

## More than 9 million persons employed in the hotels and restaurants sector in the EU

In 2006, there were 1.7 million enterprises in the EU-27 hotels and restaurants sector, employing some 9.3 million people. This corresponded to 8.3 % of the non-financial business economy's (NACE Rev. 1.1 Sections C to I and K) enterprise population and 7.1 % of its workforce.

Hotels and restaurants recorded value added of EUR 181.9 billion in the EU-27, which represented 3.2 % of the total for the non-financial business economy.

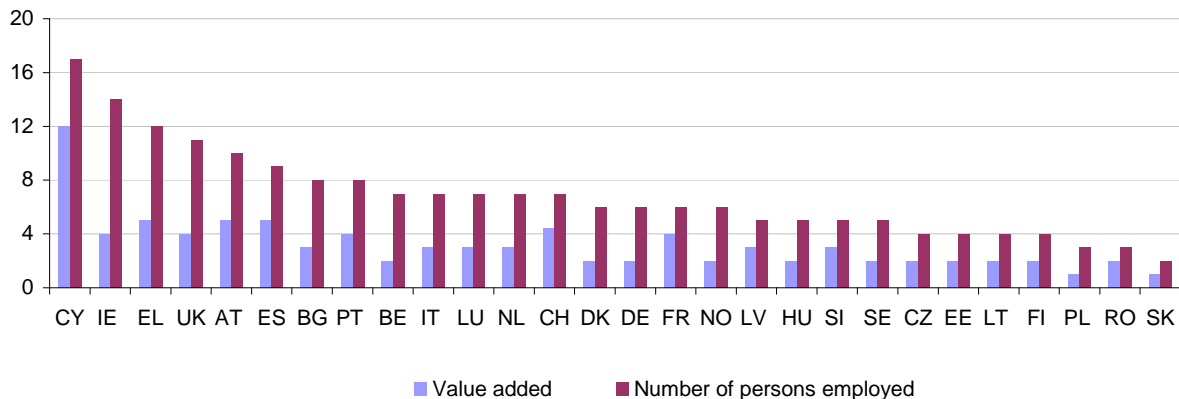
In 2008, women made up 55% of the workforce in this sector and 28% worked part time.

Specialisations within this activity are strongly related to climate, natural or man-made attractions (beaches, mountains, castles, etc), as well as proximity to a critical mass of potential customers (in particular for restaurants and bars). It is therefore no surprise to find that the island destination of Cyprus is the most

specialised Member State, while some regions in Greece, Portugal, Spain and Austria are also highly specialised in these activities (specialisation indices for value added or employment may be defined as the share of the hotels and restaurants sector within the country's non-financial business economy, expressed in percentage terms).

As Figure 1 shows, the relative importance of the hotels and restaurants sector (in employment terms) was highest in Cyprus, where 17.0 % of the non-financial business economy workforce was employed in 2006. Cyprus was also the most specialised Member State in value added terms for the hotels and restaurants sector, as 12.2 % of its non-financial business economy value added was generated in this sector, more than double the next highest share (no information for Malta is available).

Figure 1: Value added and employment in hotels and restaurants, Member States and Norway, 2006 (1)  
 Share in the non-financial business economy (%)



(1) Malta, not available.

Source: Eurostat ([ebd\\_all](#))

## Structural profile of hotels and restaurants in the EU-27

Table 1 provides more detailed information on the EU-27 hotels and restaurants sector, which generated EUR 433.7 billion of turnover in 2006 of which EUR 181.9 billion was value added. These figures equated to 2.0 % and 3.2 % of non-financial business economy totals.

In the EU-27, restaurants, bars, canteens and catering (NACE Groups 55.3 to 55.5) was the larger of the two aggregates that make-up the hotels and restaurants sector, contributing almost two thirds (64.0%) of the value added in 2006, while employing around three quarters (75.3%) of the workforce.

Measured as the average value added generated by each person employed, apparent labour productivity stood at EUR 19 600 for the whole of the hotels and restaurants sector in the EU-27 in 2006.

Apparent labour productivity by subsector was considerably higher for hotels, camping sites, other provision of short-stay accommodation (EUR 28 600), than for restaurants, bars, canteens and catering (EUR 16 700).

The employment figures used for the calculation of apparent labour productivity are likely to be over-stated to some degree for hotels and restaurants, given that this measure is based on head counts and this activity had the highest incidence of part-time employment among the NACE sections that make up the non-financial business economy. This may, in part, explain why the hotels and restaurants sector recorded the lowest level of apparent labour productivity, at approximately half the non-financial services average (EUR 39 700).

Within the restaurants, bars, canteens and catering subsector there was a relatively low share of paid employees, 79.6 % (indicating a

large number of working proprietors and unpaid family workers), while the 89.9 % share recorded for hotels, camping sites, other provision of short-stay accommodation was above the non-financial business economy average.

Details for the Member States, as presented in Table 2, show that with EUR 41.7 billion of value added in 2006, the hotels and restaurants sector in the United Kingdom was the largest in the EU, contributing more than a fifth of the EU-27 total. The United Kingdom also reported the largest workforce, with some 1.9 million persons working in the hotels and restaurants sector.

Among each of the Member States for which data are available, the contribution of the hotels and restaurants sector to non-financial business economy value added was consistently lower than the corresponding share of employment, reflecting the labour-intensive nature of these activities.

In 2006, average personnel costs per employee (EUR 15 600) in the EU-27 hotels and restaurants sector were among the lowest recorded across the whole of the non-financial business economy. These low levels reflect the high use of part-time and seasonal employment and the relatively low or unskilled workforce.

Table 1 shows that total investment by the EU-27 hotels and restaurants sector was equivalent to 19.4% of its value added in 2006 and was significantly higher for hotels, camping sites, other provision of short-stay accommodation (29.8 %) than for restaurants, bars, canteens and catering subsector (13.5 %). Investment rates were frequently above 20 %, rising to over 50 % in six of the Member States that have joined the EU since 2004 (Table 2).

**Table 1: Structural profile of hotels and restaurants, EU-27, 2006**

	Number of enterprises	Number of persons employed	Turnover	Value added	Apparent labour product.	Gross operating rate	Invest. rate
	(1 000)		(EUR million)		(EUR 1 000/ pers. emp.)	(%)	
<b>Hotels and restaurants</b>	<b>1 682</b>	<b>9 266</b>	<b>433 696</b>	<b>181 912</b>	<b>19.6</b>	<b>14.6</b>	<b>19.4</b>
Hotels; camping sites, other provision of short-stay accommodation	259	2 287	135 108	65 413	28.6	18.7	29.8
Restaurants; bars; canteens and catering	1 423	6 978	298 588	116 499	16.7	12.8	13.5

Source: Eurostat ([sbs\\_na\\_1a\\_se](#))

**Table 2: Hotels and restaurants in the EU Member States and Norway, 2006**

	Number of persons employed	Turnover	Value added	Gross tangible invest.	Average personnel costs	Apparent labour prod.	Wage adjusted labour prod. ratio	Gross operating rate	Invest. rate
	(1 000)	(EUR million)	(EUR million)	(EUR million)	(/ employee)	(/ person empl.)	(%)	(%)	(%)
<b>EU-27</b>	<b>9 266</b>	<b>433 696</b>	<b>181 912</b>	<b>35 243</b>	<b>15.6</b>	<b>19.6</b>	<b>126.2</b>	<b>14.6</b>	<b>19.4</b>
BE	166	10 179	3 723	772	18.1	22.4	124.0	15.0	20.7
BG	115	1 077	328	391	1.6	2.9	176.3	15.9	119.3
CZ	158	3 969	1 259	273	6.7	7.9	118.5	11.7	21.7
DK	105	5 352	2 298	336	16.8	22.0	130.9	13.2	14.6
DE	1 316	48 989	23 225	1 605	12.6	17.7	139.8	19.0	6.9
EE	19	434	160	44	5.7	8.6	151.7	12.9	27.6
IE	149	8 531	3 407	740	18.0	22.9	127.2	11.3	21.7
EL	304	9 475	3 457	1 323	14.3	11.4	79.5	12.9	38.3
ES	1 259	58 406	25 172	4 228	17.6	20.0	113.8	13.9	16.8
FR	915	66 493	28 529	7 053	26.9	31.2	116.1	9.4	24.7
IT	1 115	60 364	21 993	5 847	19.5	19.7	100.9	13.7	26.6
CY	38	1 683	919	97	17.8	23.9	133.8	21.2	2.5
LV	31	509	225	148	3.3	7.4	220.4	24.2	65.7
LT	39	476	165	110	3.3	4.3	129.3	9.3	66.9
LU	16	1 027	492	23	24.6	31.7	128.9	15.7	4.7
HU	127	2 569	702	166	5.3	5.5	105.2	5.5	23.6
MT	:	:	:	:	:	:	:	:	:
NL	345	15 578	6 610	668	12.9	19.2	148.3	17.4	10.1
AT	243	13 143	6 390	1 136	21.0	26.3	125.5	17.6	17.8
PL	231	4 504	1 518	391	5.1	6.6	127.5	16.7	25.7
PT	276	8 880	3 072	1 246	8.9	11.1	124.9	8.9	40.6
RO	122	2 030	564	599	2.6	4.6	181.3	12.9	106.2
SI	32	1 228	462	234	12.8	14.4	112.8	9.5	50.6
SK	22	453	174	110	5.2	8.0	155.0	13.8	63.1
FI	55	4 855	1 806	181	27.1	32.8	121.2	9.6	10.0
SE	124	8 688	3 294	630	24.9	26.5	106.4	8.3	19.1
UK	1 927	94 309	41 710	6 860	13.5	21.6	160.5	18.3	16.4
NO	84	5 848	2 448	279	25.1	29.3	116.8	7.9	11.4

Source: Eurostat ([ebd\\_all](#))

### Micro and small enterprises dominating the sector

A large proportion of the value added created in the EU-27 hotels and restaurants sector was concentrated in micro or small enterprises (those with less than 49 persons employed). Together, micro and small enterprises generated 62.7 % of the sector's value added in 2006, and employed 71.5 % of its workforce in 2005 – approximately 20 percentage points higher than the corresponding shares for enterprises of this size within the whole of the non-financial business economy – see Table 3.

Among the Member States, the United Kingdom (44.9 %) and to a lesser extent the Netherlands (34.6 %) stood out from the other countries, as large enterprises (with 250 and more persons employed) made significant contributions to total value added within the hotels and restaurant sector in 2006.

**Table 3: Share of value added and persons employed by enterprise size class, EU-27, (%)**

	Value added		Persons employed	
	Non-financial business econ. (1)	Hotels & restaurants (2)	Non-financial business econ. (1)	Hotels & restaurants (2)
1 to 9 employed	20.2	35.5	29.5	44.7
10 to 49 employed	18.8	27.2	20.8	26.8
50-249 employed	17.8	13.8	16.8	10.9
250 or + employed	43.1	23.5	33.0	17.6

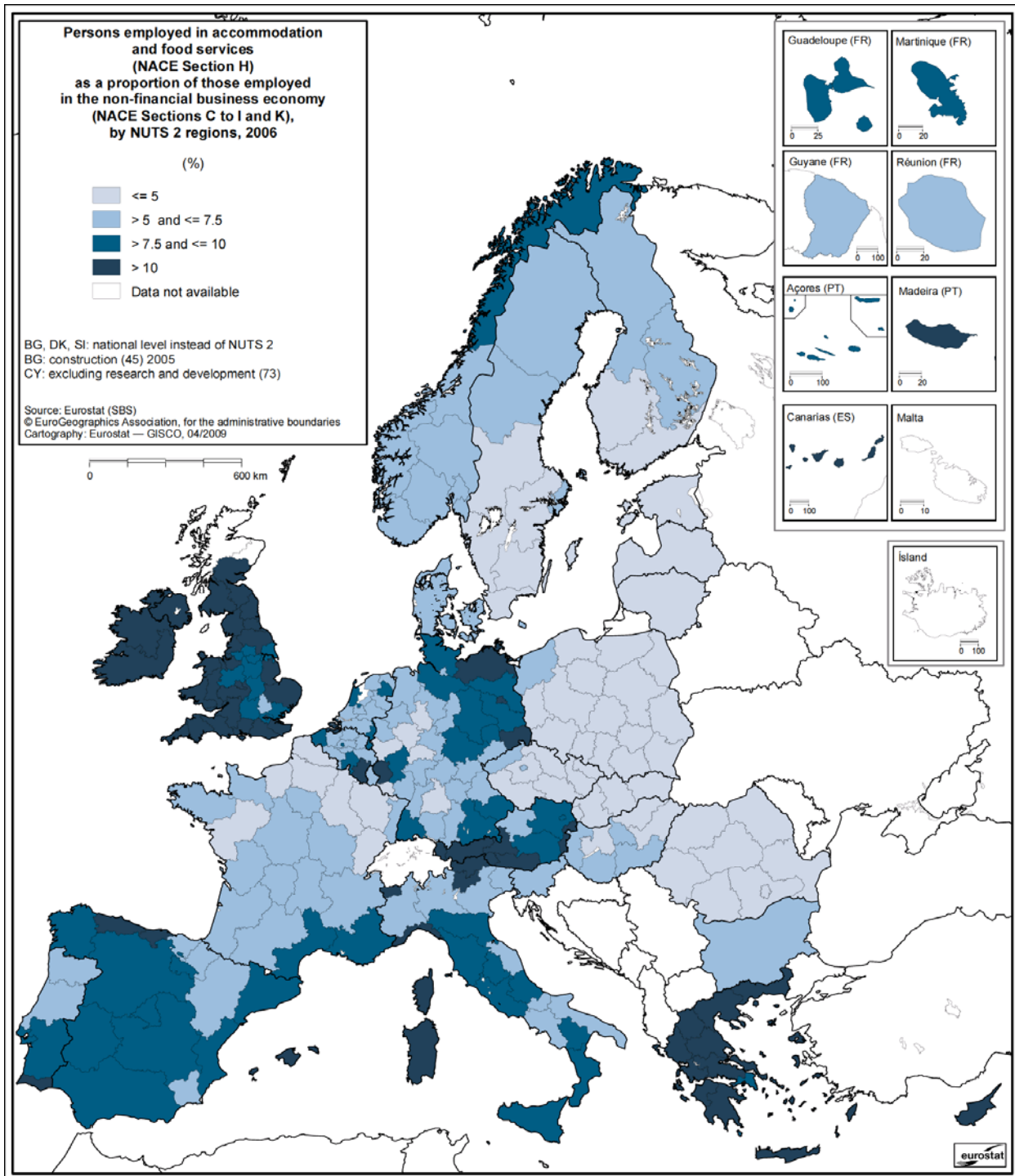
(1) 2005.

(2) 2006.

Source: Eurostat ([sbs\\_sc\\_1b\\_se02](#), [tin00053](#), [tin00052](#))

## Regional employment: high shares in southern coastal and island regions

**Map 1: Regional employment in hotels and restaurants (NACE Rev. 1.1 Section H) by NUTS 2 regions, 2006**



Source: Eurostat ([sbs\\_r\\_nuts03](#))

The highest proportions of non-financial business economy employment within the hotels and restaurants sector were recorded in several southern Member States, as well as the United Kingdom – peaking in the regions of Ionia Nisia (33.8 %) and Notio Aigaio (29.9 %) – both in Greece – followed by regions in Portugal, Spain and Italy (often holiday islands). This sector also

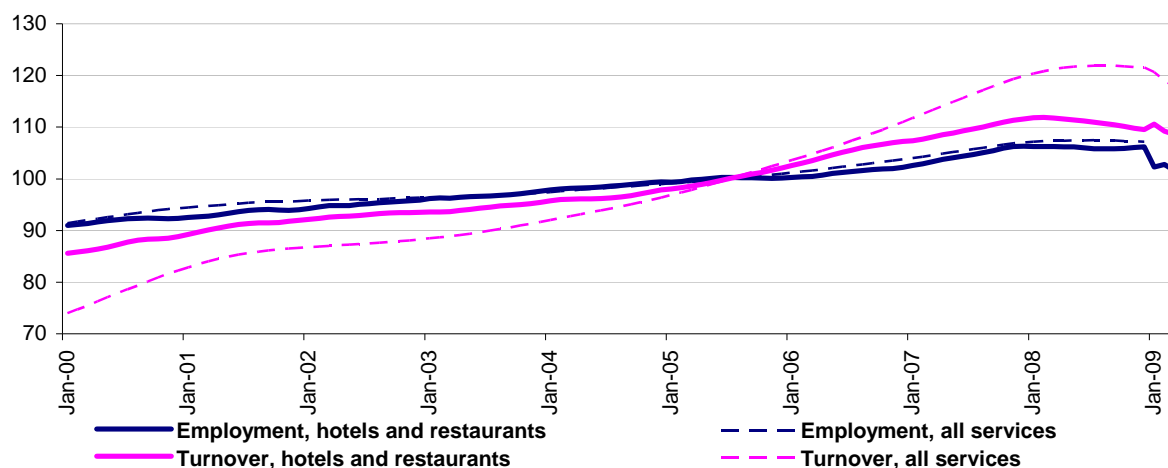
provided 15.0 % or more of employment in a few regions in the United Kingdom and Austria, one Irish and one German region, as well as Cyprus (which is a single NUTS region). In most of the regions in the United Kingdom the share is between 10 and 15 %; this can be explained by the very high proportion of part time employment in this sector in the UK.

## Evolution of turnover and employment indices for hotels and restaurants

Figure 2 provides information on the evolution of EU-27 turnover and employment indices for hotels and restaurants since 2000; these are shown in relation to indices for all services collected within short-term business statistics (STS). With almost uninterrupted growth during the period 2000-2008, the subsequent effects of the financial crisis are evident in Figure 2.

It is likely that in periods of slow growth or recession, both businesses and households cut back on their expenditure on hotels and restaurants. The EU-27 hotels and restaurants employment index recorded its first reduction in January 2008, while turnover followed a negative trend from March 2008.

**Figure 2: Turnover and employment indices, EU-27 (2005=100)**



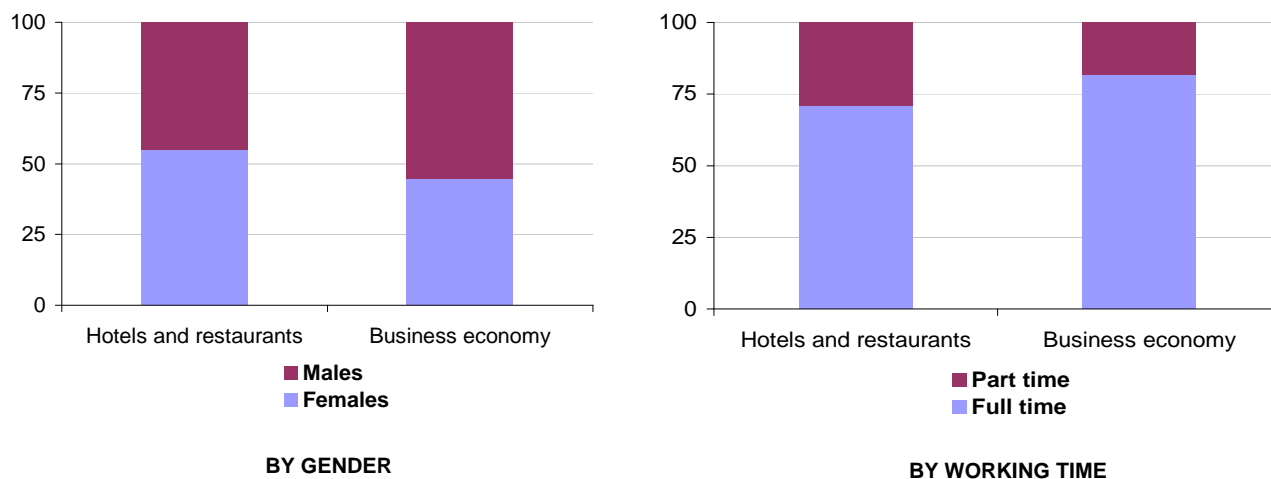
Source: Eurostat ([sts\\_selb\\_m](#), [sts\\_setu\\_m](#), [sts\\_trlb\\_m](#), [sts\\_trtu\\_m](#))

## Women and part-time workers dominating the hotels and restaurants sector

Figure 3 shows that the hotels and restaurants workforce is quite atypical, as it has a relatively high proportion of women and part-time workers. This may reflect employment flexibility, with considerable opportunities for those seeking work outside of the normal nine to five routine (for example, students).

In 2008, women made up 55 % of the EU-27 workforce, around 10 percentage points higher than the corresponding share for the whole business economy. Some 72 % of those employed in the hotels and restaurants sector worked on a full-time basis, a share that was well below the business economy average (82.5 %).

**Figure 3: Employment characteristics, EU-27, 2008 (% of total workforce)**



Source: Eurostat ([lfsa\\_epgana](#))

## Demand for hotels and similar establishments

**Table 4: Main indicators for hotels and similar establishments, 2007**

	Number of hotels and similar establishments	Average number of bed places per establishment	Nights spent	Tourism intensity
	(units)		( 1 000)	(per inhabitant)
<b>EU-27</b>	<b>202 353</b>	<b>58</b>	<b>1 578 148</b>	<b>3.2</b>
BE	2 013	62	16 197	1.5
BG	1 526	152	16 736	2.2
CZ	4 559	54	27 044	2.6
DK	477	154	11 080	2.0
DE	35 941	46	214 675	2.6
EE	346	83	3 843	2.9
IE	4 087	38	28 282	6.6
EL	9 207	76	64 086	5.7
ES	17 827	92	271 689	6.1
FR	18 135	69	204 269	3.2
IT	34 058	63	254 329	4.3
CY	735	119	14 298	18.4
LV	318	65	2 759	1.2
LT	348	63	2 591	0.8
LU	273	53	1 438	3.0
HU	1 999	77	16 297	1.6
MT	160	250	7 917	19.4
NL	3 196	63	34 159	2.1
AT	14 204	40	79 167	9.6
PL	2 443	78	24 307	0.6
PT	2 031	130	39 737	3.7
RO	4 163	55	19 756	0.9
SI	396	83	5 546	2.8
SK	1 249	54	7 233	1.3
FI	909	131	15 817	3.0
SE	1 893	110	25 416	2.8
UK	39 860	31	169 484	2.8
HR	800	204	20 940	4.7
TR	:	:	115 967	1.7
IS	294	63	1 917	6.2
LI	47	27	129	3.7
NO	1 112	139	18 510	4.0
CH	5 635	48	36 365	4.8

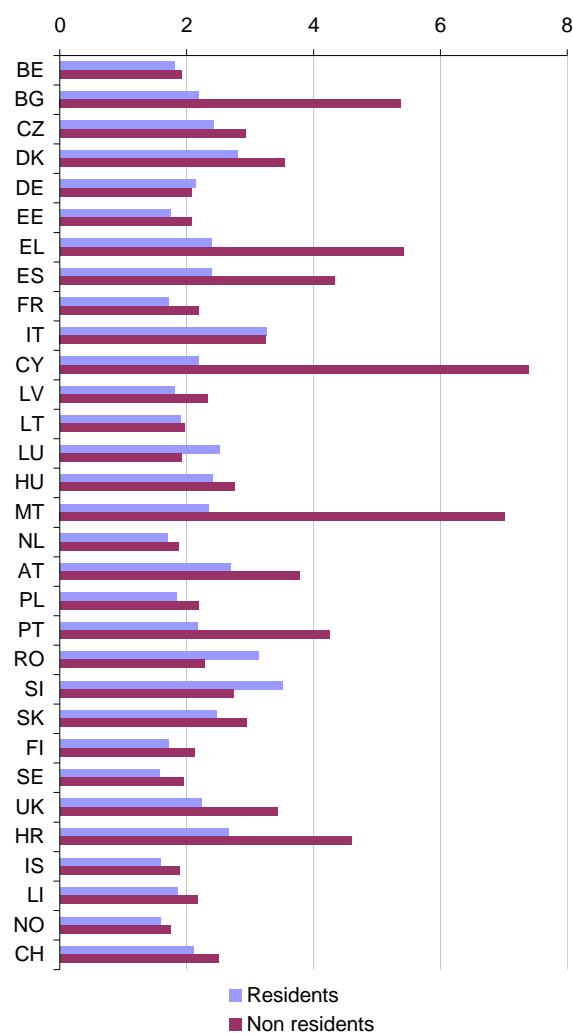
Source: Eurostat ([tour\\_cap\\_nat](#), [tour\\_cap\\_bed](#), [tour\\_occ\\_ni](#))

The largest numbers of hotels and similar establishments in 2007 were in the United Kingdom, Germany and Italy. However, the largest establishments in terms of the average number of bed places were in Malta. In terms of the number of nights spent in these establishments, Spain, Italy and Germany recorded the highest figures.

Tourism intensity can be measured as the average number of nights spent in hotels and similar establishments per inhabitant: this ratio is high for popular tourism destinations – such as the island destinations of Malta and Cyprus, as well as Austria, Ireland and Spain.

Demand patterns are also reflected in the average length of stays (nights per arrival). For non-residents, this indicator was notably higher in Cyprus, Malta, Greece and Bulgaria, followed by Croatia, Spain and Portugal – all of which are popular destinations for summer vacations. In contrast, resident demand is more likely to be a result of business travel or alternatively may reflect persons spending (long) weekends on vacation within their own country.

**Figure 4: Average number of nights spent per arrival in hotels and similar establishments, 2007 (1)**



(1) EU-27 and Ireland, not available.

Source: Eurostat ([tour\\_occ\\_ni](#), [tour\\_occ\\_ar](#))

## METHODOLOGICAL NOTES

### Structural business statistics

SBS data have been collected within the legal framework provided by [Council Regulation No 58/97](#) of 20 December 1996 concerning structural business statistics, which aims to provide data which is comparable between the Member States on the structure, activity, competitiveness and performance of businesses. SBS data for the EU-27 may include rounded estimates. The classification of activities is based on NACE Rev. 1.1. The non-financial business economy is defined as Sections C to I and K.

The **number of enterprises** is a count of enterprises active during at least a part of the reference period.

The **number of persons employed** is all persons who work in the observation unit (inclusive of working proprietors and unpaid family workers), as well as persons who work outside the unit who belong to it and are paid by it. Part-time, seasonal and home workers on the payroll are included, as well as apprentices.

**Turnover** comprises 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.

**Value added** (at factor cost) can be calculated from turnover, plus capitalised production, plus other operating income, plus or minus the changes in stocks, minus the purchases of goods and services, minus other taxes on products which are linked to turnover but not deductible, minus the duties and taxes linked to production.

**Gross tangible investment** includes new and existing capital goods bought or produced for own use having a useful life of more than one year, and includes also land. The **investment rate** is tangible investment divided by value added expressed as a percentage.

**Apparent labour productivity** is calculated as value added divided by the number of persons employed.

**Average personnel costs** are calculated as personnel costs divided by the number of (paid) employees.

The **wage adjusted labour productivity ratio** is calculated by dividing the apparent labour productivity by average personnel costs, and is expressed as a percentage.

The **gross operating rate** is the gross operating surplus divided by turnover, expressed as a percentage. Gross operating surplus is calculated as value added less personnel costs.

### Short-term business statistics (STS)

The basic form of an index is its gross (also known as unadjusted) form but in this publication the form used both for turnover and employment is the trend, whereby seasonal and one-off fluctuations have been removed. Information for STS is based on NACE Rev. 2. The aggregate for services required by STS Regulation is defined as NACE Rev. 2 Sections G to J and L to N excluding head office management (70.1), scientific research and development (72), veterinary activities (75), renting and leasing (77), combined facilities (81.1) and landscape activities (81.3).

The **turnover index** reflects the totals invoiced by the observation unit during the reference period. This corresponds to market sales of goods or services supplied to third parties.

The **employment index** shows the evolution of the number of persons employed.

### Tourism data

These data are collected within the legal framework provided by [Council Directive 95/57/EC](#) of November 1995.

The **number of establishments** is a count of establishments whose capacity exceeds the national minimum even if the major part of turnover may come from restaurants or other services. Due to methodological differences between countries in the coverage of enterprises (e.g. data collection thresholds in terms of minimum number of bedplaces), the data on capacity is not necessarily comparable across the EU.

The **number of bed places** is determined by the number of persons who can stay overnight in the beds set up in the establishment (dwelling), ignoring any extra beds that may be set up by customer request. The term bed place applies to a single bed, a double bed being counted as two bed places.

The **arrival of residents and non-residents** is defined as a person who arrives at (leaves) a hotel or similar establishment and checks in (out).

The **nights spent by residents and non-residents** are each night that a guest actually spends (sleeps or stays) or is registered (his/her physical presence there being unnecessary).

**Tourism intensity** is the average number of nights spent in hotels and similar establishments per inhabitant.

### Abbreviations and symbols

EU-27	European Union of 27 Member States
BE	Belgium
BG	Bulgaria
CZ	Czech Republic
DK	Denmark
DE	Germany
EE	Estonia
IE	Ireland
EL	Greece
ES	Spain
FR	France
IT	Italy
CY	Cyprus
LV	Latvia
LT	Lithuania
LU	Luxembourg
HU	Hungary
MT	Malta
NL	Netherlands
AT	Austria
PL	Poland
PT	Portugal
RO	Romania
SI	Slovenia
SK	Slovakia
FI	Finland
SE	Sweden
UK	United Kingdom
HR	Croatia
TR	Turkey
IS	Island
LI	Liechtenstein
NO	Norway
CH	Switzerland
:	(in tables) not available

## Further information

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Eurostat Website: <http://ec.europa.eu/eurostat>

Data on "Structural Business Statistics"

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