

**Bernhard Pfitzner**

# **The IT- services-branch and the Telecom-services-branch in the European Union**

-

**Analysis and Comparison of the two branches on basis of the  
"Annual detailed enterprise statistics on services" of the  
Statistical Office of the European Communities in the year 2005**

**- Short version -**

## **Contents:**

### **Introduction**

- 1. Framework data (EU-27, EU-15, new member states / 2006)**
  - a. Population, number of persons employed
  - b. Distribution of persons employed related to the economic sectors
- 2. Comparison: Economic sections H/I/K, IT- and Telecom-services-branch (2005)**
  - a. Number of persons employed (EU-27, EU-15, new member states)
  - b. General indicators (EU-27)
- 3. IT-services-branch (EU-27, EU-15, new member states)**
  - a. General indicators (2005)
  - b. Development of the number of persons employed and of average personnel costs per person employed 2001-2005
- 4. Telecom-services-branch (EU-27, EU-15, new member states)**
  - a. General indicators (2005)
  - b. Development of the number of persons employed and of average personnel costs per person employed 2001-2005

### **Annotations**

### **Appendix**

## **Introduction**

The Statistical Office of the European Communities makes available inter alia “Annual detailed enterprise statistics on services“ on its internet-page ([ec.europa.eu/eurostat](http://ec.europa.eu/eurostat)).<sup>(1)</sup>

These statistics contain among others the following data for

- the years of 1990-2005,
- the 27 member states of the EU (as well as for: Norway, Switzerland, Albania),
- the economic branches of the “sections H–K“ (\*) of the system valid in the economic statistics of the EU, NACE Rev. 1.1<sup>(2)</sup>.

(complete list s. appendix 1):

- Number of enterprises,
- Turnover or gross premiums written,
- Personnel costs,
- Number of persons employed,
- Number of employees.

Within this framework there is information about

- the Telecom-Services in the „economic group 64.2 Telecommunications“ and
- the IT-Services in the „economic division 72 Computer and related activities“.

In the following paper the mentioned indicators will be evaluated.

In two different respects I approach things in this paper from a “naive” point of view:

- as already pointed out I equate the Telecom-services with the “economic group 64.2 Telecommunications“ and the IT-services with the “economic division 72 Computer and related activities“ without taking into account the difficult relationship between economy systematic and “real life”.
- At the same time, I take statistical data at face value (with some exceptions), without talking about the manifold problems of validity.

Unfortunately the Eurostat-data are in parts fragmentary and inconsistent. Therefore it is necessary to estimate values in particular cases – consequently there are small differences in some tables of this paper. (see explanation in appendix 2).

I would be grateful for critical hints and suggestions to this paper (please send an e-mail to: [bernhard.pfitzner@web.de](mailto:bernhard.pfitzner@web.de)).

Hannover, 14<sup>th</sup> August ‘08  
Bernhard Pfitzner

---

(\*) These are the sections

- H: Hotels and restaurants
- I: Transport, storage and communication
- J: Financial intermediation
- K: Real estate, renting and business activities

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**1. Framework data (EU-27, EU-15, new member states / 2006)** <sup>(3)</sup>

**a. Population, number of persons employed**

<b>Table 1.1</b> <b>Population, persons employed in</b> <b>the EU 2006</b>	<b>Population</b>		<b>Persons employed</b>		
	abs.	% of EU-27	abs. (in 1,000)	% of EU-27	(*)
<b>EU-27</b>	494,051,868	100.0	<b>214,229.6</b>	100.0	43.4
EU-15	390,680,608	79.1	<b>171,471.2</b>	80.0	43.9
New member states	103,371,268	20.9	<b>42,758.5</b>	20.0	41.4
(*) % of the population					
Source: Eurostat, own calculations					

In the EU-27 in 2006 there were living more than **494 mill. people**, of these

- just under 391 mill. (79.1 %) in the „old“ EU-15,
- more than 103 mill. (20.9 %) in the new member states.

Of these more than 494 mill. people more than **214 mill.** were counted as **persons employed**, of these again

- **more than 171 mill.** in the **EU-15** (80.0 %, a bit more than the proportion of the population) and
- **just under 43 mill.** in the **new member states** (20.0 %, a bit less than the proportion of the population).

The relation of persons employed to the whole population was

- in the EU-27: 43.4 %,
- in the EU-15: 43.9 % and
- in the new member states: 41.4 %.

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**b. Distribution of persons employed related to the economic sectors**

Table 1.2 Persons employed in the EU 2006	All branches		Agriculture, hunting, forestry and fishing			Industry			Services altogether		
	abs. (*)	(**)	abs. (*)	(***)	(**)	abs. (*)	(***)	(**)	abs. (*)	(***)	(**)
EU-27	<b>214,229.6</b>	100.0	12,578.3	5.9	100.0	58,998.3	27.5	100.0	<b>142,168.5</b>	66.4	100.0
EU-15	<b>171,471.2</b>	80.0	6,258.7	3.7	49.8	45,189.0	26.4	76.6	<b>119,552.0</b>	69.7	84.1
New member states	<b>42,758.5</b>	20.0	6,319.6	14.8	50.2	13,809.4	32.3	23.4	<b>22,616.5</b>	52.9	15.9
(*) in 1,000 (**) % of EU-27 (***) % of all branches Source: Eurostat, own calculations											

Of the more than **214 mill.** persons employed in the **EU-27** there were

- more than 12.5 mill. (5.9 %) employed in the agriculture, hunting, forestry and fishing (“primary sector”),
- just under 59 mill. (27.5 %) in the industry (incl. mining, “secondary sector”) as well as
- **more than 142 mill.** (66.4 %) in the **services- (“tertiary”) sector.**

Of the more than **171 mill.** persons employed in the **EU-15** there were

- more than 6 mill. employed in the agriculture, hunting, forestry and fishing (3.7 %, below average of EU-27),
- just under 45 mill. in the Industry (26.4 %, below average) as well as
- **more than 119.5 mill. in the services-Sector** (69,7 %, above average).

Of the **just under 43 mill.** persons employed in the **new member states** there were

- more than 6 mill. employed in the agriculture, hunting, forestry and fishing (14.8 %, more than twice of the average),
- just under 14 mill. in the industry (32.3 %, above average) as well as
- **just under 23 mill. in the services-Sector** (52.9 %, below average).

Accordingly the persons employed are distributed between the EU-15 and the new member states

- generally in the relation 80 % : 20 %,
- in the primary sector in the relation 49.8 % : 50.2 %,
- in the secondary sector in the relation 76.6 % : 23.4 %,
- in the tertiary sector in the relation 84.1 % : 15.9 %.

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**2. Comparison: Economic sections H/I/K, IT- and Telecom-services-branch (2005)**

**a. Number of persons employed (EU-27, EU-15, new member states)**

(For explanation for the comparison with the economic sections H, I and K compare annotation (4))

Table 2.1 Persons employed in the EU 2005/2006	Services altogether		H/I/K			IT-Services			Telecom-Services		
	abs. (2006)	(**)	abs. (2005) <sup>(*)</sup>	(***)	(**)	abs. (2005) <sup>(*)</sup>	(***)	(**)	abs. (2005) <sup>(*)</sup>	(***)	(**)
EU-27	142,168,500	100.0	45,182,974	31.8	100.0	<b>2,682,831</b>	1.9	100.0	<b>1,245,730</b>	0.9	100.0
EU-15	119,552,000	84.1	39,146,335	32.7	89.5	<b>2,400,026</b>	2.0	89.5	<b>994,366</b>	0.8	79.8
New member states	22,616,500	15.9	6,036,639	26.7	10.5	<b>282,805</b>	1.3	10.5	<b>251,364</b>	1.1	20.2

(\*) because of the incompleteness of the information for some countries partly use of older data, partly estimated; therefore partly different from Table 2.2, 3.4 and 4.4

(\*\*) % of EU-27

(\*\*\*) % of services altogether

Source: Eurostat, own calculations

Of the more than 142 mill. persons employed in the services-sector in the **EU-27** there are

- more than 45 mill. (31.8 %) employed in the economic sections H, I and K,
- **more than 2.6 mill.** (1.9 %) in the **IT-services-branch** and
- **more than 1.2 mill.** (0.9 %) in the **Telecom-services-branch**.

Of the more than 119.5 mill. persons employed in the services-sector in the **EU-15** there are

- more than 39 mill. employed in the economic sections H, I and K (32.7 %, above average of EU-27),
- **more than 2.4 mill. in the IT-services-branch** (2.0 %, above average of EU-27) and
- **just under 1 mill. in the Telecom-services-branch** (0.8 %, below average of EU-27).

Of the more than 22.6 mill. persons employed in the services-sector in the **new member states** there are

- more than 6 mill. employed in the economic sections H, I and K (26.7 %, below average of EU-27),
- **just under 0.3 mill. in the IT-services-branch** (1.3 %, below average of EU-27) and
- **more than 0.25 mill. in the Telecom-services-branch** (1.1 %, above average of EU-27).

Accordingly the persons employed are distributed between the EU-15 and the new member states

- in the economic sections H/I/K in the relation 89.5 % : 10.5 %,
- in the IT-services-branch in the relation 89.5 % : 10.5 % and
- in the Telecom-services-branch in the relation 79.8 % : 20.2 %.

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**b. General indicators (EU-27)**

<b>Table 2.2</b> <b>General indicators 2005</b>	<b>Sum H/I/K</b>	<b>IT-Services</b>		<b>Telecom-Services</b>		<b>Relation</b>
		abs.	(**)	abs.	(**)	
Number of enterprises	8,223,127	<b>520,000</b>	6.3	<b>29,000</b>	0.4	17.9:1
Turnover (*)	4,353,778.2	<b>340,000</b>	7.8	<b>421,219</b>	9.7	1:1.2
Personnel costs (*)	1,072,452.7	<b>110,000</b>	10.3	<b>60,340</b>	5.6	1.8:1
Number of persons employed	45,169,100	<b>2,700,000</b>	6.0	<b>1,193,500</b>	2.6	2.3:1
Number of employees	38,069,000	<b>2,300,000</b>	6.0	<b>1,171,200</b>	3.1	2.0:1
(*) in Mill. € (**) % of sum H/I/K Source: Eurostat, own calculations						

In the economic sections H, I and K there existed in the EU-27 2005 more than 8.2 mill. **enterprises**, of these

- **520,000** (6.3 %) in the **IT-services-branch** and
- **29,000** (0.4 %) in the **Telecom-services-branch**.

The **turnover** amounted to

- in the economic sections H, I and K just under 4,354 bn €
- in the **IT-services-branch 340 bn €** (7.8 % of the sum H/I/K),
- in the **Telecom-services-branch more than 421 bn €** (9.7 % of the sum H/I/K).

The **personnel costs** amounted to

- in the economic sections H, I and K more than 1,072 bn €
- in the **IT-services-branch 110 bn €** (10.3 % of the sum H/I/K),
- in the **Telecom-services-branch more than 60 bn €** (5.6 % of the sum H/I/K).

The **number of persons employed** amounted to

- in the economic sections H, I and K more than 45 Mill.,
- in the **IT-services-branch 2.7 mill.** (6.0 % of the sum H/I/K),
- in the **Telecom-services-branch just under 1.2 mill.** (2.6 % of the sum H/I/K).

The **number of employees** amounted to

- in the economic sections H, I and K more than 38 Mill.,
- in the **IT-services-branch 2.3 mill.** (6.0 % of the sum H/I/K),
- in the **Telecom-services-branch just under 1.2 mill.** (3.1 % of the sum H/I/K).

The **relation between the IT- and the Telecom-services-branch** amounted to

- for the **number of enterprises 17.9:1**,
- for the **turnover 1:1.2**,
- for the **personnel costs 1.8:1**,
- for the **number of persons employed 2.3:1**,
- for the **number of employees 2.0:1**.

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

<b>Table 2.3</b> Average values per enterprise	Sum H/I/K	IT-Services		Telecom-Services		Relation
		abs.	(**)	abs.	(**)	
Turnover (*)	529,455.3	<b>653,846.2</b>	123.5	<b>14,524,793.1</b>	2,743.3	1:22.2
Personnel costs (*)	130,419.1	<b>211,538.5</b>	162.2	<b>2,080,689.7</b>	1,595.4	1:9.8
Number of persons employed	5.5	<b>5.2</b>	94.5	<b>41.2</b>	749.2	1:7.9
Number of employees	4.6	<b>4.4</b>	95.5	<b>40.4</b>	872.4	1:9.1
(*) in € (**) % of average H/I/K Source: Eurostat, own calculations						

The **average turnover per enterprise** amounted to

- in the economic sections H, I and K more than 529,000 €
- in the **IT-services-branch just under 654,000 €** (123.5 % of the average H/I/K),
- in the **Telecom-services-branch just under 14,525,000 €** (2,743.3 % of the average H/I/K).

The **average personnel costs per enterprise** amounted to

- in the economic sections H, I and K more than 130 bn €
- in the **IT-services-branch just under 212,000 €** (162.2 % of the average H/I/K),
- in the **Telecom-services-branch just under 2,081,000 €** (1,595.4 % of the average H/I/K).

The **average number of persons employed per enterprise** amounted to

- in the economic sections H, I and K 5.5,
- in the **IT-services-branch 5.2** (94.5 % of the average H/I/K),
- in the **Telecom-services-branch 41.2** (749.2 % of the average H/I/K).

The **average number of employees per enterprise** amounted to

- in the economic sections H, I and K 4.6,
- in the **IT-services-branch 4.4** (95.5 % of the average H/I/K),
- in the **Telecom-services-branch 40.4** (872.4 % of the average H/I/K).

The **relation between IT- and Telecom-services-branch** amounted to for the average values per enterprise

- for the **turnover 1:22.2**,
- for the **personnel costs 1:9.8**,
- for the **number of persons employed 1:7.9**,
- for the **number of employees 1:9.1**.

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

Table 2.4 Average values per employee	Sum H/I/K	IT-Services		Telecom-Services		Relation
		abs.	(**)	abs.	(**)	
Turnover (*)	114,365.4	147,826.1	129.3	359,647.4	314.5	1:2.4
Personnel costs (*)	28,171.3	47,826.1	169.8	51,519.8	182.9	1:1.1
(*) in € (**) % of average H/I/K Source: Eurostat, own calculations						

The **average turnover per employee** amounted to

- in the economic sections H, I and K more than 114,000 €
- in the **IT-services-branch just under 148,000 €** (129.3 % of the average H/I/K),
- in the **Telecom-services-branch just under 340,000 €** (314.5 % of the average H/I/K).

The **average personnel costs per employee** amounted to

- in the economic sections H, I and K more than 28,000 €
- in the **IT-services-branch just under 48,000 €** (169.8 % of the average H/I/K),
- in the **Telecom-services-branch more than 51,500 €** (182.9 % of the average H/I/K).

The **relation between IT- and Telecom-services-branch** for the average values per employee amounted to

- for the **turnover 1:2.4**,
- for the **personnel costs 1:1.1**.

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**3. IT-Services-Branch (EU-27, EU-15, new member states)**

**a. General indicators (2005)**

In this subchapter indicators for the IT-services-branch will be interpreted in the same way as in subchapter 2.b. (that means tables with indicators as well as with average values per enterprise and per person employed). The values for the EU-27 will be confronted with those for the EU-15 and the new member states. In subchapter 4.a. I will deal with Telecom-services-branch in the same way.

Table 3.1 General indicators 2005 <sup>(*)</sup>	EU-27	EU-15		New member states	
		abs.	(***)	abs.	(***)
Number of enterprises	525,046	<b>429,117</b>	81.7	<b>95,929</b>	18.3
Turnover <sup>(**)</sup>	334,383.1	<b>321,372.0</b>	96.1	<b>13,011.1</b>	3.9
Personnel costs <sup>(**)</sup>	114,437.0	<b>111,665.9</b>	97.6	<b>2,771.1</b>	2.4
Number of persons employed	2,682,831	<b>2,400,026</b>	89.5	<b>282,805</b>	10.5
Number of employees	2,323,255	<b>2,111,716</b>	90.9	<b>211,539</b>	9.1

(\*) because of the incompleteness of the information for some countries partly use of older data, partly estimated; therefore partly different from Table 2.2 and 3.4  
(\*\*) in mill. €  
(\*\*\*) % of EU-27  
Source: Eurostat, own calculations

Of the more than 525,000 **enterprises** in the EU-27

- **more than 429,000** (81.7 %) are based in the **EU-15**,
- **just under 96,000** (18.3 %) in the **new member states**.

The **turnover** amounted to

- in the EU-27 more than 334 bn €
- in the **EU-15 more than 321 bn €** (96.1 % of EU-27),
- in the **new member states more than 13 bn €** (3.9 % of EU-27).

The **personnel costs** amounted to

- in the EU-27 more than 114 bn €
- in the **EU-15 just under 112 bn €** (97.6 % of EU-27),
- in the **new member states just under 3 bn €** (2.4 % of EU-27).

The **number of persons employed** amounted to

- in the EU-27 just under 2.7 Mill.,
- in the **EU-15 more than 2.4 mill.** (89.5 % of EU-27),
- in the **new member states just under 0.3 mill.** (10.5 % of EU-27).

The **Number of employees** amounted to

- in the EU-27 more than 2.3 Mill.,
- in the **EU-15 more than 2.1 mill.** (90.9 % of EU-27),
- in the **new member states more than 0.2 mill.** (9.1 % of EU-27).

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

Table 3.2 Average values per Enterprise	EU-27	EU-15		New member states	
		abs.	(**)	abs.	(**)
Turnover <sup>(*)</sup>	636,864.4	<b>748,914.6</b>	117.6	<b>135,632.6</b>	21.3
Personnel costs <sup>(*)</sup>	217,956.1	<b>260,222.5</b>	119.4	<b>28,887.0</b>	13.3
Number of persons employed	5.1	<b>5.6</b>	109.5	<b>2.9</b>	57.7
Number of employees	4.4	<b>4.9</b>	111.2	<b>2.2</b>	49.8
(*) in € (**) % of average EU-27 Source: Eurostat, own calculations					

The **average turnover per enterprise** amounted to

- in the EU-27 just under 637,000 €
- in the **EU-15 just under 749,000 €** (117.6 % of the average EU-27),
- in the **new member states just under 136,000 €** (21.3 % of the average EU-27).

The **average personnel costs per enterprise** amounted to

- in the EU-27 just under 218,000 €
- in the **EU-15 more than 260,000 €** (119.4 % of the average EU-27),
- in the **new member states just under 29,000 €** (13.3 % of the average EU-27).

The **average number of persons employed per enterprise** amounted to

- in the EU-27 5.1,
- in the **EU-15 5.6** (109.5 % of the average EU-27),
- in the **new member states just under 2.9** (57.7 % of the average EU-27).

The **average number of employees per enterprise** amounted to

- in the EU-27 4.4,
- in the **EU-15 4.9** (111.2 % of the average EU-27),
- in the **new member states just under 2.2** (49.8 % of the average EU-27).

Table 3.3 Average values per employee	EU-27	EU-15		New member states	
		abs.	(**)	abs.	(**)
Turnover <sup>(*)</sup>	143,928.7	<b>152,185.2</b>	105.7	<b>61,506.9</b>	42.7
Personnel costs <sup>(*)</sup>	49,257.2	<b>52,879.2</b>	107.4	<b>13,099.7</b>	26.6
(*) in € (**) % of average EU-27 Source: Eurostat, own calculations					

The **average turnover per employee** amounted to

- in the EU-27 just under 144,000, €
- in the **EU-15 more than 152,000 €** (105.7 % of the average EU-27),
- in the **new member states more than 61,500 €** (42.7 % of the average EU-27).

The **average personnel costs per employee** amounted to

- in the EU-27 more than 49,000 €
- in the **EU-15 just under 53,000 €** (107.4 % of the average EU-27),
- in the **new member states more than 13,000 €** (26.6 % of the average EU-27).

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**b. Development of the number of persons employed and of average personnel costs per person employed 2001-2005**

Table 3.4 Number of persons employed 2001-2005 (*)	2001		2003		2005		Difference 2001/2005	
	abs.	(**)	abs.	(**)	abs.	(**)	abs.	in %
<b>EU-27</b>	<b>2,495,064</b>	100.0	2,515,396	100.0	<b>2,688,942</b>	100.0	<b>193,879</b>	<b>7.8</b>
EU-15	<b>2,285,536</b>	91.6	2,275,990	90.5	<b>2,404,422</b>	89.4	<b>118,886</b>	<b>5.2</b>
New member states	<b>209,528</b>	8.4	239,406	9.5	<b>284,520</b>	10.6	<b>74,992</b>	<b>35.8</b>

(\*) because of the incompleteness of the information for some countries partly estimated; therefore partly different from Table 2.1, 2.2 and 3.1  
(\*\*) % of EU-27  
Source: Eurostat, own calculations

The number of persons employed increased from 2001 to 2005

- in the **EU-27** from **just under 2.5 mill. about just under 194,000 (7.8 %)** to **just under 2.7 Mill.**,
- in the **EU-15** from **just under 2.3 mill.** (91.6 % of EU-27) about **just under 119,000 (5.2 %)** to more than **2.4 mill.** (89.4 % of EU-27),
- in the **new member states** from more than **0.2 mill.** (8.4 % of EU-27) about **just under 75,000 (35.8 %)** to **just under 0.3 mill.** (10.6 % of EU-27).

Table 3.5 Average personnel costs per employee 2001-2005 (*)	2001		2003		2005		Difference 2001/2005	
	abs.	(**)	abs.	(**)	abs.	(**)	abs.	in %
<b>EU-27</b>	<b>43.6</b>	100.0	46.1	100.0	<b>47.2</b>	100.0	<b>3.6</b>	<b>8.2</b>
EU-15	<b>47.1</b>	107.9	49.7	107.8	<b>50.7</b>	107.4	<b>3.6</b>	<b>7.7</b>
New member states	<b>12.6</b>	29.0	13.6	29.5	<b>15.6</b>	33.1	<b>3.0</b>	<b>23.6</b>

(\*) because of the incompleteness of the information for some countries partly estimated  
(\*\*) % of average EU-27  
Source: Eurostat, own calculations

The average personnel costs per employee increased from 2001 to 2005

- in the **EU-27** from **just under 44,000 €** about **3,600 (8.2 %)** to more than **47,000 €**
- in the **EU-15** from more than **47,000 €** (107.9 % of the average in the EU-27) about **3,600 € (7.7 %)** to **just under 51,000 €** (107.4 % of the average in the EU-27),
- in the **new member states** from **just under 13,000 €** (29.0 % of the average in the EU-27) about **3,000 € (23.6 %)** to **just under 16,000 €** (33.1 % of the average in the EU-27).

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**4. Telecom-services-branch (EU-27, EU-15, new member states)**

**a. General indicators (2005)**

In this subchapter indicators for the Telecom-services-branch will be interpreted in the same way as in subchapter 2.b. (that means tables with indicators as well as with average values per enterprise and per person employed). The values for the EU-27 will be confronted with those for the EU-15 and the new member states. In subchapter 3.a. I dealt with IT-services-branch in the same way.

Table 4.1 General indicators 2005 <sup>(*)</sup>	EU-27	EU-15		New member states	
		abs.	(***)	abs.	(***)
Number of enterprises	28,184	<b>18,237</b>	64.7	<b>9,947</b>	35.3
Turnover <sup>(**)</sup>	402,220.2	<b>372,760.2</b>	92.7	<b>29,459.9</b>	7.3
Personnel costs <sup>(**)</sup>	59,052.1	<b>55,362.7</b>	93.8	<b>3,689.4</b>	6.2
Number of persons employed	1,245,730	<b>994,366</b>	79.8	<b>251,364</b>	20.2
Number of employees	1,212,679	<b>979,555</b>	80.8	<b>233,124</b>	19.2
(*) because of the incompleteness of the information for some countries partly use of older data, partly estimated; therefore partly different from Table 2.2 and 4.4 (**) in mill. € (***) % of EU-27 Source: Eurostat, own calculations					

Of the more than 28,000 **enterprises** in the EU-27 haben

- **more than 18,000** (64.7 %) ihren Sitz in the **EU-15**,
- **just under 10,000** (35.3 %) in the new member states.

The **turnover** amounted to

- in the EU-27 more than 402 bn €
- in the **EU-15 just under 373 bn €** (92.7 % of EU-27),
- in the **new member states just under 29.5 bn €** (7.3 % of EU-27).

The **personnel costs** amounted to

- in the EU-27 more than 59 bn €
- in the **EU-15 more than 55 bn €** (93.8 % of EU-27),
- in the **new member states just under 3.7 bn €** (6.2 % of EU-27).

The **number of persons employed** amounted to

- in the EU-27 more than 1.2 Mill.,
- in the **EU-15 just under 1 mill.** (79.8 % of EU-27),
- in the **new member states more than 0.25 mill.** (20.2 % of EU-27).

The **Number of employees** amounted to

- in the EU-27 more than 1.2 Mill.,
- in the **EU-15 just under 1 mill.** (80.8 % of EU-27),
- in the **new member states more than 0.2 mill.** (19.2 % of EU-27).

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

Table 4.2 Average values per Enterprise	EU-27	EU-15		New member states	
		abs.	(**)	abs.	(**)
Turnover <sup>(*)</sup>	14,271,224.8	<b>20,439,776.3</b>	143.2	<b>2,961,686.9</b>	20.8
Personnel costs <sup>(*)</sup>	2,095,234.9	<b>3,035,735.0</b>	144.9	<b>370,905.8</b>	17.7
Number of persons employed	44.2	<b>54.5</b>	123.4	<b>25.3</b>	57.2
Number of employees	43.0	<b>53.7</b>	124.8	<b>23.4</b>	54.5
(*) in € (**) % of average EU-27 Source: Eurostat, own calculations					

The **average turnover per enterprise** amounted to

- in the EU-27 more than 14,271,000 €
- in the **EU-15 just under 20,440,000 €** (143.2 % of the average EU-27),
- in the **new member states just under 2,962,000 €** (20.8 % of the average EU-27).

The **average personnel costs per enterprise** amounted to

- in the EU-27 more than 2,095,000 €
- in the **EU-15 more than 3,035,000 €** (144.9 % of the average EU-27),
- in the **new member states just under 371,000 €** (17.7 % of the average EU-27).

The **average number of persons employed per enterprise** amounted to

- in the EU-27 44.2,
- in the **EU-15 54.5** (123.4 % of the average EU-27),
- in the **new member states just under 25.3** (57.2 % of the average EU-27).

The **average number of employees per enterprise** amounted to

- in the EU-27 43.0,
- in the **EU-15 53.7** (124.8 % of the average EU-27),
- in the **new member states just under 23.4** (54.5 % of the average EU-27).

Table 4.3 Average values per employee	EU-27 <sup>(***)</sup>	EU-15		New member states	
		abs.	(**)	abs.	(**)
Turnover <sup>(*)</sup>	331,679.0	<b>380,540.3</b>	114.7	<b>126,370.1</b>	38.1
Personnel costs <sup>(*)</sup>	48,695.6	<b>56,518.2</b>	116.1	<b>15,825.9</b>	32.5
(*) in € (**) % of average EU-27 Source: Eurostat, own calculations					

The **average turnover per employee** amounted to

- in the EU-27 just under 332,000, €
- in the **EU-15 more than 380,500 €** (114.7 % of the average EU-27),
- in the **new member states more than 126,000 €** (38.1 % of the average EU-27).

The **average personnel costs per employee** amounted to

- in the EU-27 just under 49,000 €
- in the **EU-15 more than 56,500 €** (116.1 % of the average EU-27),
- in the **new member states just under 16,000 €** (32.5 % of the average EU-27).

**The IT- and the Telecom-services-branch in the EU – 2005**  
**- Short Version -**

**b. Development of the number of persons employed and of average personnel costs per person employed 2001-2005**

Table 4.4 Number of persons employed 2001-2005	2001		2003		2005		Difference 2001/2005	
	abs.	(**)	abs.	(**)	abs.	(**)	abs.	in %
EU-27	<b>1,089,336</b>	100.0	1,023,435	100.0	<b>997,817</b>	100.0	<b>-91,519</b>	<b>-8.4</b>
EU-15	<b>941,966</b>	86.5	886,896	86.7	<b>872,286</b>	87.4	<b>-69,680</b>	<b>-7.4</b>
New member states	<b>147,370</b>	13.5	136,539	13.3	<b>125,531</b>	12.6	<b>-21,839</b>	<b>-14.8</b>

(\*) because of the incompleteness of the information for some countries partly estimated; therefore partly different from Table 2.1, 2.2 and 4.1  
(\*\*) % of EU-27  
Source: Eurostat, own calculations

The number of persons employed decreased from 2001 to 2005

- in the **EU-27** from **just under 1.1 mill. about more than 91,500 (-8.4 %)** to **just under 1 Mill.**,
- in the **EU-15** from more than **0.9 mill.** (86.5 % of EU-27) about **just under 70,000 (-7.4 %)** to **just under 0.9 mill.** (87.4 % of EU-27),
- in the **new member states** from **just under 0.15 mill.** (13.5 % of EU-27) about **just under 22,000 (-14.8 %)** to **just under 0.13 mill.** (12.6 % of EU-27).

Table 4.5 Average personnel costs per employee 2001-2005 (*)	2001		2003		2005		Difference 2001/2005	
	abs.	(**)	abs.	(**)	abs.	(**)	abs.	in %
EU-27	<b>44.7</b>	100.0	49.3	100.0	<b>52.5</b>	100.0	<b>7.7</b>	<b>17.2</b>
EU-15	<b>50.3</b>	112.4	55.2	112.0	<b>58.0</b>	110.6	<b>7.7</b>	<b>15.4</b>
New member states	<b>9.3</b>	20.8	10.7	21.8	<b>13.7</b>	26.1	<b>4.4</b>	<b>46.7</b>

(\*) because of the incompleteness of the information for some countries partly estimated  
(\*\*) % of EU-27  
Source: Eurostat, own calculations

The average personnel costs per employee increased from 2001 to 2005

- in the **EU-27** from **just under 45,000 €** about **7,700 (17.2 %)** to **52,500 €**
- in the **EU-15** from more than **50,000 €** (112.4 % of the average in the EU-27) about **7,700 € (15.4 %)** to **58,000 €** (110.6 % of the average in the EU-27),
- in the **new member states** from more than **9,000 €** (20.8 % of the average in the EU-27) about **4,400 € (46.7 %)** to **just under 14,000 €** (26.1 % of the average in the EU-27).

## **Annotations**

- (1) This statistic is to be found on the Eurostat-server in the area „Industry, trade and services“ – „Data“ – „Industry, trade and services – horizontal view“ – „Structural Business Statistics (Industry, Construction, Trade and Services)“ – „Annual enterprise statistics“.
- (2) NACE: “Statistical classifications of economic activities within the European Community“ (“Nomenclature statistique des activités économiques dans la Communauté européenne”)  
s. : Council regulation (EEC) No 3037/90 of 9 October 1990 on the statistical classification of economic activities in the European Community  
(<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:1990R3037:20080101:EN:PDF>)

### Section H Hotels and restaurants

55 Hotels and restaurants

### Section I Transport, storage and communication

- 60 Land transport; transport via pipelines
- 61 Water transport
- 62 Air transport
- 63 Supporting and auxiliary transport activities; activities of travel agencies
- 64 Post and telecommunications

### Section J Financial intermediation

- 65 Financial intermediation, except insurance and pension funding
- 66 Insurance and pension funding, except compulsory social security
- 67 Activities auxiliary to financial intermediation

### Section K Real estate, renting and business activities

- 70 Real estate activities
- 71 Renting of machinery and equipment without operator and of personal and household goods
- 72 Computer and related activities
- 73 Research and development
- 74 Other business activities

- (3) For this chapter compare the following statistics on the Eurostat-server:
  - „Average population by sex and five-year age groups“  
(on the Eurostat-server in the area „Population and social conditions“ – „Data“ – „Population“ – „Demography“ – „Demography – National Data“ – „Population“)  
as well as
  - „Employment by sex, age groups and economic activity“  
(on the Eurostat-server in the area „Population and social conditions“ – „Data“ – „Labour market“ – „Employment and unemployment ...“ – „LFS series - Detailed annual survey results“ – „Employment - LFS series“).
- (4) There are pragmatical reasons for the refinement to the sections H, I and K:  
For these sections there exist data with the same systematic as for the IT- and the Telecom-services-branch. Although the „Annual statistics on services“ contain information concerning parts of section J too, they do not include this completely.  
There are statistical data referring to other sections of the economical statistic, but not in the same systematic as in the annual statistics on services.

**Appendix:**

**1. List of indicators of the „Annual detailed enterprise statistics on services“**

Number of enterprises
Number of local units
turnover or gross premiums written
Production value
Value added at basic prices
Value added at factor cost
Gross operating surplus
Total purchases of goods and services
Purchases of goods and services purchased for resale in the same condition as received
personnel costs
Wages and Salaries
Social security costs
Gross investment in tangible goods
Number of persons employed
Number of unpaid persons employed
Number of employees
Turnover per person employed
Apparent labour productivity (Gross value added per person employed)
Wage adjusted labour productivity (Apparent labour productivity by average personnel costs) (%)
Gross value added per employee
Share of personnel costs in production (%)
Average personnel costs (personnel costs per employee) (thousand euro)
Share of employees in persons employed
Growth rate of employment (%)
Employer's social charges as a percentage of personnel costs
Number of persons employed per enterprise
Gross operating surplus/turnover (gross operating rate) (%)
Value added at factor cost in production value
Share of personnel costs in total purchases of goods and services
Share of gross operating surplus in value added
Investment per person employed
Investment rate (investment/value added at factors cost)

## **2. Reasons for differences between specifications in some tables:**

As mentioned in the introduction, some data in the Eurostat-statistics are fragmentary and not consistent. Therefore it was necessary to estimate in some cases, which leads to differences between some tables.

Two examples:

### **a) Number of persons employed in the IT-services-branch in the EU-27 2005**

The numbers in the following tables are:

- Table 2.1 und 3.1: 2,682,831
- Table 2.2: 2,700,000
- Table 3.4: 2,688,942

The value in table 2.2 is directly taken from the Eurostat-statistic, but signified there as an 'estimated' number.

In table 2.1 and 3.1 I compare the numbers from EU-15 to the new member states. These are not directly contained in the Eurostat-statistics and therefore have to be derived from the incomplete country-information. Here I referred partly to older data, sometimes I estimated the figures (Interpolation based on number of firms with the same amount of employees per firm per county group).

In table 3.4 missing figures were estimated differently in regard to table 2.1 and 3.1, because it did not seem to be reasonable to take old numbers. Here missing values were estimated by interpolating the available data at fixed rates.

### **b) Average personnel costs per employee in the IT-services-branch in the EU-27 2005**

Here the tables contain the following values:

- Table 2.4: 47,826.1 €
- Table 3.3: 49,257.2 €
- Table 3.5: 47,200 €

In the Eurostat-statistics the value is given with the value of 49.300 € This is not equivalent to the quotient taken from the personnel costs and the number of employees (table 2.2) It is argued by Eurostat, that the values for personnel costs as well as for the number of employees are estimated in some cases. The estimation of average personnel costs are in some cases bases on not published country figures. (mail from 2.7.08 – Statistische Bundesamt as national contact for Eurostat)

In table 2.4 is built the quotient of the values in table 2.2.

In table 3.3 the estimation from table 3.1 were taken.

In table 3.5 the values were built analogous to the estimation in table 3.4.