

## VALUE ADDED BY ACTIVITY

The structure of total value added has changed considerably over recent decades. The share of agriculture is now relatively small in almost all OECD countries. The share of industry has also fallen while services now account for well over 60% of total gross value added in most OECD countries.

### Definition

Gross value added is defined as output minus intermediate consumption. This also equals the sum of employee compensation, gross operating surplus of government and corporations, gross mixed income of unincorporated enterprises and other taxes less other subsidies on production. The shares of each sector are calculated by dividing the value added in each sector by total value added. Total value added is less than GDP because it excludes value-added tax (VAT) and other product taxes.

Agriculture consists of agriculture; hunting and forestry; and fishing. Industry consists of mining and quarrying; manufacturing; production and distribution of electricity, gas and water; and construction. Services consists of retail and wholesale trade; transport and communications; real estate, finance, insurance and business services; education, health and other personal services; public administration; and defence.

### Overview

The share of agriculture in total value added has been declining throughout the period in almost all countries. By 2008, agriculture made a significant contribution to total value added only in Iceland (fishing), Hungary and Turkey. Shares in industry have also been falling (or, in some countries, remained stable) throughout the period. Manufacturing is the most important industrial activity in all countries except Norway, where oil and gas production is more important.

Service activities account for around 60% of total gross value added for the OECD countries as a whole. The share of services is very high in Belgium, France, Greece, Luxembourg, the United Kingdom and the United States and rather low in the Czech Republic, Korea, Norway and the Slovak Republic. In most countries, the largest part of service value added is “goods-related”, and consists of trade, transport and business services purchased by industry. A high share of service value added does not necessarily imply that a country has become a service economy. In fact, production, transport and distribution of goods remain the predominant activities in most OECD countries in terms of both employment and value added.

### Comparability

All OECD countries follow the international 1993 System of National Accounts. This assures good comparability between countries in terms of definitions of value added and sectoral coverage. It should be recognised, however, that part of the decline in the share of industry and of the rise in that of services reflects the outsourcing of service activities that were previously carried out internally within industrial enterprises. For example, if cleaning and security services were earlier provided by employees of a manufacturing enterprise, their salaries would have formed part of value added of industry; if these services are now purchased from specialised producers, the salaries of these employees will now be included in the value added of “other business services”.

Data for Australia and New Zealand refer to fiscal years.

### Sources

- OECD (2010), *National Accounts of OECD Countries*, OECD, Paris.

### Further information

#### Analytical publications

- Lal, K. (2003), *Measurement of Output, Value Added, GDP in Canada and the United States*, OECD Statistics Working Papers, No. 2003/4, OECD, Paris.
- OECD (1996), *Services: Measuring Real Annual Value Added*, OECD, Paris.
- OECD (2002), *Measuring the Non-Observed Economy: A Handbook*, OECD, Paris.

#### Statistical publications

- OECD (2010), *National Accounts at a Glance 2009*, OECD, Paris.

#### Online databases

- STAN: OECD Structural Analysis Statistics – online database.

#### Web sites

- OECD National Accounts, [www.oecd.org/std/national-accounts](http://www.oecd.org/std/national-accounts).
- OECD National Accounts Archive, [www.oecd.org/std/national-accounts/papers](http://www.oecd.org/std/national-accounts/papers).



**Value added in agriculture, industry and services**

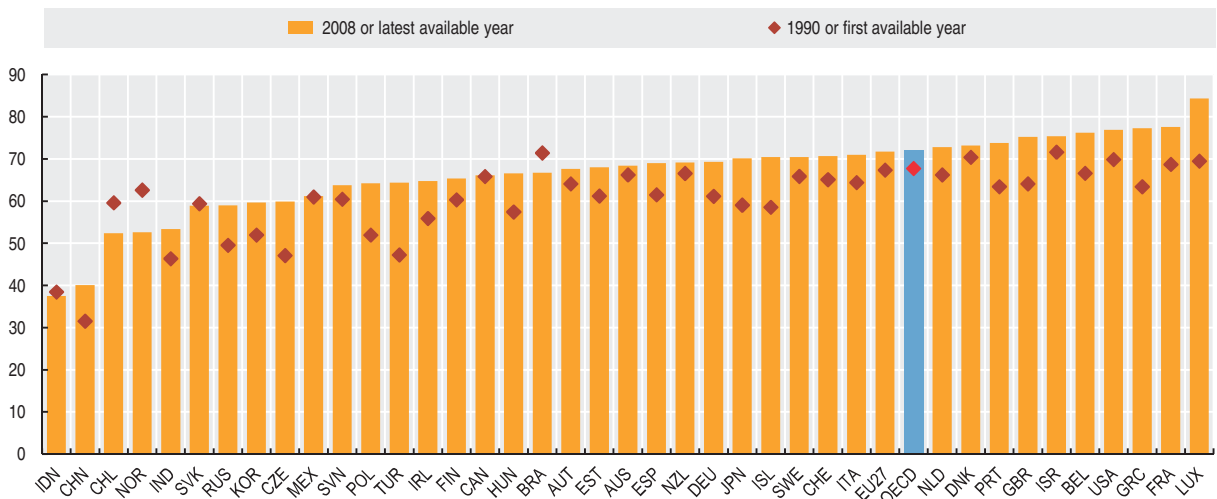
As a percentage of total value added

	Share of value added in agriculture				Share of value added in industry				Share of value added in services			
	1990	2000	2005	2008	1990	2000	2005	2008	1990	2000	2005	2008
Australia	3.6	4.0	3.1	..	30.1	26.1	28.0	..	66.3	69.9	68.9	..
Austria	3.7	2.0	1.6	1.7	32.2	30.8	29.5	30.7	64.1	67.2	68.9	67.6
Belgium	2.1	1.4	0.8	0.7	31.5	27.0	24.1	23.1	66.6	71.6	75.1	76.2
Canada	2.9	2.3	..	..	31.3	33.2	..	..	65.8	64.5	..	..
Czech Republic	8.7	3.9	3.0	2.5	43.2	38.1	37.9	37.6	47.1	58.0	59.1	59.9
Denmark	4.0	2.6	1.4	1.2	25.6	26.8	25.5	25.6	70.4	70.6	73.1	73.2
Finland	6.3	3.5	3.0	3.0	33.3	33.7	31.4	31.6	60.3	62.8	65.7	65.3
France	4.2	2.8	2.3	2.0	27.1	22.9	20.7	20.4	68.7	74.3	77.0	77.6
Germany	1.5	1.3	0.9	0.9	37.3	30.3	29.1	29.8	61.2	68.5	70.0	69.3
Greece	9.0	6.6	4.9	3.7	25.2	21.0	19.6	19.0	63.4	72.5	75.5	77.3
Hungary	..	5.4	4.2	4.3	..	31.8	30.2	29.1	..	62.8	66.6	66.6
Iceland	11.2	8.6	5.8	..	30.3	26.1	23.7	..	58.6	65.3	70.5	..
Ireland	8.9	3.5	1.9	..	35.0	41.1	35.0	..	55.9	55.5	63.1	..
Italy	3.5	2.8	2.2	2.0	32.1	28.4	26.9	27.0	64.4	68.8	70.9	71.0
Japan	2.5	1.7	1.5	..	38.6	31.1	29.1	..	59.1	67.2	69.4	..
Korea	8.5	4.6	3.3	..	38.8	38.4	38.0	..	52.0	57.0	58.7	..
Luxembourg	1.5	0.7	0.4	0.3	29.4	18.4	16.6	15.4	69.5	81.0	82.9	84.3
Mexico	8.1	4.2	3.3	..	36.4	35.8	34.1	..	61.0	61.5	62.5	..
Netherlands	4.4	2.6	2.1	1.8	29.4	24.9	24.2	25.5	66.2	72.4	73.7	72.8
New Zealand	6.7	8.6	..	..	26.7	24.5	..	..	66.6	66.9	..	..
Norway	3.4	2.1	1.5	1.2	34.0	42.0	42.9	46.2	62.6	56.0	55.6	52.6
Poland	..	5.0	4.5	3.7	..	31.7	30.7	32.0	..	63.3	64.8	64.2
Portugal	9.1	3.8	2.8	2.3	28.1	27.6	24.5	23.9	63.5	68.6	72.6	73.8
Slovak Republic	..	4.5	3.7	3.1	..	36.2	36.5	38.0	..	59.3	59.8	58.9
Spain	5.5	4.4	3.2	2.6	33.0	29.2	29.7	28.4	61.5	66.4	67.1	69.0
Sweden	3.6	2.0	1.1	1.6	30.6	28.6	27.7	28.0	65.9	69.4	71.2	70.5
Switzerland	2.9	1.6	1.3	1.2	31.9	27.3	27.2	28.2	65.1	71.1	71.6	70.7
Turkey	13.4	10.8	10.6	8.5	38.6	30.0	28.0	27.1	47.2	59.2	61.3	64.4
United Kingdom	1.8	1.0	0.7	0.9	34.1	27.3	23.5	23.6	64.1	71.7	75.9	75.2
United States	2.1	1.2	1.3	..	28.0	24.2	22.3	..	69.9	74.6	76.4	..
EU27 total	..	2.4	1.9	1.8	..	27.9	26.2	26.5	..	69.7	71.9	71.7
OECD total	..	2.0	..	..	..	27.8	..	..	..	70.3	..	..
Brazil	..	5.6	5.7	5.9	..	27.7	29.3	27.3	..	66.7	65.0	66.7
Chile	..	5.3	4.4	3.9	..	34.0	42.0	43.8	..	61.1	53.5	52.3
China	27.1	15.1	12.2	11.3	41.3	45.9	47.7	48.6	31.5	39.0	40.1	40.1
Estonia	..	4.8	3.5	2.9	..	27.5	28.6	29.1	..	67.6	67.9	68.0
India	..	24.0	19.1	17.4	..	25.9	28.6	29.2	..	50.1	52.3	53.4
Indonesia	..	15.6	13.1	14.4	..	45.9	46.5	48.1	..	38.5	40.3	37.5
Israel	..	1.7	2.0	..	..	25.3	21.9	..	..	72.9	76.1	..
Russian Federation	..	6.7	5.4	4.9	..	37.9	38.2	36.1	..	55.4	56.4	59.0
Slovenia	..	3.3	2.7	2.4	..	35.8	34.1	33.9	..	60.9	63.2	63.8

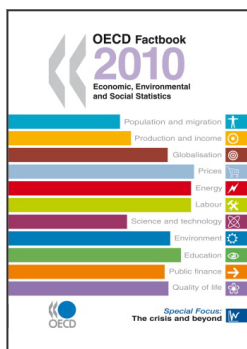
StatLink <http://dx.doi.org/10.1787/824276856832>

**Value added in services**

As a percentage of total value added



StatLink <http://dx.doi.org/10.1787/818305304618>



**From:**  
**OECD Factbook 2010**  
Economic, Environmental and Social Statistics

**Access the complete publication at:**  
<https://doi.org/10.1787/factbook-2010-en>

**Please cite this chapter as:**

OECD (2010), "Value Added by Activity", in *OECD Factbook 2010: Economic, Environmental and Social Statistics*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/factbook-2010-20-en>

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