Member States again except for Ireland. This a goes for the ratio of turnover per employee where only exception is Greece. On the other hand enterprises within the subsector bear relatively labour costs per employee and the subsector is a employing the least number of employees enterprise in the business services sector except professional services. The overall pattern w analyzing the data per Member state also show relatively low rankings, except for Greece where surveyed units were of a relatively larger size tha the other Member States.

Table 3.5.1

Renting and leasing services. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	
	2	1	5	1	
	1	1	3	1	
	3	2	3	1	
	2	2	6	1	
	1	1	4	1	
	2	3	4	2	
	2	1	3	1	
rg	1	1	5	na	
rlands	2	2	6	1	
	2	1	3	1	
d Kingdom	1	1	5	1	
	1	1	4	1	
	1	1	4	1	
	1	na	5	na	

UROSTAT. Pilot survey data.

terprises within renting and leasing services
l no clear pattern concerning exports shares,
el 3.5.2. In Italy (8%) and Portugal (27%) the
tor received a considerable higher share of
rnover from exports to other EC countries than
er subsectors, and also in Greece the exports
share was very high (27%). On the other hand
exports share in Germany, Spain and France w
less than 2%. The exports to extra EC countr
were of minor importance in most Member Sta
with Greece (8%), Ireland (9%) and Italy (4%)
exceptions.

Table 3.5.2

Ranking of turnover in renting and leasing services broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	3	4	1	
	7	6	3	
	2	2	4	
	6	6	na	
	7	8	3	
	4	2	8	
	1	2	1	
urg	na	na	2	
erlands	5	5	1	
	1	5	2	
ed Kingdom	7	8	1	
	4	6	2	

EUROSTAT. Pilot survey data.

rprisingly, households were relatively important for enterprises within renting and leasing es compared to the other subsectors as the ctor was ranking first or second in 6 Member , cf. table 3.5.2. In Denmark, Greece and the rlands households constituted about one fourth total turnover in renting and leasing services.

e other hand government was only of minor ance as a client in the Member States except and and Italy with 22% respectively 32% of the turnover generated by renting and leasing rises.

abour recruitment and provision of onnel

lot survey revealed that the subsector of labour ment and provision of personnel in general the Member States huge problems of cation of the population in question. Firstly, in ark and Italy the subsector constitutes no endent subsector and thus cannot be analysed. dly, in three Member States (Greece, bourg and Portugal) the total number of yed enterprises was less than 20. In general the ctor played the least important role concerning er of enterprises with only 1% of the total er of surveyed enterprises.

Also concerning employment the subsector lal recruitment and provision of personnel was of m importance with the exception of France where subsector is the major contributor to the employr of the business services sector (18%). France also the only Member State where the turnover sl of labour recruitment and provision af personnel of any importance.

One reason for the low coverage of this subsecto the business services sector is probably the fact in many countries provision of personnel traditionally been produced by public or semi pu bodies. As a consequence of this structure number of private enterprises in this subsecto limited.

As the total number of surveyed enterprises limited to a total of less than 3 500 the data for subsector should be interpreted with utmost cau The results of the pilot survey show only m values for the calculated ratios concerning economic data, cf. table 3.6.1, except for Ire (turnover and labour costs per employee) and Netherlands (turnover, gross value added and la costs per employee). On the other hand subsector showed the highest or the second hig number of employees per enterprise in Germa France, Luxembourg, Portugal and the Ur

Table 3.6.1

Recruitment and provision of personnel. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	
	na	na	na	na	
	7	7	7	7	
	6	4	5	7	
	5	5	4	7	
	7	7	6	8	
	1	5	1	4	
	na	na	na	na	
rg	8	7	7	na	
erlands	1	1	5	2	
	7	7	7	7	
d Kingdom	6	7	6	8	
	6	7	6	7	
	na	na	na	na	
	8	na	6	na	

UROSTAT. Pilot survey data.

recruitment and provision of personnel
a rather blurred pattern concerning exports
cf. table 3.6.2. The subsector ranked first in
(33%) and Spain (3%), but ranked last in
ny and the United Kingdom.

ubsector also showed an indistinct pattern
ning exports to extra EC countries as the
tor ranked first in Greece (38%), Ireland
(10%) and the United Kingdom (8%) but ranked
in Germany and Spain. The Greek enterpri
showed exports as the major part of the turnove
enterprises within labour recruitment and provisior
personnel. But as the number of surve
enterprises in Greece was very limited the res
shall be interpreted with the utmost caution.

Table 3.6.2

Ranking of turnover in labour recruitment and provision of personnel broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	na	na	na	
	8	6	6	
	1	1	7	
	1	6	na	
	4	6	8	
	3	1	5	
	na	na	na	
urg	na	na	6	
erlands	7	6	8	
	7	6	8	
ed Kingdom	6	1	8	
	7	5	8	

:UROSTAT. Pilot survey data

er with computer services, labour recruitment ovision of personnel is the subsector where nolds showed the least importance, cf. tabel The pattern is uniform across Member States. ame goes for government as clients where recruitment and provision of personnel also d only secondary rankings.

perational services

urprisingly, operational services was the ctor which showed the largest employment nting for about 30% of the total employment in ilot survey. Concerning the other basic es, number of enterprises and turnover, onal services was of minor importance in all er States except perhaps for the Netherlands the subsector generated a relatively high of the turnover of the total number of surveyed rises.

The enterprises within operational services showe performance of a rather uniform character as subsector in all countries showed the lowest ra concerning the economic variables as turnover, gr value added, labour costs or investments employee. Only the enterprises in operatio services in the United Kingdom showed a q different pattern with relatively high value added investments per employee, cf. table 3.7.1.

On the other hand operational services was ranke first or second place concerning the employm again with the surveyed enterprises in the Ur Kingdom as an exception. In 7 of the Mem States (Germany, Greece, Spain, Irela Luxembourg'; the Netherlands and Portugal) number of employees per enterprise was 5 - times higher in operational services than the natio average in business services. The major reason the very high number of employees in operatio services is found in the very large number of p time employees in this subsector.

Table 3.7.1

Operational services. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	
	7	7	7	7	
	8	8	8	8	
	8	8	4	6	
	8	8	8	8	
	8	8	8	7	
	8	8	8	8	
	7	7	7	7	
urg	7	7	8	na	
erlands	8	8	8	8	
	8	8	8	8	
d Kingdom	7	3	7	2	
	8	8	8	8	
	7	6	6	7	
	7	5	8	5	

EUROSTAT. Pilot survey data.

urprisingly, operational services was the ctor in which exports had the least importance, e 3.7.2. The same pattern is also found in the exports to extra EC countries where operati services only showed secondary rankings in Member States.

Table 3.7.2

Ranking of turnover in operational services broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	7	6	4	
	6	8	4	
	7	8	5	
	8	6	na	
	7	7	5	
	6	6	3	
	5	7	6	
urg	na	na	2	
erlands	8	7	4	
	8	8	7	
d Kingdom	8	5	3	
	8	8	5	

EUROSTAT, Pilot survey data

neral, households were only of minor ance as clients for enterprises within onal services, cf. table 3.7.2. The only ion is Luxembourg where operational services second regarding households as clients. On her hand operational services ranked high red to the other subsectors concerning ment as clients as only technical services d a higher ranking. In 7 Member States onal services ranked in first or second n. Furthermore, government made up a erable share of the total turnover generated in rises within operational services in the lands (47%) and Denmark (40%).

ther business services

ubsector other business services showed a heterogeneous character being the residual f business services. This is partly due to the hat the activity classes in NACE.Rev1 uting the subsector have very different es, e. g. photographic activities and secretarial anslation activities, partly due to the fact that the Member States have classified differently for subsector as for instance in the case of Denn where labour recruitment and provision of persona classified in this subsector as well.

The subsector constituted a major part of surveyed enterprises in Greece, France, Ireland, Netherlands and the United Kingdom (between 25% in these 5 countries) and also a considera share of the total employment and turnover in same countries, cf. table 3.8.1.

Not surprisingly, due to the above mentio heterogenity of this subsector the Member Sta showed no general pattern in other busin services. The EUR(11) level shows a relatively ranking for all the economic variables except investments per employee. On the other hand subsector showed very small labour costs employee; especially in the Member States Southern Europe. At the EUR(11) level only subsector operational services showed a lower of labour costs per employee.

Table 3.8.1

Other business services. Ranking of economic key variables 1990.

	Turnover per employee	Gross value added per employee	Labour costs per employee	Investments per employee	Employees per enterprise
	na	na	na	na	
	5	5	3	4	
	3	3	5	3	
	4	6	7	4	
	7	7	7	6	
	6	6	7	3	
	4	2	5	3	
	6	6	6	4	
urg	4	4	3	na	
erlands	7	7	7	4	
	5	6	6	6	
d Kingdom	2	8	4	4	
	5	6	7	4	
	6	7	7	6	
	6	na	7	na	

EUROSTAT. Pilot survey data.

ubsector other business services showed no pattern concerning exports, cf. table 3.8.2. In l, the subsector was ranked medium in most er States, but in Luxembourg the enterprises other business services ranked first with a erable share of their turnover (34%) generated xports to other EC countries.

neral, households seemed to be rather ant as clients in most of the Member States, cf. tabel 3.8.2. Especially in Spain, Portugal, Greece the Netherlands households made up relatively la shares of the turnover generated in other busin services. On the other hand the other busin services showed a medium ranking compared to other sectors regarding government as clients gro But concludingly, due to the residual character of subsector further analysis of the performance of subsector is not meaningful.

Table 3.8.2

Ranking of turnover in other business services broken down by exports and type of clients, 1990.

	Exports		Type of clients	
	Other EC countries	Extra EC	Households	Government
	na	na	na	
	3	3	3	
	2	3	5	
	5	5	2	
	6	2	1	
	5	3	2	
	5	5	2	
	3	3	4	
urg	1	2	5	
erlands	3	2	2	
	3	4	1	
d Kingdom	4	2	3	
	3	3	3	

UROSTAT. Pilot survey data.

onclusion

ollected data in the pilot survey on business s can - due to the low response rates and nces in sampling frames implying skewness in ional distribution of the surveyed enterprises - raised to the total EUR(11) level.

sults of the pilot survey are mainly found in the lological feedback reported on the Voorburg Meeting in 1993[6] and the possible statistical g of the business services sector and the 8 tors constituting the business services sector, presented in this paper, partly in the ming EUROSTAT publication "Business es in Europe".

Keeping the data quality in mind, the pilot sur data after all give a first comparible picture of basic structures of the European business servi sector with a level of detail which has not b possible to present statistically before. The ab analysis have revealed a number of uniform patte across the Member States for the variables studie

The pilot survey has also shown a number shortcomings which have to be dealt with in future co-operation within the European Unior order to reach the level where data raised to national totals can be compared and analysed wi an European context on a harmonised basis.

otnote 1.

l:

ition of business services by NACE.Rev.1

ector: Computer and related services

Hardware consultancy

Software consultancy and supply

Data processing

Data base activities

Maintenance and repair of office, accounting and computing machinery

Other computer related activities

ector: Professional services

Legal activities

Accounting, book-keeping and auditing activities; tax consultancy

Business and management consultancy activities

ector: Marketing services

Market research and public opinion polling

Advertising

ector: Technical services

Architectural and engineering activities and related technical consultancy

Technical testing and analysis

ector: Renting and leasing services

Renting of automobiles

Renting of other transport equipments

Renting of other machinery and equipments

ector: Labour recruitment and provision of personnel

Labour recruitment and provision of personnel

ector: Operational services

Investigation and security activities

Industrial cleaning

ector: Other business services

Photographic activities

Packaging activities

Secretarial and translation activities

Other business activities n.e.c.