

Business Services	Slovenian Economic Mirror	IMAD
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		Value-added structure ¹ (%)	Real growth rates in value added ¹ (%)		
		2001	2001	2002	2003
K	Real estate, renting & business activities	100	4.0	2.1	2.2
	Gross rent ²	49.2	0.9	0.9	0.9
	Other activities	50.8	7.2	3.2	3.4
		Persons in employment (%)	Growth rates in the number of persons in employment (%)		
		2003	2001	2002	2003
K	Real estate, renting & business activities (Other activities) ³	100	6.1	8.0	4.3
	70 Real estate activities	4.7	16.1	10.8	7.1
	72 Computer and related activities	11.0	16.3	14.3	10.5
	73 Research and development	8.6	-2.7	-1.6	0.9
	74 Other business activities	75.1	5.7	8.2	3.7
	74.1 Legal, tax, business consultancy	22.8	10.6	8.8	6.3
	74.2 Architectural, technical consultancy	20.1	3.6	-0.1	-2.5
	74.4 Advertising	2.4	15.7	2.6	-2.8
	74.6 Investigation activities	9.0	4.0	10.5	7.0
	74.7 Industrial cleaning	11.5	-5.6	12.8	3.1
	74.8 Miscellaneous business activities	6.0	6.9	22.5	1.0

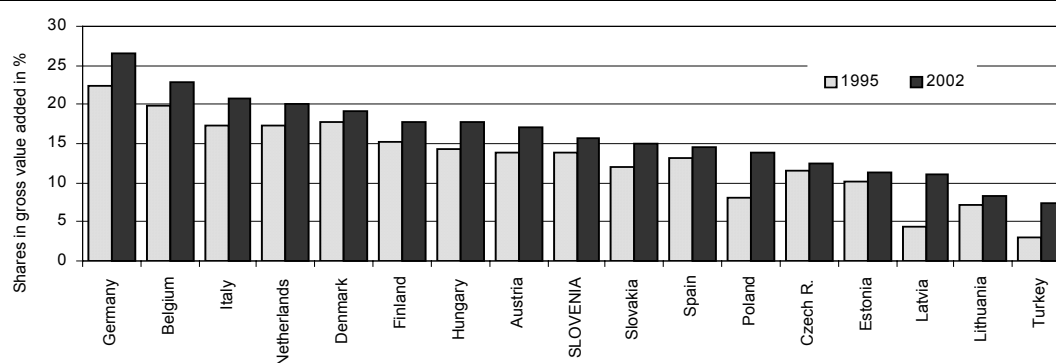
Source of data: SORS, calculations by the IMAD. Notes: ¹value-added structure of activity K and real growth rates for 2001 and 2002 are not yet harmonised with the latest GDP revision published in April this year; the annual estimate for 2003 is based on quarterly accounts; real growth rates for gross rent and other activities for 2002 and 2003 are estimated by the IMAD; ²indirectly measured gross rent; ³only groups and sub-groups representing over 2% of total persons in employment in activity K are included.

Value added in real estate, renting and business activities (K) rose modestly for the second year running, going up by 2.2% in 2003 and 2.1% in 2002. The slowdown in business services (see Other Activities in the table), representing over 50% of total activity K, was due to the overall decline in economic activity. Business services recorded an estimated rise of 3.4% in 2003 (3.2% in 2002), while we assumed relatively constant real growth of 0.9% for the value added of gross rent.

The modest rise in the value added of business services is confirmed by figures on the **number of people in employment**. The number rose by 4.3% in 2003, less than in the last five years, when employment climbed by an average of 5%. The number of people in employment in all of activity K rose by as much as 8.0% in 2002, however, a breakdown shows that employment growth was particularly strong in those business services where productivity is low (investigation activities, industrial cleaning, miscellaneous business activities) and the contribution to value-added growth is modest. In 2003, these services recorded a substantial slowdown, and employment growth also declined in other business services, except in research and development. Monthly year-on-year rises in the number of people in employment picked up gradually in the last quarter, mostly in computer and related activities and other business activities, particularly in legal, tax and business consultancy.

In all EU members and candidates for which data are available (see graph), the **share of activity K in total gross value added** increased significantly from 1995 to 2002. According to the latest revised GDP estimates, this share increased from 13.8% in 1995 to 15.6% in 2002 in Slovenia. EU-15 members saw stronger growth in their business services relative to Slovenia, while Slovenia's gap behind the EU-15 average increased by 0.4 of a percentage point in 1995-2001 (the EU-15 average was 17.4% in 1995 and 19.5% in 2001).

Graph: **Gross value added in real estate, renting and business activities, 1995 and 2002**



Source of data: SORS, Eurostat; countries for which data are available.