

Re-Search Alps: WP1_Note 05/10/2017

"Professional, scientific and technical activities": local establishments and enterprises in the EUSALP area

1. General definitions

NACE Rev. 2 Classification is a statistical classification of economic activities, which is currently adopted at EU level. Here, such a classification is used in order to single out the number of enterprises that perform professional and scientific activities. In particular, the Section M of the NACE Rev. 2 Classification disentangles "Professional, scientific and technical activities". This section includes specialised professional, scientific and technical activities. In general terms, these activities tend to require a high degree of training, and make specialised knowledge and skills available to users (Eurostat RAMON, 2017).

Nevertheless, this section is not particularly homogeneous. Indeed, Section M includes seven different divisions (i.e. 2-digit classification of the economic activity), which are defined as follows (Eurostat RAMON, 2017):

- **69 - Legal and accounting activities:** legal representation of one party's interest against another party (e.g. advice and representation in civil cases, advice and representation in criminal actions, advice and representation in connection with labour disputes); preparation of legal documents; other activities of notaries, accounting, bookkeeping services;
- **70 - Activities of head offices; management consultancy activities:** provision of advice and assistance to businesses and other organisations on management issues (strategic and organisational planning; financial planning and budgeting; marketing objectives and policies; human resource policies, practices, and planning; production scheduling; and control planning); activities of head offices;
- **71 - Architectural and engineering activities; technical testing and analysis:** provision of architectural services, engineering services, drafting services, building inspection services and surveying and mapping services, as well as performance of physical, chemical, and other analytical testing services;
- **72 - Scientific research and development:** including three types of research and development: 1) basic research; 2) applied research; 3) experimental development. Research and experimental development activities in this division are subdivided into two categories: natural sciences and engineering; social sciences and the humanities;
- **73 - Advertising and market research:** creation of advertising campaigns and placement of such advertising in periodicals, newspapers, television...;
- **74 - Other professional, scientific and technical activities:** provision of professional scientific and technical services (except legal and accounting activities; architecture and engineering activities; technical testing and analysis; management and management consultancy activities; research and development and advertising activities);
- **75 - Veterinary activities:** provision of animal health care and control activities for farm/pet animals.

According to the aforementioned definitions, it could be said that Section M includes a large number of heterogeneous activities. In particular, both "legal and accounting activities" (division 69) and "other professional, scientific and technical activities" (division 74) include, by definition, a variety of services. They all differ from veterinary activities, as included into division 75. Nevertheless, all these typologies of enterprises could represent the ultimate target of this research project, as they could be interested in sharing new knowledge about research and laboratory services.

2. Number of local establishment and employees, at EU level

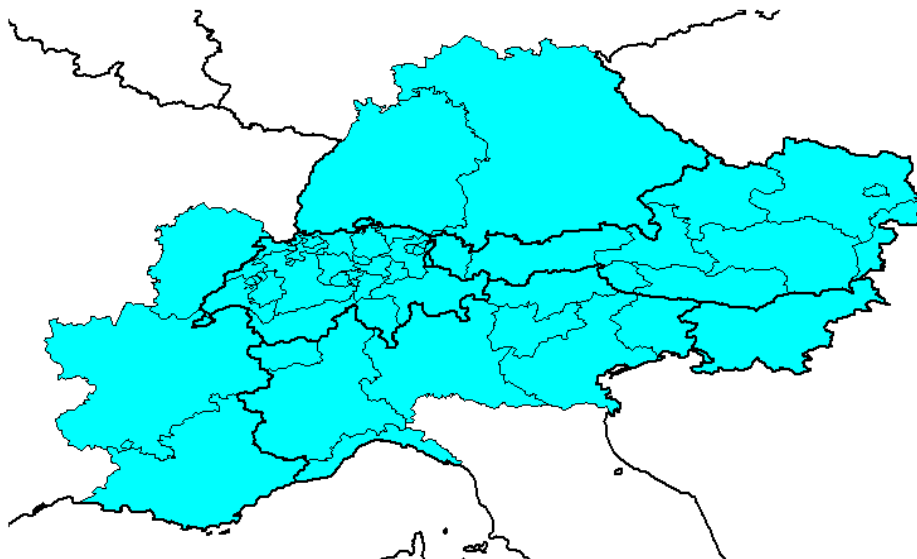
According to Eurostat data, the local establishments (i.e. the local units) that are included into Section M were about 4 million in 2011, by considering the whole EU level¹. These local units accounted for about 11 million persons employed. Nevertheless, local units within divisions 72 and 74 just represent a minority of them: the former division just includes 53 thousands local units, the latter one includes 617 thousand local units (Table 1).

Within the EU-27 Member States, those countries that are (partially or totally) affected by the EUSALP Strategy are just five: France, Germany, Italy, Austria and Slovenia (neither Switzerland nor Lichtenstein are EU Member States). As far as they are concerned, they host 1.7 million local units classified within Section M. In absolute terms, Italy host the large number of local units (732 thousands), followed by France and Germany (Table 2).

However, given the fact that some of these countries are not completely covered by the EUSALP Strategy (Figure 1), data about the covered regions can be insightfully returned as well. To this respect, the number of local units dramatically decreases. When just considering the regions directly involved in the Strategy, they host only 600 thousand local units (namely 36% of the total number of local units in the involved countries).

Data about single divisions follow similar patterns. In each of the aforementioned territorial areas (i.e. EU-27, countries affected by the EUSALP Strategy, regions directly covered by the Strategy), the relevance of each division is fairly similar: both local units classified as division 69 and local units classified as division 71 represent about 29% of Section M local units, each. On the opposite, "scientific research and development activities" (division 72) represent less than 1.5% of total local units in Section M.

Figure 1 – The area covered by the EUSALP Strategy



¹ Here, 27 Member States are considered: Croatia is not included. Moreover data about Switzerland are not returned, as the country is not a EU Member State.

Table 1 – Section M and its divisions: number of local units by EU Member State, year 2011

	M69	M70	M71	M72	M73	M74	M75	M
	Legal and accounting activities	Activities of head offices; management consultancy activities	Architectural and engineering activities; technical testing and analysis	Scientific research and development	Advertising and market research	Other professional, scientific and technical activities	Veterinary activities	Professional, scientific and technical activities
Belgium	19,343	42,442	22,998	582	8,011	9,797	4,004	107,177
Bulgaria	10,417	4,174	8,609	242	3,600	6,891	707	34,640
Czech Republic	54,871	17,374	37,091	1,035	15,963	43,196	2,512	172,042
Denmark	6,485	9,423	7,006	594	2,951	6,467	662	33,588
Germany	109,350	75,040	114,340	5,668	29,120	51,016	9,206	393,739
Estonia	2,917	2,331	1,705	172	887	1,220	97	9,328
Ireland	9,518	5,039	5,984	321	907	4,097	1,030	26,896
Greece	33,466	10,186	53,138	3,651	5,652	9,553	1,055	116,700
Spain	159,879	13,043	109,657	2,740	30,219	48,333	8,525	372,397
France	103,534	172,643	111,430	5,352	34,178	72,521	10,830	510,488
Italy	281,236	55,577	219,118	10,024	22,748	132,357	11,354	732,414
Cyprus	1,920	1,220	1,360	0	455	677	85	5,717
Latvia	5,952	1,853	1,840	173	2,027	1,956	483	14,284
Lithuania	4,775	2,051	3,233	116	1,647	4,311	537	16,670
Luxembourg	2,745	1,773	1,331	33	491	799	130	7,302
Hungary	34,531	22,936	24,831	3,712	7,776	17,778	1,601	113,165
Malta	1,073	970	678	16	243	445	27	3,452
Netherlands	41,019	84,813	33,278	3,066	31,417	33,768	1,969	229,330
Austria	12,521	15,180	17,168	1,076	9,614	6,386	1,902	63,847
Poland	56,026	26,256	54,389	1,529	24,019	32,934	5,979	201,132
Portugal	51,527	17,033	30,201	1,905	4,493	11,262	2,234	118,655
Romania	7,573	15,271	13,360	710	6,564	4,690	1,659	49,827
Slovenia	6,141	6,621	5,568	1,013	1,690	2,765	124	23,922
Slovakia	19,390	6,675	12,322	334	6,020	7,006	861	52,608
Finland	9,772	13,082	13,184	844	5,767	12,815	1,423	56,887
Sweden	25,726	52,908	37,024	3,515	15,132	31,053	1,281	166,639
United Kingdom	70,438	129,384	75,134	4,517	20,658	63,441	4,996	368,567
Total	1,142,145	805,298	1,015,977	52,940	292,249	617,534	75,273	4,001,413

Source: Eurostat data (2017)

Table 2 – Section M and its divisions: number of local units within the EUSALP area, year 2011

	69 Legal and account- ing activities	70 Activities of head offices; managem- ent consultan- cy activities	71 Architect ural and engineer- ing activities; technical testing and analysis	72 Scientific research and develop- ment	73 Advertisi- ng and market research	74 Other professio- nal, scientific and technical activities	75 Veterinar- y activities	M Professio- nal, scientific and technical activities
Germany	109,350	75,040	114,340	5,668	29,120	51,016	9,206	393,739
Baden- Württemberg	13,303	13,673	17,030	1,043	3,584	5,930	839	55,401
Bayern	19,192	13,234	20,587	969	5,279	9,896	1,723	70,881
France	103,534	172,643	111,430	5,352	34,178	72,521	10,830	510,488
Franche-Comté	932	1,154	1,422	52	230	722	209	4,721
Rhône-Alpes	8,336	15,394	12,112	579	2,882	7,269	982	47,554
Provence-Alpes- Côte d'Azur	10,041	14,706	11,018	531	3,220	7,356	911	47,783
Italy	281,236	55,577	219,118	10,024	22,748	132,357	11,354	732,414
Piemonte	15,216	7,061	18,321	619	1,602	10,950	1,212	54,981
Valle d'Aosta/Vallée d'Aoste	561	97	975	45	33	358	39	2,108
Liguria	7,884	1,179	6,806	292	483	3,653	336	20,633
Lombardia	47,429	15,937	38,981	1,785	6,452	33,801	2,384	146,769
Provincia Autonoma di Bolzano/Bozen	1,690	577	1,869	62	201	1,376	105	5,880
Provincia Autonoma di Trento	1,616	451	2,727	110	186	1,418	101	6,609
Veneto	20,424	4,897	19,762	603	2,229	12,252	932	61,099
Friuli-Venezia Giulia	4,343	1,030	4,355	262	424	3,501	235	14,150
Austria	12,521	15,180	17,168	1,076	9,614	6,386	1,902	63,847
Slovenia	6,141	6,621	5,568	1,013	1,690	2,765	124	23,922
Total Eusalp Countries	512,782	325,061	467,624	23,133	97,350	265,045	33,416	1,724,410
Total Eusalp Regions	169,629	111,191	178,701	9,041	38,109	107,633	12,034	626,338

Source: Eurostat data (2017)

The aforementioned figures make possible to return a comprehensive picture of the importance of Section M activities at both EU and EUSALP level. However, data about local units might not necessarily coincide with data on active enterprises. Indeed, a single enterprise could include more than one local units; nonetheless, local units must be directly considered when analysing employment data. To this respect, a focus on Italian statistics can help to assess a robustness check, in order to verify the existence of possible biases in this analysis.

3. A focus on Italy

As far as Italy is considered, the National Institute for Statistics (ISTAT) returns official statistical information about the number of Italian active enterprises. Data collected in the latest General Census Round (ISTAT, 2011) allow us to single out the number of active enterprises, by region and by NACE Rev. 2 division (Table 3).

In Italy, section M comprises about 700,000 enterprises, but about 40% of them are legal and accounting activities (division 69). Conversely, enterprises within division 72 and division 74 are only 9,000 and 123,000, respectively.

On a geographical basis, the seven regions covered by the EUSALP Strategy (namely, Piemonte, Valle d'Aosta, Liguria, Provincia Autonoma di Bolzano, Provincia Autonoma di Trento, Veneto and Friuli-Venezia Giulia) host a large share of enterprises out of the total in Italy. In particular, they host 42% of the total number of Italian enterprises in Section M. As far as division 72 and division 74 are concerned, the aforementioned Italian regions covered by the Eusalp Strategy host 39% and 50% of the Italian enterprises, respectively.

Table 3 – Section M and its divisions: number of active enterprises, year 2011

	69	70	71	72	73	74	75	M
	Legal and accounting activities	Activities of head offices; management consultancy activities	Architectural and engineering activities; technical testing and analysis	Scientific research and development	Advertising and market research	Other professional, scientific and technical activities	Veterinary activities	Professional, scientific and technical activities (total)
Piemonte	14,585	4,010	16,710	606	1,420	9,902	1,161	48,394
Valle d'Aosta	450	93	889	34	24	345	39	1,874
Liguria	7,696	1,124	6,715	276	405	3,067	318	19,601
Lombardia	45,644	15,387	38,411	1,686	5,748	31,054	2,246	140,176
Provincia Autonoma Bolzano	1,604	574	1,791	58	195	1,331	105	5,658
Provincia Autonoma Trento	1,534	402	2,606	108	162	1,277	86	6,175
Veneto	19,414	4,346	19,153	567	1,919	11,669	918	57,986
Friuli-Venezia Giulia	4,243	979	4,318	248	370	3,229	235	13,622
Emilia-Romagna	19,161	4,640	16,436	839	1,674	12,318	1,294	56,362
Toscana	17,450	2,736	16,894	847	1,178	9,133	880	49,118
Umbria	3,804	658	3,812	188	242	1,926	261	10,891
Marche	6,959	1,163	6,155	218	479	3,559	286	18,819
Lazio	33,998	6,274	19,670	1,259	2,338	12,505	910	76,954
Abruzzo	6,559	767	5,388	163	314	1,931	187	15,309
Molise	1,340	183	1,347	45	47	353	35	3,350
Campania	28,736	2,235	14,475	553	1,009	5,710	480	53,198
Puglia	19,585	1,425	11,027	325	893	4,476	431	38,162
Basilicata	2,268	210	2,477	99	76	691	89	5,910
Calabria	8,629	573	5,271	176	325	1,669	116	16,759
Sicilia	19,403	1,556	12,410	528	757	4,494	457	39,605
Sardegna	6,141	674	5,946	211	278	2,320	277	15,847
Italy	269,203	50,009	211,901	9,034	19,853	122,959	10,811	693,770

Source: ISTAT (2011)

Eventually, it is possible to compare the total figures about Italy in both ISTAT classification (number of active enterprises, as shown in Table 3) and Eurostat classification (number of local units, as shown in Table 2). As expected, the number of local units is always larger than the number of active

enterprises in each of territorial areas pointed out before. Nevertheless, figures do not dramatically differ. Local units in Section M are 5% more than the number of active enterprise. Figures are broadly similar across divisions: only in the cases of divisions 70, 72 and 73 when considering local units a greater overestimation is obtained. In these cases, differences between local units and active enterprises is about 10% of the total number of active enterprises.

4. References.

Eurostat RAMON (2017), Statistical Classification of Economic Activities in the European Community, Rev. 2 (2008). Available at http://ec.europa.eu/eurostat/ramon/nomenclatures/index.cfm?TargetUrl=LST_NOM_DTL&StrNom=NACE_REV2&StrLanguageCode=IT&IntPcKey=&StrLayoutCode=HIERARCHIC

Istat (2011). 9° Censimento Generale dell'Industria e dei Servizi. <http://dati.istat.it>