Statistics in focus

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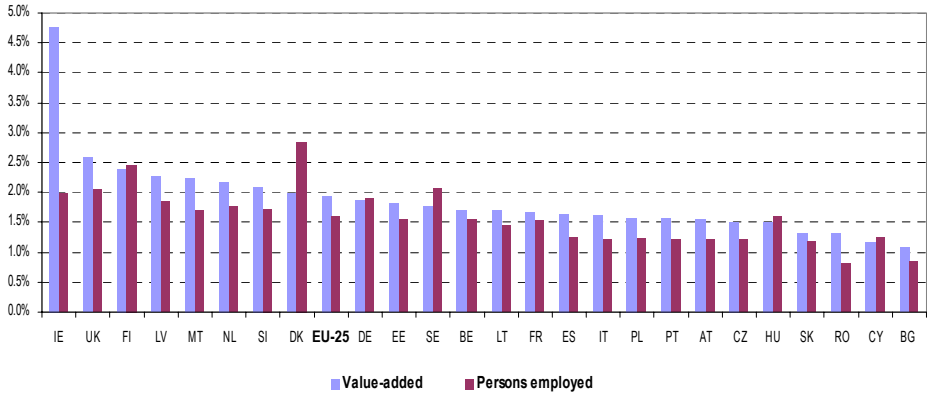
Publishing and printing activities in the EU

Overview

In 2002, the publishing and printing sector (see box below) in the EU-25 provided jobs to 1.9 million people, and generated more than EUR 92 billion in value added, according to Eurostat's Structural Business Statistics (SBS). This means that within the non-financial business economy as a whole, publishing and printing accounted for about 1.6 % of the total number employed and generated close to 2 % of total value added. This represented respectively 5.6 % and 6 % of the total manufacturing sector.

Graph 1: Importance of publishing and printing (NACE 22) in the non-financial business economy as a whole (NACE C-K, excl. J), in terms of value added and number of persons employed, 2002*



* 2001 data: BE and LV – No data available for EL and LU

Source: Eurostat (SBS)

Compared with many other sectors, there was relatively little variation in the weight of publishing and printing in Member States' economies. This is probably due to the fact that part of the sector (particularly publishing) is fragmented, with relatively independent national or regional markets, partly due to language barriers.

The exception is Ireland, where the sector accounted for 4.8 % of the value added made by the non-financial business economy, more than twice the EU-25 average. One reason for this is that Ireland is highly specialised in a small but very productive activity: the reproduction of recorded media (see Tables 1 and 2 overleaf). However, Ireland's exceptionally high values are also affected by issues such as foreign ownership, outsourcing of activities, and accounting practices of multinational enterprises.

The largest contributors to EU-25 value added were the United Kingdom with EUR 24.3 billion, or 26.3 %, followed by Germany with EUR 19 billion (20.6 % share) and France with EUR 11 billion (12 % share). Germany's publishing and printing sector employed the highest number of persons, 389 316 (20.8 % share), not far ahead of the UK with 369 560 persons (19.7% share), followed by France with 213 422 persons employed (11.4 % share).

Publishing and printing corresponds to the classification NACE Rev.1.1, Division 22: 'Publishing, printing, reproduction of recorded media' which is further broken down into 'Publishing' (221), 'Printing and service activities related to printing' (222) and 'Reproduction of recorded media' (223). With regard to 'Publishing' (221), its classes are: 'Publishing of books' (2211), 'Publishing of newspapers' (2212), 'Publishing of journals and periodicals' (2213), 'Publishing of sound recordings' (2214) and 'Other publishing' (2215).

Table 1: Importance of publishing and printing (NACE 22), in the EU-25 and the Member States, 2002

	Total EU employment	Total EU value added (in million EUR)	Main contributor to EU value added	Member State in which this sector is most important*	Member State in which this sector is least important*
Publishing (DE 221)	795 200	44 700	United Kingdom	Finland, UK	Cyprus
Printing and service activities related to printing (DE 222)	1 026 900	42 569	United Kingdom	Malta	Ireland
Reproduction of recorded media (DE 223)	43 100	4 599	Ireland	Ireland	Cyprus
Total publishing and printing (DE 22)	1 871 600	92 224	United Kingdom	Ireland	Cyprus
Non-financial business economy (C to K excl. J)	116 776 500	4 741 045			

Note: No data available for EL and LU. – * most/least important: based on share of non-financial business economy value added. Source: Eurostat (SBS)

The total turnover generated by the publishing and printing sector in the EU-25 amounted to EUR 243 billion in 2002. Once again, the United Kingdom, Germany and France contributed most with respectively EUR 53.9 billion (or a 22.2 % share of the EU-25 total), 49.4 (20.3 %) and 34.1 billion (14 %). Together these three countries accounted for 56.5 % of the total EU-25 turnover.

There were just under 200 000 enterprises in the EU-25 publishing and printing sector in 2001. In 2002, most enterprises were to be found in the United Kingdom, France and Italy with 29 840, 29 679 and 27 503 enterprises respectively.

The publishing and printing sector consists of three NACE groups. In 2002, 'publishing' generated slightly more value added than 'Printing and service activities related to printing' in the EU-25, EUR 44.7 billion and EUR 42.6 billion respectively, equalling 48.5 % and 46 % of the sector total. 'Reproduction of recorded media' was comparatively small with just EUR 4.6 billion value added, or 5 % of the sector total.

Publishing accounted for 62 % of the value added generated by the publishing and printing sector in Lithuania, 60 % in Finland and 50 % or more in another eight Member States, including the remaining Baltic and Nordic countries.

Printing accounted for 70 % of value added in Malta, 68 % in Cyprus, 65 % in Belgium, and around 50 % or over in six more Member States, including two more of the New Member States and three other southern European Member States.

Reproduction accounted for 79 % of the value added generated by the publishing and printing sector in Ireland, 12 % in Austria, over 6 % in the Czech Republic, but not more than 4 % in any of the other Member States.

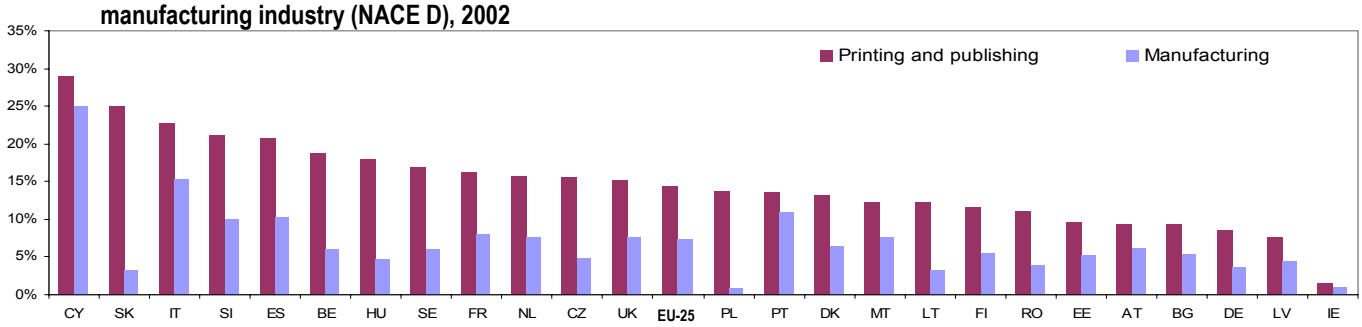
Table 2: Main indicators of the publishing and printing sector (NACE 22), 2002*

	EU-25	BE	CZ	DK	DE	EE	ES	FR	IE	IT	CY	LV	LT
Value added at factor cost - in million EUR													
Total value added in printing and publishing (DE22)	**92 224**	**2 150**	**573**	**1 872**	**19 038**	**71**	**6 088**	**11 051**	**3 272**	**8 703**	**60**	**126**	**86**
Share in total EU-25 value added		*2.3%*	*0.6%*	*2.0%*	*20.6%*	*0.1%*	*6.6%*	*12.0%*	*3.5%*	*9.4%*	*0.1%*	*0.1%*	*0.1%*
Publishing (DE 221)	*44 700*	740	252	1 042	9 382	37	2 712	5 890	329	3 680	19	63	53
Printing and service activities related to printing (DE222)	*42 569*	1 392	284	790	9 101	34	3 248	5 007	363	4 859	41	62	32
Reproduction of recorded media (DE223)	4 599	19	36	40	555	1	127	153	2 581	164	0	1	0
Turnover - in million EUR													
Total turnover in printing and publishing (DE22)	**243 049**	**6 550**	**1 882**	**4 461**	**49 416**	**192**	**15 962**	**34 142**	**10 208**	**25 601**	**132**	**210**	**249**
Share in total EU-25 turnover		*2.7%*	*0.8%*	*1.8%*	*20.3%*	*0.1%*	*6.6%*	*14.0%*	*4.2%*	*10.5%*	*0.1%*	*0.1%*	*0.1%*
Publishing (DE 221)	123 655	2 626	981	2 633	27 088	95	7 332	19 672	593	11 613	48	111	153
Printing and service activities related to printing (DE222)	104 262	3 865	805	1 722	20 976	94	8 240	13 994	837	13 378	85	96	95
Reproduction of recorded media (DE223)	14 177	59	96	106	1 352	3	390	477	8 777	610	0	3	1
Persons employed													
Total persons employed in printing and publishing (DE22)	**1 871 600**	**37 993**	**42 813**	**47 652**	**389 316**	**5 680**	**148 114**	**213 422**	**18 483**	**170 470**	**2 243**	**9 241**	**10 307**
Share in total EU-25 persons employed		*2.0%*	*2.3%*	*2.5%*	*20.8%*	*0.3%*	*7.9%*	*11.4%*	*1.0%*	*9.1%*	*0.1%*	*0.5%*	*0.6%*
Publishing (DE 221)	795 200	10 879	16 344	32 161	183 634	3 113	50 413	90 089	4 469	43 602	724	5 293	6 598
Printing and service activities related to printing (DE222)	1 026 900	26 701	24 557	14 690	196 947	2 529	94 272	119 886	8 100	124 626	1 519	3 917	3 627
Reproduction of recorded media (DE223)	43 100	414	1 912	801	8 735	38	3 429	3 447	5 915	2 242	0	31	82
Number of enterprises													
Total number of enterprises in printing and publishing (DE22)	**197 639**	**5 102**	**8 689**	**2 738**	**18 659**	**395**	**21 670**	**29 679**	**542**	**27 503**	**370**	**551**	**905**
Share in total EU-25 number of enterprises		*2.6%*	*4.4%*	*1.4%*	*9.4%*	*0.2%*	*11.0%*	*15.0%*	*0.3%*	*13.9%*	*0.2%*	*0.3%*	*0.5%*
Publishing (DE 221)	66 980	1 119	2 742	1 218	5 358	221	6 282	12 446	130	6 828	54	282	588
Printing and service activities related to printing (DE222)	125 554	3 905	5 286	1 473	12 934	168	14 445	16 766	380	20 262	316	258	291
Reproduction of recorded media (DE223)	5 106	78	661	47	367	6	943	467	32	413	0	11	26
Apparent labour productivity (value added per person employed) - in thousand EUR													
Total labour productivity in printing and publishing (DE22)	**49.3**	**56.6**	**13.4**	**39.3**	**48.9**	**12.5**	**41.1**	**51.8**	**177.0**	**51.1**	**26.7**	**13.6**	**8.3**
Publishing (DE 221)	56.2	68.0	15.4	32.4	51.1	11.9	53.8	65.4	73.5	84.4	26.4	12.0	8.1
Printing and service activities related to printing (DE222)	41.5	52.1	11.6	53.8	46.2	13.3	34.5	41.8	44.8	39.0	26.9	15.8	8.9
Reproduction of recorded media (DE223)	106.7	44.6	19.0	49.6	63.6	12.8	37.2	44.4	436.3	73.3	:	20.9	3.7

* EU-25 (number of enterprises), BE, LV, and UK (Apparent labour productivity): 2001 – EL not available – Aggregates and components are rounded Source: Eurostat (SBS)

Micro-enterprises twice as important as in manufacturing

Graph 2: Share of micro-enterprises (1-9 persons employed) in publishing and printing (based on value added), compared with manufacturing industry (NACE D), 2002



Note: EU-25, BE, CZ, IE, and PL: 2001; LV and MT: 2000 – Data not available for EL and LU. Source: Eurostat (SBS)

Small and medium-sized enterprises (1-249 persons employed) are relatively important in the publishing and printing sector. In 2001, they accounted for 61 % of the total value added generated in the EU-25, compared with 45 % in the manufacturing industry.

The difference is even more noticeable for micro-enterprises (1-9 persons employed), which on average accounted for 14 % of the value added in the EU-25 in 2001, twice the manufacturing average. The same pattern can be observed in all Member States (see Graph 2). In 2002, the share was highest in Cyprus (29 %), however, here and in, for example, Portugal and Ireland, the shares seem more to reflect national characteristics, as they did not differ much from the manufacturing average. The largest differences compared with manufacturing could be found in Poland, in which the share in printing and publishing was about 16 times as high as that in manufacturing, Slovakia (8 times), Hungary and Lithuania (almost 4 times).

There are significant differences in the size structure of the three NACE groups of the publishing and printing sector. In publishing, small enterprises (10-49 employees) and medium-sized enterprises (50-249) are particularly dominant, together accounting for 73 % of the value added generated in the EU-25 in 2001, almost twice the manufacturing average. The same proportion for micro-enterprises is only slightly higher than in manufacturing, while large enterprises (over 250 employees) accounted for a relatively small proportion of EU-25 value added.

In printing, most noteworthy is the importance of micro-enterprises, which accounted for 20 % of EU-25 value added in 2001, almost three times as high as the manufacturing average. Meanwhile, large enterprises are slightly more important than in manufacturing; small and medium-sized enterprises less important. In reproduction, large enterprises are relatively important, but as mentioned, this group is quite small and dominated by one country.

Table 2: Main indicators of the publishing and printing sector (NACE 22), 2002 (continued)

	LU	HU	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO
Value added at factor cost - in million EUR														
Total value added in printing and publishing (DE22)	:	**460**	**66**	**5 193**	**1 804**	**1 540**	**938**	**212**	**132**	**1 659**	**2 310**	**24 260**	**64**	**215**
Share in total EU-25 value added	:	*0.5%*	*0.1%*	*5.6%*	*2.0%*	*1.7%*	*1.0%*	*0.2%*	*0.1%*	*1.8%*	*2.5%*	*26.3%*	:	:
Publishing (DE 221)	:	204	20	2 806	613	838	370	91	73	999	1 239	13 136	:	87
Printing and service activities related to printing (DE222)	65	248	46	2 206	974	681	561	121	59	653	1 056	10 647	38	126
Reproduction of recorded media (DE223)	:	8	0	181	216	21	6	0	1	7	15	477	:	3
Turnover - in million EUR														
Total turnover in printing and publishing (DE22)	:	**1 866**	**129**	**13 012**	**4 418**	**4 724**	**2 330**	**706**	**455**	**4 091**	**6 971**	**53 906**	**252**	**631**
Share in total EU-25 turnover	:	*0.8%*	*0.1%*	*5.4%*	*1.8%*	*1.9%*	*1.0%*	*0.3%*	*0.2%*	*1.7%*	*2.9%*	*22.2%*	:	:
Publishing (DE 221)	:	942	32	6 823	1 893	2 371	1 068	299	232	2 531	4 011	30 288	108	293
Printing and service activities related to printing (DE222)	141	890	97	5 599	2 084	2 295	1 238	406	220	1 537	2 905	22 506	141	331
Reproduction of recorded media (DE223)	:	33	0	590	442	58	24	1	3	23	56	1 113	2	7
Persons employed														
Total persons employed in printing and publishing (DE22)	:	**42 651**	**2 061**	**85 111**	**27 935**	**92 015**	**35 012**	**10 253**	**10 612**	**30 143**	**53 808**	**369 560**	**13 756**	**31 321**
Share in total EU-25 persons employed	:	*2.3%*	*0.1%*	*4.5%*	*1.5%*	*4.9%*	*1.9%*	*0.5%*	*0.6%*	*1.6%*	*2.9%*	*19.7%*	:	:
Publishing (DE 221)	:	13 947	811	40 964	9 682	39 884	10 771	3 605	5 498	17 284	28 924	169 638	4 883	14 578
Printing and service activities related to printing (DE222)	1 174	27 851	1 245	41 852	16 788	51 084	23 977	6 624	5 056	12 691	24 381	190 796	8 686	16 266
Reproduction of recorded media (DE223)	:	853	5	2 295	1 465	1 047	264	24	58	168	503	9 126	187	477
Number of enterprises														
Total number of enterprises in printing and publishing (DE22)	**181**	**7 777**	**303**	**6 910**	**1 914**	**16 998**	**4 123**	**1 607**	**558**	**2 755**	**8 579**	**29 840**	**1 411**	**2 955**
Share in total EU-25 number of enterprises	*0.1%*	*3.9%*	*0.2%*	*3.5%*	*1.0%*	*8.6%*	*2.1%*	*0.8%*	*0.3%*	*1.4%*	*4.3%*	*15.1%*	:	:
Publishing (DE 221)	102	3 175	98	2 800	809	5 404	1 102	460	296	1 388	4 677	9 616	607	1 504
Printing and service activities related to printing (DE222)	77	4 322	201	3 915	1 088	11 416	2 987	1 133	245	1 276	3 683	18 777	786	1 330
Reproduction of recorded media (DE223)	2	280	4	195	17	178	34	14	17	91	219	1 447	18	121
Apparent labour productivity (value added per person employed) - in thousand EUR														
Total labour productivity in printing and publishing (DE22)	:	**10.8**	**32.0**	**61.0**	**64.6**	**16.7**	**26.8**	**20.7**	**12.5**	**55.0**	**42.9**	**64.9**	**4.6**	**6.9**
Publishing (DE 221)	:	14.6	25.1	68.5	63.3	21.0	34.4	25.3	13.2	57.8	42.8	76.0	:	5.9
Printing and service activities related to printing (DE222)	55.1	8.9	36.5	52.7	58.0	13.3	23.4	18.2	11.7	51.4	43.3	55.3	4.3	7.7
Reproduction of recorded media (DE223)	:	9.5	6.0	78.8	147.5	20.3	22.6	9.8	12.1	43.3	29.4	64.5	:	7

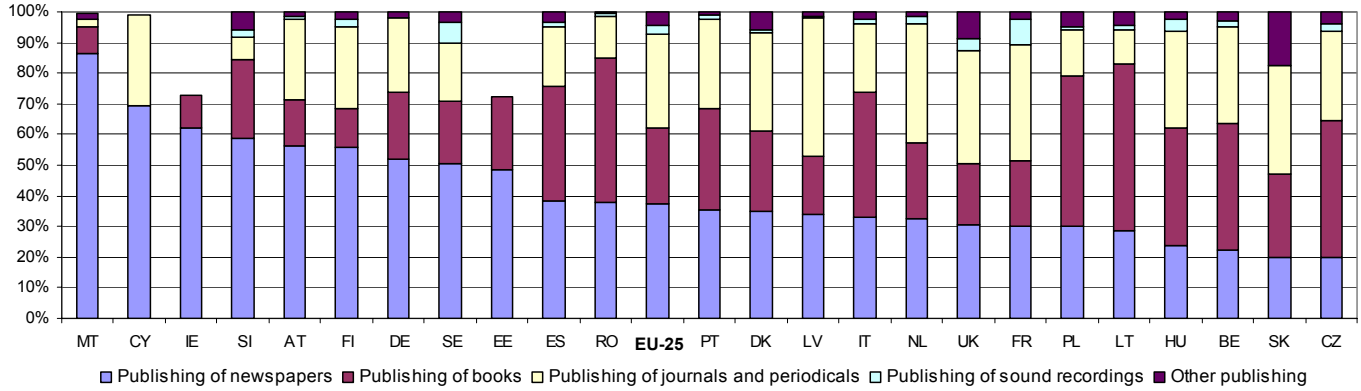
Newspapers: the largest publishing class

A public consultation on the competitiveness of the publishing industry was launched by the European Commission in September 2005. The remainder of this publication will focus on this part of the publishing and printing sector.

In the EU-25, out of the five classes which make up publishing (Graph 3), publishing of newspapers accounted for the largest share of value added in 2002 (37.6 %). Next came the publishing of journals and periodicals (30.4 %), followed by the publishing of books (24.6 %). Together these three classes accounted for over 90 % of the entire publishing sector.

The far smaller classes of 'publishing of sound recordings' and 'other publishing' represented around 3.1 % and 4.3 % respectively.

Graph 3: Breakdown of value added in publishing by NACE classes 2002, %



BE, LV, and RO: 2001 – Data not available for EL, LU and BG – CY, IE and EE: confidential data not shown

Source: Eurostat (SBS)

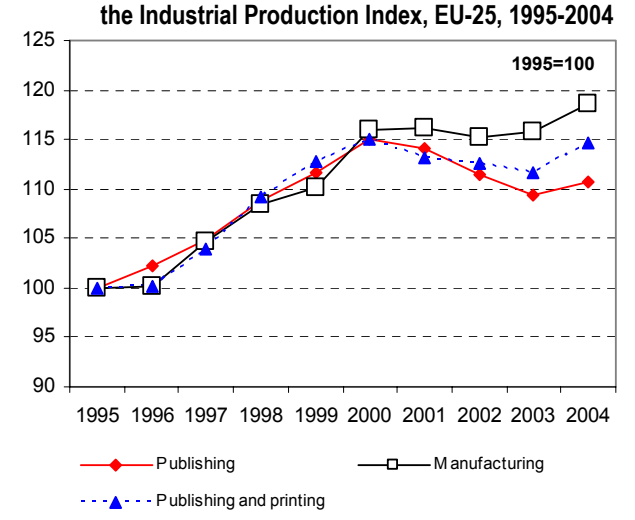
There are some clear differences in the relative specialisation across Member States. Newspapers was the largest class in terms of value added in at least 11 Member States, with the highest share in Malta (87 %) and Cyprus (70 %). By contrast, the share was lowest in Slovakia and the Czech Republic (approximately 20 % each).

Book publishing was, on the other hand, the largest class in six Member States, with the highest shares in Lithuania (54 %) and Poland (49 %), and the lowest in Malta (9 %).

Publishing of journals and periodicals was the largest class in five Member States with the highest shares in Latvia (45 %) and the lowest in Malta (2 %). The two remaining classes were of relatively minor importance in most Member States, with France recording the highest share of publishing of sound recordings (9 %), and Slovakia the highest share of 'other publishing' (17 %).

Publishing in the EU-25 hit harder by economic downturn of 2001

Graph 4: Growth of publishing and manufacturing, based on the Industrial Production Index, EU-25, 1995-2004



Source: Eurostat (STS)

According to the Industrial Production Index, publishing experienced a period of steady growth in the EU-25 very similar to the manufacturing industry total between 1995 and 2000 (Graph 4), with annual average growths of 2.8 % and 3 % respectively. However, the paths of these sectors diverged thereafter with a more severe and prolonged contraction in 'publishing' until 2004, when growth was again recorded, although at a lower rate than in manufacturing (1.1 % and 2.4 % respectively).

Printing followed a very similar path as publishing throughout the period, which is not so surprising, as these two activities are very much linked, with publishers being clients of the former. What is most noteworthy is the remarkable growth in the reproduction of recorded media, in particular between 2001 and 2004 (over 55 %). This also partly explains the diverging trends between publishing and the total publishing and printing sector after 2001.

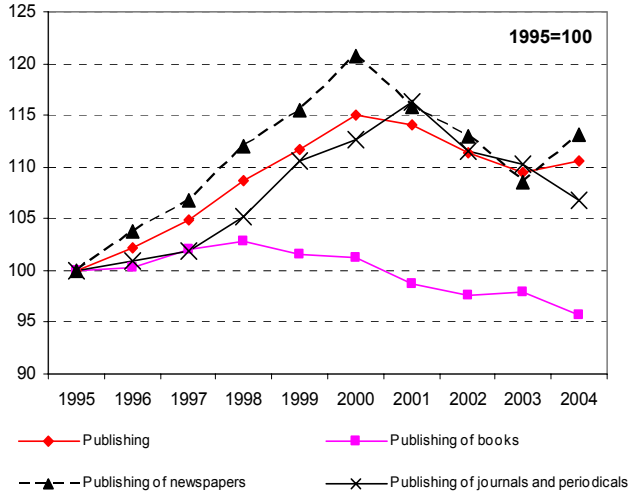
Book publishing in the EU-25 in decline since 1998

The trend in total publishing is the result of three very diverging trends for the main publishing classes, as can be seen in Graph 5. According to the industrial production index, the publishing of newspapers in the EU-25 recorded a total growth of 13.1 % between 1995 and 2004. It was the most cyclical of the classes, recording the highest average annual growth (3.8 %) until peaking in 2000, to then register the sharpest contraction (–3.5 % annual average) until 2003. Contrary to the other main classes, the downward trend was broken in 2004, when a 4.2 % growth was recorded. As can be seen, this growth in the largest of the publishing classes was just enough to offset the negative trends in the other two main classes.

Publishing of journals and periodicals recorded a growth of 6.8 % between 1995 and 2004. The trend followed that of newspapers, although the growth rates were lower and the peak came one year later in 2001. This was followed by a steady decline, with no signs of recovery in the period with data available.

There has been a different trend for book publishing. Production declined by 4.3 % between 1995 and 2004. A slow growth was recorded between 1995 and 1998, followed by a steady decline from 1998 onwards, with no signs of recovery in the period with data available.

Graph 5: Growth of publishing and its sub-activities in the EU-25, based on the Industrial Production Index, 1995-2004

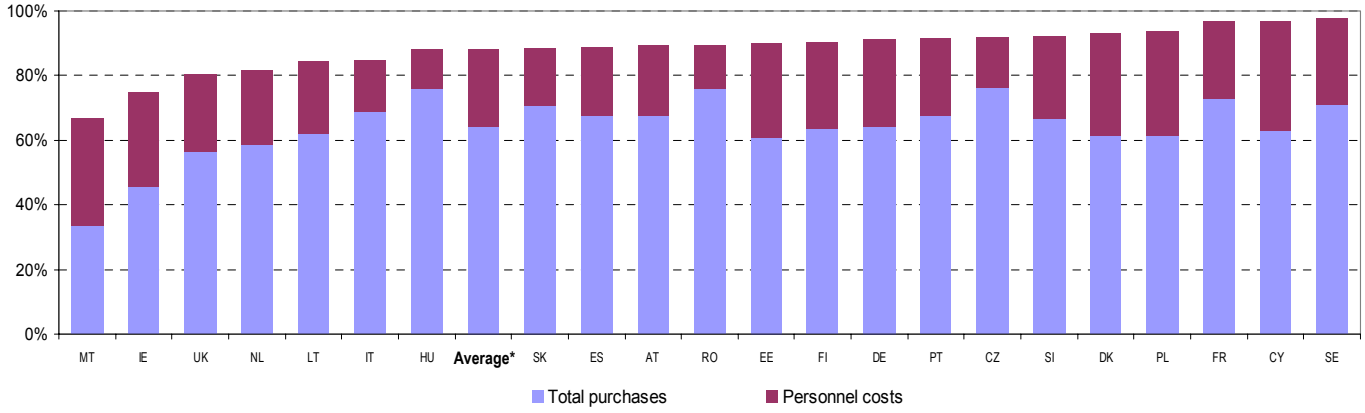


Source: Eurostat (STS)

The reasons for these changes can probably, to a large extent, be explained by changing cultural characteristics such as reading habits and technological developments such as the growing importance of the Internet with both news and publications online.

Highest labour costs and lowest profitability in newspapers

Graph 6: Total costs in publishing 2002, by main cost type, % of turnover



* Average based on 18 Member States accounting for about 97 % of EU-25 turnover

Source: Eurostat (SBS)

Graph 6 (above) shows the two main cost types publishing enterprises face, in relation to the turnover generated in 2002. Based on an average of 18 Member States, with data for all variables and classes, accounting for about 97 % of EU-25 turnover, the sum of the two main cost types equalled 88 % of turnover in publishing, lower than the same combined share of 90 % in manufacturing (for the same 18 countries).

Total purchases include payments for bought services such as printing, payments to freelance journalists but also payments for goods such as paper used for in-house printing. Total purchases, as a share of turnover, were lower in publishing compared with manufacturing, 64 % and 72 % respectively. Consequently, personnel costs (the sum of wages, salaries and social security payments) were higher in publishing than in manufacturing: 24 % compared with 18 % of turnover.

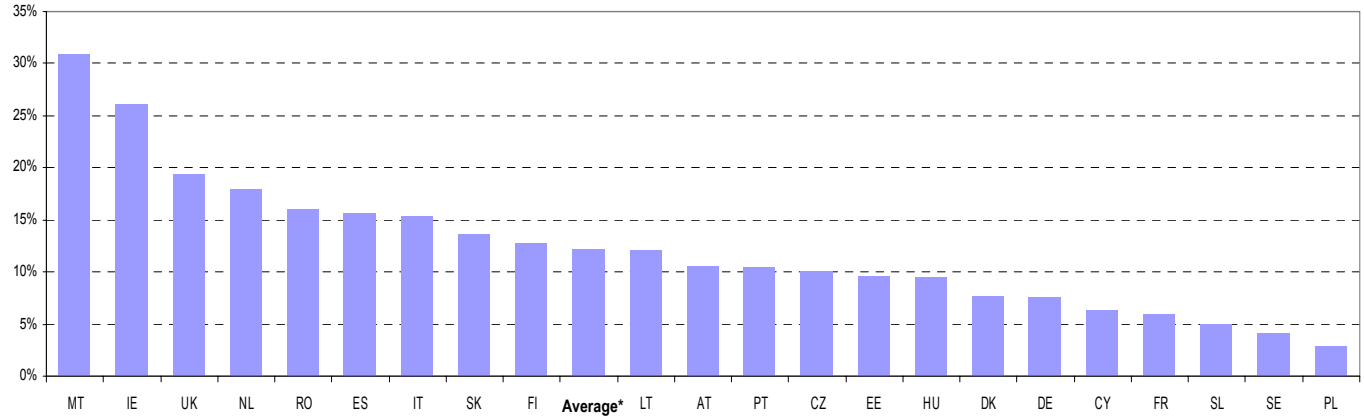
Looking at the differences in cost structure between the different classes of publishing (data not shown), what stands out clearly is the higher share of personnel costs in newspapers: 30 % of turnover on average among the Member States in 2002, 7 percentage points more than in journals and periodicals (23 %), and 10 percentage points more than in books (20 %). Consequently, the highest share of purchases was to be found in book publishing, with 67 %. Journals and periodicals followed with 65 % and finally newspapers with 60 %.

Graph 7 shows the gross operating rate (gross operating surplus as a share of turnover) which can be used as an indicator of profitability. Briefly, the gross operating surplus is the difference between the value added generated and the personnel costs, and is also approximately equal to turnover minus the sum of purchases and personnel costs (see Graph 6)[1]. Based on the same set of 18 countries, as for the two main cost types above, the gross operating rate was 12 % in publishing in 2002, compared with 8 % in manufacturing (not shown).

Although production has declined, publishing of books was the most profitable publishing class, with a gross operating rate of 13 %, closely followed by journals and periodicals (12 %) and, finally, newspapers (10 %). Looking at the Member States, by this measure, publishing was most profitable in Malta (31 %) and Ireland (26 %), and least profitable in Poland (3 %).

1. The sum of the three variables does not always equal 100% of turnover, due to the net effect of changes in stock, production of capital goods and similar.

Graph 7: Gross operating rate (gross operating surplus as a share of turnover) in publishing 2002



* Average based on 18 Member States accounting for about 97 % of EU-25 turnover

Source: Eurostat (SBS)

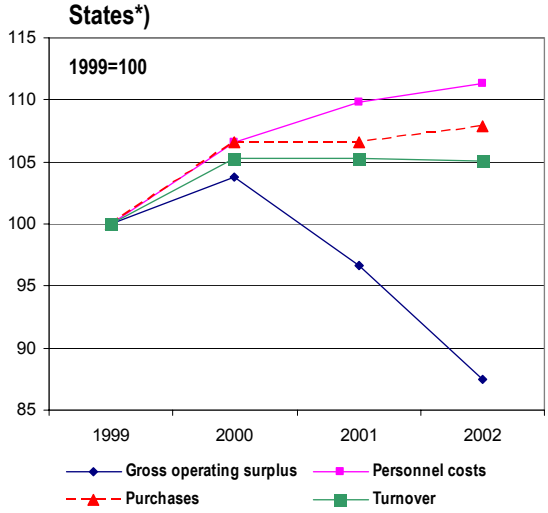
Sharply falling profits in publishing between 2000 and 2002

Graph 8 shows the evolution of the costs, turnover and the gross operating surplus in publishing between 1999 and 2002, based on 13 Member States with available data for all variables and years, accounting for about 93 % of total turnover generated in the EU-25.

As was shown in Graph 4, this period covers the growth, peak and downturn of the production in publishing. For these countries, total turnover increased by 5 % between 1999 and 2000, but growth in costs were higher, with personnel costs and purchases each rising by around 6.6 %, leading to a lower increase in profitability (3.8 % increase in the gross operating surplus).

However, between 2000 and 2002 there was a dramatic drop in profitability, with the gross operating surplus decreasing by 16 percentage points, mainly because personnel costs continued to increase steadily also after the peak in 2000 (+5 percentage points until 2002).

Graph 8: Evolution of turnover, costs and gross operating surplus, 1999-2002 (sum of available Member States*)



* Based on 13 Member States accounting for about 93 % of EU-25 turnover.

Source: Eurostat (SBS)

➢ ESSENTIAL INFORMATION – METHODOLOGICAL NOTES

DATA SOURCES

The source of all figures presented is Eurostat (unless specifically stated otherwise). Most data sources are continually updated and revised where necessary. This publication reflects the state of data availability in Eurostat's reference database as of August 2005.

Structural Business Statistics (SBS) is the main data source for this publication. Two main SBS data sets have been used: annual enterprise statistics and annual enterprise statistics broken down by size classes. These and other SBS data sets are available under theme 'Industry, trade and services' on the Eurostat website http://europa.eu.int/comm/eurostat/ (select 'Data' / 'Industry, trade and services' / 'Horizontal view' / 'Structural Business Statistics'). Further methodological information is available on 'Methods and explanatory texts: Business Methods' under the methodological area of the Eurostat website.

Short-Term Business Statistics (STS) have been used to complement SBS data with information on time series development, based on the Industrial production index. This index shows the evolution of value added at factor cost, and at constant prices.

COUNTRIES

This publication covers the European Union, including the 25 Member States (EU-25): Belgium (BE), the Czech Republic (CZ), Denmark (DK), Germany (DE), Estonia (EE), Greece (EL), Spain (ES), France (FR), Ireland (IE), Italy (IT), Cyprus (CY), Latvia (LV), Lithuania (LT), Luxembourg (LU), Hungary (HU), Malta (MT), the Netherlands (NL), Austria (AT), Poland (PL), Portugal (PT), Slovenia (SI), Slovakia (SK), Finland (FI), Sweden (SE) and the United Kingdom (UK). Also included are the Candidate Countries, EFTA and EEA countries with data available: Bulgaria (BG) and Romania (RO).

EU-25

EU-25 aggregates include estimates for missing components where necessary. In the absence of EU-25 aggregates, averages of available countries are presented where appropriate.

EXCHANGE RATES

All data are presented in ECU/EUR terms, with national currencies converted using average exchange rates prevailing for the year in question.

SYMBOLS

":" not available or confidential.

SECTORS

Statistics are presented by sectors of activity according to the NACE Rev. 1.1 system of classification. Comparisons are made with the whole non-financial business economy and/or total Manufacturing (NACE Section D). **Non-financial business economy** includes the Sections C (Mining and quarrying), D (Manufacturing), E (Electricity, gas and water supply), F (Construction), G (Wholesale and retail trade), H (Hotels and restaurants), I (Transport, storage and communication) and K (Real estate, renting and business activities). Please note that for such comparisons in this publication: IE excludes E; CY excludes K; FR contains 2001 data for G; CZ contains 2001 data for F-K.

OBSERVATION UNIT

The observation unit is the enterprise. An enterprise carries out one or more activities at one or more locations. Enterprises are classified into sectors (by NACE) according to their main activity. The enterprise should not be confused with the local unit, which is an enterprise or part thereof situated in one geographically identified place.

STRUCTURAL BUSINESS STATISTICS VARIABLES

Variables are defined according to Commission Regulation No 2700/98 and include:

Number of enterprises

The number of enterprises active during at least part of the reference period.

Number of persons employed

The total number of persons who work in the observation unit, as well as persons who work outside the unit who belong to it and are paid by it. It includes working proprietors, unpaid family workers, part-time workers, seasonal workers etc.

Value added at factor cost

The gross income from operating activities after adjusting for operating subsidies and indirect taxes (including value added tax).

Turnover

The totals invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties.

Apparent labour productivity

This is a simple indicator of productivity calculated as value added divided by persons employed.

Personnel costs

Total remuneration, in cash or in kind, payable by an employer to an employee for work carried out.

Purchases of goods and services

The value of all goods and services purchased during the accounting period for resale or consumption in the production process, excluding capital goods.

Gross operating surplus

The surplus generated by operating activities after the labour factor input has been recompensed. It can be calculated from the value added at factor cost less the personnel costs.

Degree of specialisation

Specialisation is here defined based on the share of the value added accounted for by an activity (NACE) in relation to the total non-financial business economy (NACE Sections C-K excl. J) of a country.

Further information:

Data:

EUROSTAT Website/Industry, trade and services/Industry, trade and services - horizontal view/Structural Business Statistics (Industry, Construction, Trade and Services)/Annual enterprise statistics/Annual detailed enterprise statistics on manufacturing subsections DA-DE and total manufacturing (NACE D) (part of Annex 2)

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European Statistical Data Support:

Eurostat set up with the members of the 'European statistical system' a network of support centres, which will exist in nearly all Member States as well as in some EFTA countries.

Their mission is to provide help and guidance to Internet users of European statistical data.

Contact details for this support network can be found on our Internet site: www.europa.eu.int/comm/eurostat/

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