

Working Document 1

Statistics on Professionals firms and their staff

Introduction

The demanding issues of definition conundrum is carried out by Ida Wendt in her book EU Competition Law and Liberal professions: and uneasy relationship ¹. She underlines that the concept of liberal professions is an unsettled one that differs from country to country and covers various professional groups. In the UK, the liberal professions doesn't actually exist, a denomination contented with professions as opposed to business. The European Parliament, on the other hand, adopts the expression liberal professions ² as Euro-speak.

Leaving aside native English speaker who wonder what European would exactly mean by liberal profession, the common denominator is taught in the different European Countries, liberal professions are "Regulated Professions". This means that the admissions to a profession and the exercise thereof are subject to a detailed statutory and self-regulatory rules. Marc van der Woude, judge at the General Court of the European Union, points out that one should not forget the origin of self-regulation. Until the id and the nineteenth century, tate did no.t consider it to be their task or duty to regulate liberal professions. Since the Middle Ages, self-regulation was the only means to define responsibility of these professions towards their mumblers and towards society. There was no public authority to refer to.

The background of the recognition of the role of liberal professions for the EU 2020, is the adoption of the Lisbon Strategy for growth and employment in March 2000, strengthened by the Lisbon Programme in 2005, in which the European Union set its ambition to become the world's most competitive and dynamic knowledge-based economy by 2010.

The role of the liberal professions in the European economy is not only confined to their economic value. In 2004, the liberal professions represented an estimated 3% of the total turnover of the EU, with more than 12 million people employed in the larger category of "other business services".

Liberal professions are characterized by two constitutive components:

their collective organization

their strong self-regulatory tradition.

Self-regulation is one of the traditional characteristic features of liberal professions and in this sense "professionalism" refers not only to certain ethical standard of professional behavior, but also to self-governing mechanism allowing fro the collective organization and regulation of a profession. Collective organisation usually takes place through the establishment of professional associations or bodies that a re composed exclusively of members of the same profession.

Common features are below summarized ³:

- i) importance of the service;
- ii) working in private practice and independent;
- iii) professional autonomy;
- iv) personal responsibility;
- v) intellectual nature of the activity;
- vi) high level of education, income, social status, ethical standard.
- vii) professionali associations for organization, self-regulation and supervision;
- viii) quality of services;
- ix) consumer protection;
- x) entry restrictions and title protection.

¹ Ida Wendt, EU Competition Law and Liberal professions: and uneasy relationship, Martin Nijhoff Publishers, 2012.

² European Parliament, Resolution on market regalato and competition rules for the liberal professions of 16.12.2003.

³ Ceplis, European Council of Liberal Professions, statutes of CEPLIS, 2000

It is worth noting that the independency criterion does not correspond any longer to realities with large numbers of employed professionals. The increasing number of "employed practitioners" slowly erodes the independent character of the professions and contributes to a development away from the traditional self-image of the liberal professions.

Changed circumstances in production and contractual technologies have changed the provision of professionals services and the existence of a liberal profession is different from what it was in previous centuries.

While not being a perfect literal translation of then Latin expression, the term liberal professions designated those professions that were considered to come closest to the artes liberales and were then recognized as science (Theology, Medicine, Jurisprudence). The term liberal arts designated the education proper of a freeman as opposed to a slave who in turn was marked with the image associated with physical labour.

1. Methodological remarks

Statistics on Professionals firms vary depending on the source chosen. The main methodological drawback refers to the operational definition of Liberal Professions.

The study carried out by the European Economic and Social Committee ⁴, points out the issue facing the demanding task by accepting the term "Liberal Professions" as an entry point to deep into the analysis.

To the end the operational definition provided by the European Court of Justice of 11 October 2001 maintains its validity by specifying that the liberal professions include activities "which, inter alia, are of a marked intellectual character, require a high-level qualification and are usually subject to clear and strict professional regulation. In the exercise of such an activity, the personal element is of special importance and such exercise always involves a large measure of independence in the accomplishment of the professional activities" ⁵.

Hence, main features of Liberal Professions are the following:

- Intellectual character;
- high-level of qualification;
- strict professional regulation in force;
- personal element;
- independency.

The ECJ's decision bears no final meaning for an understanding of the term liberal profession in European law. This is raised by the mentioned study of the EESC where it is specified that the ECJ Decision in any way set out the definition upon which Member States must base their national regulations. Like any other legal term, Liberal Profession must be understood in the light of the normative intent of the respective provision in which it is used. So long as the implementation of European law is not affected, EU Member States are free to either completely or partially abstain from linking regulations to the term Liberal Profession or to use their own broader or narrower definition of the term Liberal Profession in national law. The study continues by highlighting that the essence of what constitutes a liberal profession is of course covered by the ECJ's definition, which in turn is based on the common traditions of a large majority of the EU Member States.

Different sources provide different definitions.

The Directive on the recognition of professional qualifications 2005/36/EC contains, in its revised version of 20 November 2013, a definition of the Liberal Profession as activities practised on the basis of relevant professional qualifications in a personal, responsible and professionally

⁴ European Economic and Social Committee, The State of Liberal Professions concerning their functions and relevance to European Civil Society, 2014.

⁵ ECJ 11 October 2001, C 267/99, ECR 2001

independent capacity by those providing intellectual and conceptual services in the interest of the client and the public ⁶.

Due to the semantic divergence, the mentioned study concludes that neither the definition of the ECJ nor that of the Directive 2013/55/EU could serve as a final reference point for the present study. Nonetheless, the study adds an important criteria that should be considered in the analysis: the information asymmetry between liberal professions and recipients of services. Such informational deficits in the Principal/Client Relationship are characteristic for almost all services provided by the liberal professions. They are a common reason for professional regulation.

The services offered by liberal professions are complex and require a high level of expertise. The service recipient therefore lacks sufficient information and experience necessary to select the provider and to assess the quality of service offered following the contract's fulfillment. Additional information processing deficits also arise. Even if the service recipient has access to important information, this may be impossible to process in the case of liberal professional services. Causes of this information processing deficit are mainly a lack of specialist knowledge, education deficiencies and information overload. The consequence of this asymmetry is that service recipients must place particular confidence in the service provider. This feature leads to a common belief that the liberal professions can be described as confidence professions. The service recipient makes a leap of faith, trusting at the time an agreement on the provision of services is reached, that the provider will not exploit this informational deficit to his or her own advantage. There is a risk that the provider may not perform services with the necessary care and quality, without the service recipient being in a position to detect and challenge this. It is to be feared, moreover, that the provider may perform services for the recipient which the latter does not require at all. Aforementioned information asymmetry involve further analytical elements when professional integrity or the social role of liberal professionals are considered.

Moving to Eurostat source, additional methodological issues arise, since data differ when either NACE or Labour Market data set are taken into account. Using NACE criterion, Eurostat provides data on professionals following the ECJ definition, such as activities that require a high degree of education and training and make specialised knowledge and skills available to clients who may be other business users or private individuals. Using European Labour Force Survey or Employment statistics, Eurostat's coverage refer to self-employed persons working in their own business, farm or professional practice. A self-employed person is considered to be working during the reference week if she/he meets one of the following criteria: works for the purpose of earning profit; spends time on the operation of a business; or is currently establishing a business. These data set do not provide direct information on detailed professions as shown by the EESC such as lawyers, tax advisors, auditors, notaries, engineers, architects, dentists, pharmacists. These data set, even if they do not cover the entire range of liberal professional categories, the level of information for each categories is useful.

Finally, administrative data provided by European Associations such as European Lawyers ⁷ can not be considered as reliable as statistical sources.

The issue of statistical and operation definitions assume a key importance when the measurement entail policy or sectoral decision-making but have less importance when a rough indicator is needed as in the case of Social Dialogue Project.

Needless to say, each national context has its own classification of liberal professions and related measurement standards.

In UK, for instance, the term "liberal professions" is not in use. Rather, Professional Services activists or firms are adopted.

Activities under this section require a high degree of training, and make specialised knowledge and skills available to users. The activities are sub-divided into 7 separate divisions as follows:

Legal and accounting activities

Activities of head offices; management consultancy activities

⁶ Directive 2013/55/EU of the European Parliament and of the Council of 20 November 2013 amending Directive 2005/36/EC on the recognition of professional qualifications. Notaries are excluded from this definition.

⁷ CCBE, Statistics, <http://www.ccbe.eu/actions/statistics/>

Architectural and engineering activities; technical testing and analysis
 Scientific research and development
 Advertising and market research
 Other professional, scientific and technical activities; and
 Veterinary activities.

The Office for National Statistics ⁸ provide detailed information of each above mention categories. Legal and accounting services (statistical category 69), for instance, are broken down into two categorie (Legal activities with code 69.1 and Accountancy activities with code 69.2).

According to ONS, as of March 2015 there were 73,375 enterprises classified under division 69, an increase of 5.4% from 69,640 in 2014. There is a roughly even split of enterprises within division 69. There are slightly more allocated within 69.2 (Accounting, bookkeeping and auditing activities; tax consultancy), which equates to 41,435 enterprises (56.5% of the total division). The remaining 31,940 (43.5%) businesses are classified as 69.1, Legal activities.

According to aforementioned data, one can appreciate the conceptual appropriateness of the Legal and Accounting services.

However, above mentioned list includes both statutory and non statutory profession fading statistics where professionals services are meant as statutory only, such as in Italy.

Take for instance Services of head offices. These services are by nature only consumed by businesses. There is no real market for these services, and hence there is no market price. The same for Management consulting services. These services are very heterogeneous and have in most cases the common characteristic that they are tailor-made for the client, and therefore by nature unique. Advertising and market research services present the same problem. There are two distinct and significant services that form the large bulk of the advertising product. In general terms these are "Placement" (the selling of advertising space, whatever the media) and 'Creation' (excluding associated costs such as film production or photography services).

Finally, Other professional, scientific and technical services include a varied array of professions, not in line with the Italian context of liberal professions.

The international reference for professional classification is the ILO International Standard Classification of Occupations (ISCO 08) which provides a system for classifying and aggregating occupational information obtained by means of statistical census and surveys, as well as administrative records. ISCO foresees 10 major groups of occupations adding the require skill level (from low-level 1 to high-level 4). Professionals are classified a Major Group 2, including occupations whose main tasks require a high level of professional knowledge and experience in the fields of physical and life sciences, or social sciences and humanities. The main tasks consist of increasing the existing stock of knowledge, applying scientific and artistic concepts and theories to the solution of problems, and teaching about the foregoing in a systematic manner. Occupations in this major group require skills at the fourth ISCO skill level. Professionals have been divided into six sub-major groups, 27 minor groups and 92 unit groups, reflecting differences in tasks associated with different fields of knowledge and specialisation. An example relating to Health Professionals is reported below.

Table 1 Example of ISCO for Health Professionals

- 22 Health Professionals
 - 221 Medical Doctors
 - 2211 Generalist Medical Practitioners
 - 2212 Specialist Medical Practitioners
 - 222 Nursing and Midwifery Professionals
 - 2221 Nursing Professionals
 - 2222 Midwifery Professionals
 - 223 Traditional and Complementary Medicine Professionals
 - 2230 Traditional and Complementary Medicine Professionals
 - 224 Paramedical Practitioners
 - 2240 Paramedical Practitioners
 - 225 Veterinarians
 - 2250 Veterinarians
 - 226 Other Health Professionals
 - 2261 Dentists
 - 2262 Pharmacists
 - 2263 Environmental and Occupational Health and Hygiene Professionals
 - 2264 Physiotherapists
 - 2265 Dieticians and Nutritionists
 - 2266 Audiologists and Speech Therapists
 - 2267 Optometrists and Ophthalmic Opticians
 - 2269 Health Professionals Not Elsewhere Classified

⁸ ONS, Professional, scientific and technical activities 2016, Final Report, London 2016.

The European Commission has recommended the use of the ILO ISCO 08 with Recommendation of 29 October 2009 ⁹.

2. Eurostat findings on professional

Eurostat reports following data on professionals within a set of statistics on "business economy by sector", gathering data of the EU-28's Member States by professional, scientific and technical activity sector (NACE Section M) ¹⁰.

According to Eurostat, 4.245.0000 enterprises are counted in 2014, employing 12.1 million persons and generating EUR 667.5 billion of value added. This sector's contribution to the ¹¹ was 18.2 % of the enterprise population, 8.9 % of the workforce, and 10.1 % of value added.

The professional, scientific and technical services sector can be divided into seven subsectors at the NACE division level. According to Eurostat, the following subsectors dominated the overall level of activity in terms of their contribution to value added and employment: Legal, Accounting activities (Division 69) combined with the activity Architectural, Engineering, Technical testing and analysis activities (Division 71).

The activity of head offices and of management consultancy activities (Division 70) played a key role, providing 79.2 % of EU-28 sectorial value added and 74.9 % of sectorial employment in 2014. The latter two of these three subsectors were the only activities to contribute a higher share to sectorial value added than sectorial employment. This was particularly the case for the activity of head offices and of management consultancy activities, which had a much higher share of sectorial value added (25.0 %) than employment (20.3 %).

Tab 2 Key Indicators EU 28, Eurostat 2014

	Value
Main indicators	
Number of enterprises (thousands)	4 244 511
Number of persons employed (thousands)	12 121 100
Turnover (EUR million)	1 335 618
Purchases of goods and services (EUR million)	704 546
Personnel costs (EUR million)	402 499
Value added (EUR million)	667 468
Gross operating surplus (EUR million)	264 968
Share in non-financial business economy total (%)	
Number of enterprises	18.2
Number of persons employed	8.9
Value added	10.1
Derived indicators	
Apparent labour productivity (EUR thousand per head)	55.0
Average personnel costs (EUR thousand per head)	45.3
Wage-adjusted labour productivity (%)	122.0
Gross operating rate (%)	19.8

⁹ COM 2009/824/EC.

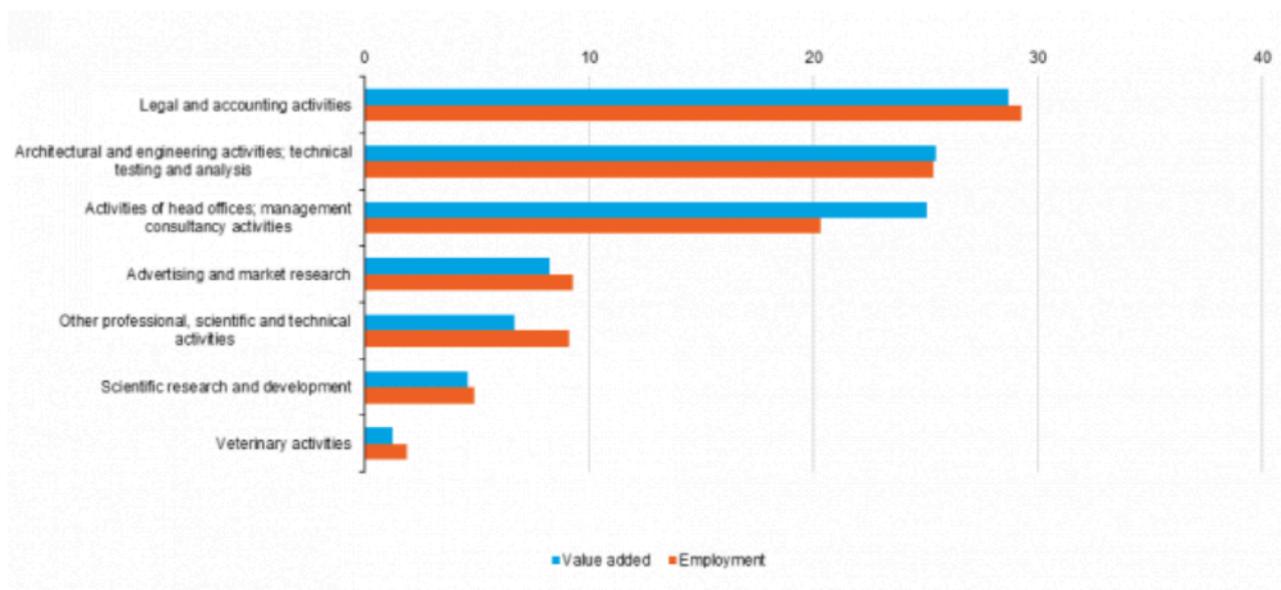
¹⁰ Eurostat, 2018, http://ec.europa.eu/eurostat/statistics-explained/index.php/Professional,_scientific_and_technical_activity_statistics_-_NACE_Rev._2

¹¹ NACE Sections B to J and L to N and Division 95

For the remaining four subsectors, their share of sectorial employment was somewhat higher, suggesting that these activities had a slightly lower than average level of apparent labour productivity. Advertising and market research accounted for almost one tenth (9.3 %) of sectorial employment and 8.2 % of sectorial value added, making it the fourth largest subsector by either measure. The contribution (in both value added and employment terms) of other professional, scientific and technical services (Division 74) was under 10 %, that of scientific research and development was under 5 %, and that of veterinary activities was under 2 %.

The activities of head offices and management consultancy subsector recorded the highest levels of apparent labour productivity and average personnel costs in the EU-28 across the professional, scientific and technical services sector in 2014, with the productivity measure reaching EUR 68.0 thousand per person employed and average personnel costs equal to EUR 59.0 thousand per employee.

Tab 3 Sectoral Analysis, Eurostat EU 2014



Following table show the key indicators of professional activities.

Tab 4 Key indicators of professional activities, Eurostat, 201

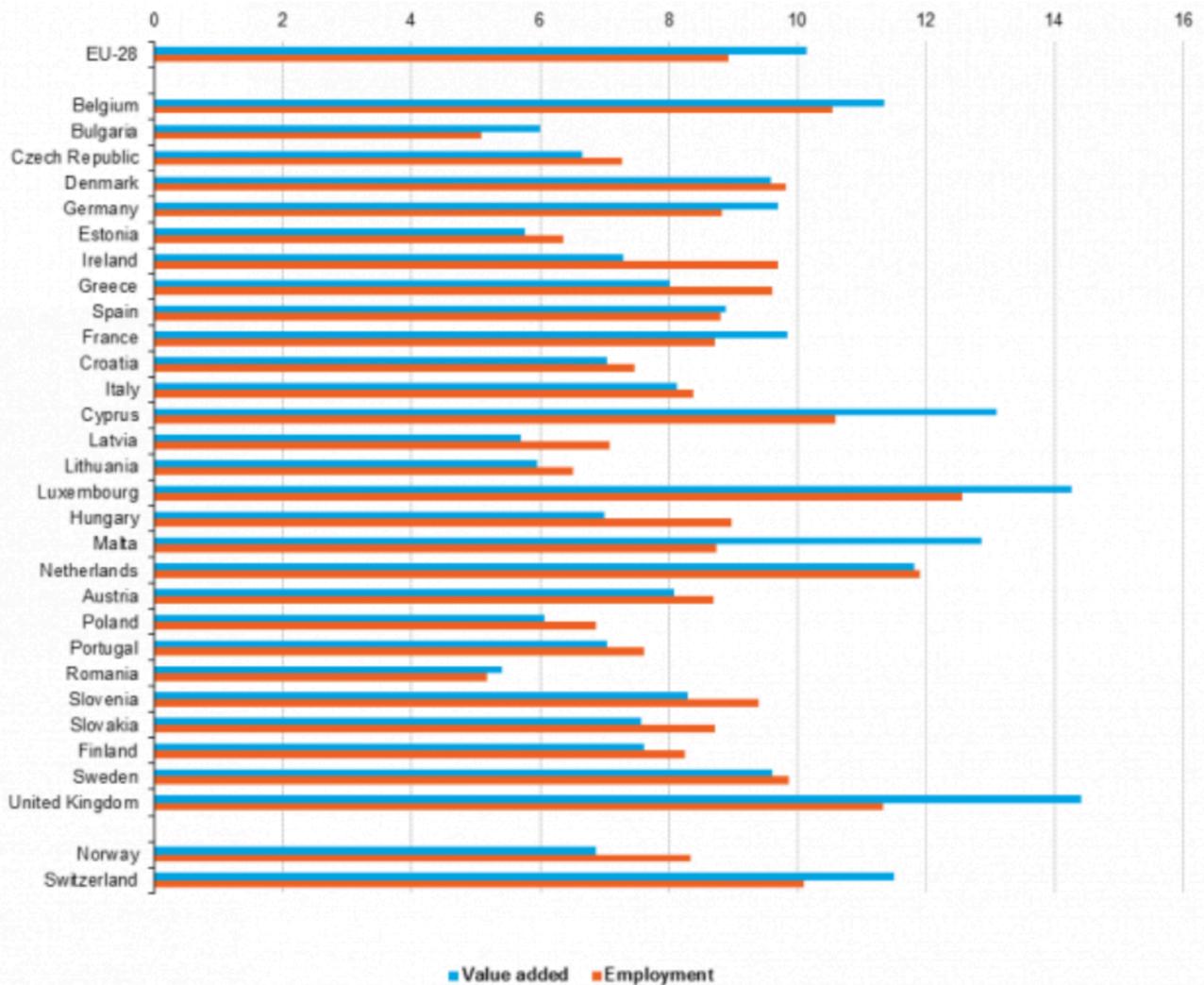
	Number of enterprises (thousands)	Number of persons employed	Turnover	Value added (EUR million)	Personnel costs
Professional, scientific and technical activities	4 244.5	12 121.1	1 335 617.5	667 467.6	402 499.3
Legal and accounting activities	1 166.4	3 549.3	276 687.2	191 654.4	95 119.1
Activities of head offices; management consultancy activities	944.7	2 459.5	379 394.8	167 043.6	113 722.6
Architectural and engineering activities; technical testing and analysis	1 005.7	3 068.6	329 000.0	170 000.0	106 483.7
Scientific research and development	56.0	590.0	74 000.0	30 500.0	30 000.0
Advertising and market research	300.4	1 121.5	160 000.0	55 000.0	33 238.3
Other professional, scientific and technical activities	696.4	1 100.0	95 957.8	44 421.3	20 000.0
Veterinary activities	75.0	229.0	16 200.0	8 490.0	3 968.2

Country analysis shows Belgium, Cyprus, Luxembourg, the Netherlands and the United Kingdom as the most specialised EU Member States in employment terms in the professional, scientific and technical services sector in 2014. Each employed more than

10 % of their non-financial business economy workforce in these activities ¹². The same first five Member States, along with Malta, also occupied the top of the ranking in relation to the most specialised Member States for value added, with double-digit shares of at least 10 %. Based on value added, specialisation peaked in the United Kingdom, where 14.4 % of non-financial business economy value added was generated by the professional, scientific and technical services sector in 2014.

The United Kingdom had the largest share of EU-28 value added (26.2 %) within the professional, scientific and technical services sector in 2014, while the highest share of the sectorial workforce was recorded by Germany (20.2 % of the total).

Tab 5 Share of value added and employment in the non financial business economy total, Eurostat 2014



According to Eurostat, these patterns were carried over into a more detailed analysis by NACE division, as the United Kingdom had the highest level of value added among the EU Member States for five out of the seven subsectors.

Germany recorded the highest share of EU-28 value added in the remaining two subsectors. Largest and most specialized Members States in professional activities, in sum are UK, Germany, Luxembourg, Malta, Netherlands, Cyprus and Belgium all above the EU 28 average

Next table reports the number of employed size in EU

¹² The non-financial business economy includes the sectors of industry, construction and distributive trades and services.

Tab 6 Employment in Professional, scientific and technical activities, Eutostat 2014.

	Total (thousands)	Large
EU-28	12 121.1	18.0
Belgium	289.2	11.0
Bulgaria	96.1	:
Czech Republic	255.9	7.6
Denmark	161.0	34.2
Germany	2 452.2	21.6
Estonia	26.0	0.0
Ireland	120.2	16.2
Greece	212.5	5.0
Spain	938.6	15.0
France	1 354.3	19.6
Croatia	74.7	4.9
Italy	1 186.8	6.3
Cyprus	22.2	9.6
Latvia	43.9	2.4
Lithuania	59.2	:
Luxembourg	31.3	26.7
Hungary	221.8	6.6
Malta	11.0	:
Netherlands	633.9	18.1
Austria	236.3	6.9
Poland	578.8	12.1
Portugal	220.5	9.4
Romania	198.4	16.0
Slovenia	54.4	1.9
Slovakia	125.4	8.5
Finland	121.5	15.2
Sweden	300.0	20.8
United Kingdom	2 095.2	31.0
Norway	130.9	23.1
Switzerland	281.4	15.2

The table shows the share of large professional firms employing more than 2 employees. It is worth noting that in Italy only 6% of professional firms employ more than 2 persons, comparing with UK and Denmark where the percentage exceeds 30%.

If the productivity level (value added) is compared with the employment level (number of employees), one can conclude that the more is the size of the professional firm the more the productivity.

Even if the productivity is not the focus of this study, it is useful reporting the general framework provided by Eurostat in this issue. The labour productivity of the professional, scientific and technical services sector in 2014 was less than EUR 20.0 thousand per person employed in Bulgaria, Greece, Croatia, Latvia, Lithuania, Hungary, Poland, Romania and Slovakia. While it exceeded EUR 60.0 thousand per person employed in Belgium, Denmark, Germany, Ireland, France, Sweden and the United Kingdom, peaking at EUR 98.6 thousand per person employed in Luxembourg. Even higher, at EUR 128.6 thousand per person employed it was in Switzerland. However, after adjusting for the average personnel costs the ranking of countries according to the wage-adjusted labour productivity was quite different. Romania moved to the top of the ranking, as their particularly low average personnel costs more than compensated for their low apparent

labour productivity. They were joined by Malta and the United Kingdom as the only EU Member States to record a wage-adjusted labour productivity ratio for the professional, scientific and technical services sector that was above 165 %. Greece and France were the other countries with the wage-adjusted labour productivity ratio below parity, however, mainly due to lower apparent labour productivity.

The size of professional services firms is a key issue not only for Social Dialogue but also for the discussion of the future of professionals too.

Below is a table on the size of professional firms.

Table 7 Share of different size classes of professionals, scientific and technical services, EESC, 2014

	0 TO 9 EMPLOYEES	10 TO 49 EMPLOYEES	50 TO 249 EMPLOYEES	250 AND MORE EMPLOYEES
European Union (27 countries)	96.5%	3.1%	0.4%	0.1%
Belgium	97.9%	1.8%	0.3%	0.1%
Bulgaria	96.6%	3.1%	0.3%	0.0%
Czech Republic	98.3%	1.5%	0.2%	0.0%
Denmark	93.9%	5.0%	0.9%	0.2%
Germany	90.2%	8.9%	0.8%	0.1%
Estonia	95.7%	3.9%	0.4%	0.0%
Ireland	93.9%	5.3%	0.6%	0.1%
Spain	97.0%	2.7%	0.3%	0.1%
France	96.2%	3.3%	0.4%	0.1%
Italy	98.9%	1.0%	0.1%	0.0%
Cyprus	92.6%	6.6%	0.8%	0.1%
Latvia	96.5%	3.2%	0.3%	0.0%
Lithuania	94.7%	4.8%	0.4%	0.0%
Luxembourg	94.4%	4.7%	0.7%	0.1%
Hungary	98.4%	1.5%	0.1%	0.0%
Netherlands	97.2%	2.4%	0.4%	0.1%
Austria	94.2%	5.3%	0.5%	0.0%
Poland	98.2%	1.4%	0.3%	0.1%
Portugal	98.2%	1.6%	0.2%	0.0%
Romania	95.7%	3.7%	0.6%	0.1%
Slovenia	97.3%	2.4%	0.2%	0.0%
Slovakia	97.6%	2.2%	0.2%	0.0%
Finland	95.5%	3.9%	0.5%	0.1%
Sweden	97.9%	1.8%	0.3%	0.0%
United Kingdom	93.1%	5.8%	0.9%	0.2%

3. Statistics provided by the European Economic and Social Committee

Back to the quantification task, the European Economic and Social Committee, using the European Labour Force Survey, restricted to 27 EU Countries, provide different data, since the total number of professionals amount to 5.169.200 in 2012.

Table 8 Self-employed in Liberal Professions dominated industries in the EU 27 (EESC, 2014)

	2008	2009	2010	2011	2012
European Union (27 countries)	4600.8	4805.4	4967.6	5083.1	5169.2
Belgium	136.3	142.9	142.1	135.0	150.2
Bulgaria	32.5	35.1	36.0	30.9	32.2
Czech Republic	97.3	105.1	112.7	110.7	117.1
Denmark	43.3	46.9	49.5	49.3	48.8
Germany	806.8	900.5	931.3	982.2	970.7
Estonia	—	—	—	6.8	—
Ireland	35.8	40.4	40.2	39.1	40.4
Greece	150.6	148.3	155.8	167.0	163.4
Spain	354.7	345.4	346.9	341.4	345.2
France	502.9	528.0	552.6	589.8	576.3
Italy	993.6	974.5	1,003.6	994.1	1,014.9
Cyprus	6.4	6.4	7.4	6.6	7.3
Latvia	7.8	11.8	9.5	8.8	10.5
Lithuania	—	—	—	—	—
Luxembourg	3.9	5.2	4.8	5.5	6.3
Hungary	58.5	55.2	53.9	61.1	54.2
Malta	—	—	—	—	2.4
Netherlands	241.5	226.8	225.6	237.1	—
Austria	77.8	79.8	85.1	86.0	83.0
Poland	177.5	196.7	218.0	226.4	244.1
Portugal	65.9	64.5	62.0	72.2	71.4
Romania	24.1	28.0	31.0	39.0	43.3
Slovenia	9.7	10.4	14.7	14.2	13.0
Slovakia	40.4	50.8	47.2	52.0	51.5
Finland	46.0	46.0	42.2	46.8	51.8
Sweden	80.1	81.8	82.1	82.2	82.7
United Kingdom	592.9	659.5	697.9	688.1	717.2

Comparison with previous data provided by Eurostat according to NACE classification is not possible since the former set refers to 2012 while the latter refers to 2012.

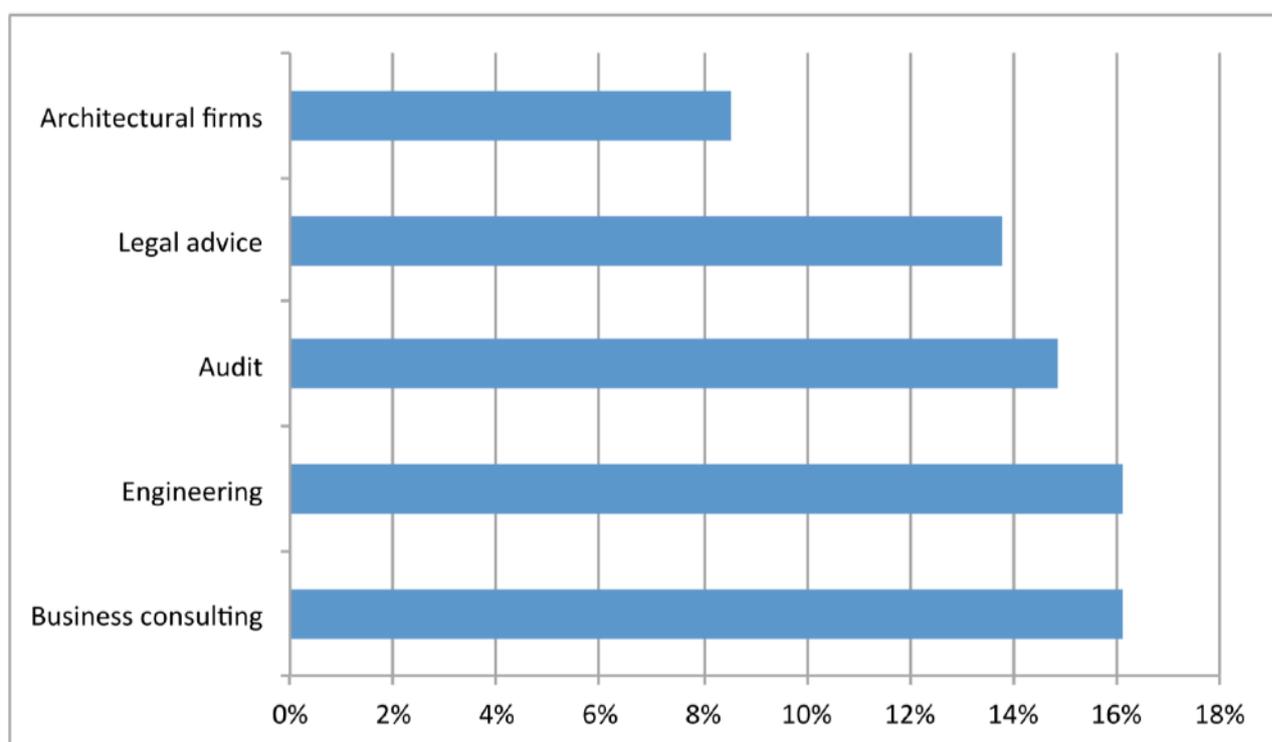
However, this information helps understanding the structural composition of professional in Belgium Italy and Malta. Observing the share of liberal professions as a proportion of all self-employed persons, Italy results as a higher density than Malta but lower than Belgium, according to next table.

Table 9 Share of self-employed in liberal professions as a proportion of all self-employed, EESC, 2014.

	2008	2009	2010	2011	2012
European Union (27 countries)	14.9%	15.8%	16.2%	16.7%	16.9%
Belgium	24.4%	24.8%	24.6%	23.6%	25.8%
Bulgaria	9.0%	9.8%	10.4%	9.8%	10.6%
Czech Republic	13.0%	13.7%	14.0%	13.4%	13.9%
Denmark	19.3%	20.0%	22.3%	22.4%	22.6%
Germany	20.8%	22.8%	23.4%	24.0%	23.7%
Estonia	—	—	—	—	—
Ireland	11.1%	13.4%	14.5%	14.7%	15.6%
Greece	11.7%	11.5%	12.2%	13.7%	14.1%
Spain	10.8%	11.7%	12.1%	12.3%	12.2%
France	19.9%	20.3%	20.1%	21.2%	21.1%
Italy	18.9%	19.1%	19.7%	19.6%	20.2%
Cyprus	10.2%	10.6%	12.7%	11.6%	14.1%
Latvia	8.5%	12.8%	10.5%	10.4%	12.1%
Lithuania	—	—	—	—	—
Luxembourg	31.5%	32.9%	30.8%	32.2%	33.7%
Hungary	13.1%	12.4%	12.2%	14.3%	12.9%
Malta	—	—	—	—	11.0%
Netherlands	23.9%	22.1%	20.2%	21.3%	—
Austria	17.5%	18.3%	18.9%	18.7%	18.4%
Poland	6.2%	6.9%	7.7%	7.9%	8.6%
Portugal	7.2%	7.4%	7.6%	9.6%	9.8%
Romania	1.5%	1.7%	1.8%	2.5%	2.7%
Slovenia	10.7%	10.8%	13.4%	13.1%	12.4%
Slovakia	12.3%	14.0%	13.0%	14.3%	14.5%
Finland	15.7%	15.2%	14.3%	15.8%	17.3%
Sweden	19.1%	19.5%	19.1%	19.7%	20.0%
United Kingdom	16.6%	18.5%	19.2%	18.7%	18.8%

A breakdown of the shares of companies in the occupational fields of "business consulting", "engineering", "audit", "legal advice" and "architectural firms" in all companies in the industry "provision of professional, scientific and technical services" for the EU-27 Member States for 2010 is shown by Table 10.

Table 10 Proportion of professional fields as a share of all Professionals, EESC, 2014.



In many countries it is possible to identify "priority" liberal professions. For example, in the Netherlands, the United Kingdom and Sweden, around one in three enterprises in the industry "provision of professional, scientific and technical services" are active in the occupational fields of "business consulting". This is well above the average of all EU-27 Member States. Italy and Sweden have the highest proportions in "engineering" (20.4% and 19.2%). Overall, the proportional shares for "engineering" hardly vary between the EU-27 countries. The highest shares in the "auditing" field were recorded in the Eastern European Member States. For instance, the share in Slovakia (29.1%), Bulgaria (25.3%) and Estonia (24.9%) is in each case more than 10 percentage points above the average of the EU-27. The share of "architect firms" in Belgium and Spain are almost twice as high as the EU-27 average, at more than 15%. Next table shows this proportion.

Table 11 Proportion of Professionals fields and a share of all professionals (EESC, 2014)

	BUSINESS CONSULTING	ENGINEERING	AUDIT	LEGAL ADVICE	ARCHITECTURAL FIRMS
European Union (27 countries)	16.1%	16.1%	14.8%	13.8%	8.6%
Belgium	28.7%	6.1%	12.5%	6.0%	15.4%
Bulgaria	11.1%	16.1%	25.3%	3.5%	7.0%
Czech Republic	—	—	—	—	—
Denmark	24.5%	12.3%	13.7%	5.6%	6.3%
Germany	12.6%	18.1%	13.7%	14.0%	9.3%
Estonia	23.4%	12.1%	24.9%	6.6%	4.0%
Ireland	0.0%	13.7%	18.1%	16.7%	8.6%
Greece	—	—	—	—	—
Spain	0.0%	13.7%	16.5%	25.9%	15.1%
France	23.2%	10.4%	6.2%	12.9%	7.7%
Italy	5.7%	20.4%	17.2%	21.0%	10.1%
Cyprus	15.0%	11.9%	16.6%	17.1%	12.2%
Latvia	11.0%	5.6%	23.1%	18.9%	5.3%
Lithuania	9.8%	13.2%	9.1%	21.3%	5.2%
Luxembourg	20.5%	9.6%	16.1%	22.1%	8.0%
Hungary	18.2%	15.6%	23.6%	6.8%	3.5%
Malta	—	—	—	—	—
Netherlands	31.1%	12.2%	12.3%	5.7%	2.1%
Austria	16.0%	15.4%	11.6%	8.5%	9.2%
Poland	11.6%	17.6%	15.6%	12.4%	7.9%
Portugal	13.5%	18.5%	20.5%	22.3%	8.0%
Romania	30.9%	16.0%	14.5%	0.5%	7.9%
Slovenia	25.8%	17.0%	19.6%	6.9%	6.1%
Slovakia	13.3%	16.5%	29.1%	7.4%	3.4%
Finland	20.6%	18.6%	14.4%	4.7%	4.7%
Sweden	30.1%	19.2%	11.8%	3.5%	2.3%
United Kingdom	34.5%	16.6%	10.0%	9.0%	3.3%

4. Recent study of Confprofessioni

Moving to a recent study carried out by Confprofessioni, while the same statistical source is used, data are provided to year 2016 adding to the trend from 2009. The average growth rate is close to 15% yearly and regards all Members States, except Greece and Norway.

In 2016 the Member State with the highest number of professionals is Italy (1.058.100 professionals), followed by Germany (927.100) and UK (826.200). Belgium counts 166.300 while Malta reports 2.700 professionals. See table 11.

Table 12 Number of Liberal Professions in Europe, Confprofessioni Report 2017 ¹³.

Tabella 1.1: Numero di liberi professionisti* in Europa e nei singoli Paesi europei e variazione relativa
 Medie Mobili. Valori in migliaia. Anni 2009-2016.

	2009	2010	2011	2012	2013	2014	2015	2016**	Variazione relativa 2009-2016
Lettonia	6,0	6,3	6,6	10,3	11,4	12,7	13,2	12,8	69,3%
Lituania	5,4	5,7	6,1	6,9	7,5	8,1	8,5	8,2	51,6%
Lussemburgo	4,7	5,2	5,5	6,2	6,9	7,0	7,9	6,9	49,3%
Slovenia	11,0	13,1	14,0	13,4	13,9	14,9	16,6	19,0	49,7%
Slovonia	197,4	213,7	229,5	242,8	254,1	261,2	276,7	295,4	49,2%
Slovacchia	46,2	50,0	50,2	52,9	55,6	58,5	64,5	70,9	39,8%
Paesi Bassi	220,8	232,3	241,8	267,9	290,8	316,9	321,2	328,2	37,4%
Estonia	5,4	6,1	5,9	6,7	6,9	7,5	7,8	7,8	35,6%
Romania	27,5	31,9	35,9	38,2	38,6	38,9	37,0	37,2	34,9%
Croazia	19,2	19,1	20,1	20,2	20,1	21,5	24,2	26,4	38,4%
Islanda	2,9	2,9	3,1	3,2	3,6	3,7	3,8	4,1	39,0%
Malta	1,7	1,7	1,6	2,1	2,2	2,0	2,1	2,7	59,3%
Regno Unito	424,5	496,0	506,1	521,1	552,0	574,4	602,0	606,2	32,9%
Finlandia	44,9	45,1	47,0	48,2	48,2	50,4	54,9	57,1	27,3%
Francia	529,0	536,2	575,2	592,2	594,2	604,5	628,3	637,6	21,0%
Svizzera	101,5	108,2	108,4	112,5	116,2	120,0	121,1	122,2	20,4%
Portogallo	62,5	62,5	67,4	70,4	70,0	72,8	74,8	72,4	17,8%
Repubblica Ceca	105,3	109,9	112,2	114,7	119,5	120,1	122,1	123,7	17,4%
Belgio	140,5	145,1	145,4	147,5	150,2	152,2	152,7	160,2	15,8%
Austria	90,9	92,0	94,2	95,4	96,2	96,9	99,9	99,9	10,4%
Spagna	208,0	211,4	212,5	210,7	214,7	216,2	216,7	212,0	10,9%
Bulgaria	34,4	33,0	31,9	31,1	30,7	30,2	30,1	27,9	10,9%
Ungheria	56,2	57,1	57,0	57,5	57,1	56,7	56,9	60,5	10,7%
Italia	878,8	887,2	897,1	902,2	907,9	917,9	914	917	5,9%
Danimarca	46,6	46,2	46,2	46,8	47,7	48,8	49,4	50,7	9,9%
Germania	877,0	880,5	880,0	888,2	894,4	897,7	907,1	908,2	3,7%
Irlanda	38,1	40,0	40,0	42,0	42,0	41,5	41,4	39,8	3,7%
Svezia	81,5	82,2	82,5	82,6	82,5	82,0	82,8	84,7	2,9%
Grecia	151,1	153,3	158,8	156,2	152,2	150,7	151,0	147,6	0,0%
Norvegia	27,4	28,4	24,4	23,0	22,5	22,2	22,8	21,6	-10,2%
Unione Europea (28 paesi)	4.806,4	4.965,3	5.081,0	5.166,8	5.286,7	5.403,9	5.527,2	5.632,1	15,2%

In general, Italy absorbs 19% of liberal professions in Europe. Looking at the density, Italy counts 17 Professional out of 1000 inhabitants, the higher rate after the Netherlands with 19 Professional out of 1000 inhabitants, being the European average equal to 11 out of 1000. Table 12 shows some regularities regarding the growth rate. In particular, high growth is reported in those countries where the service structure is low while the steady state refers to countries with a developed services sector. In Baltic states and Est Europe for instance, in 2009 reported density is very low, contrary to UK or Germany. Lithuania and Romania represent an exception since still now the density frate is low. Yet, the growth of professionals does follow that of self-employment tout court, sector which includes artisan craft, dealers and traders and other forms of self-employment.

In addition, national trends do not present the same path. Member States where the incidence of self-employment decreases such as Romania, Greece, Portugal and Croatia coexist with those where the rate of professional is increasing such s Luxembourg,

¹³ Confprofessioni, Liberal Professions Observatory, Roma, 2017

Estonia, Latvia, the Netherlands and UK. As a result, the professional sector presents its own development path separated from that of self-employment at large. Next table reports the density rate.

Table 13 Number of Professionals out of 1000 inhabitants in Europe.

Tabella 1.2: Numero di liberi professionisti* per 1000 abitanti in Europa e nei singoli Paesi europei
Numero e variazioni. Valori in migliaia. Anni 2009-2015.

	Numero di L.P. per 1000 abitanti		Incremento medio annuo	Variazione relativa
	2009	2015	2009-2015	2009-2015
Lettonia	3,7 (28)	6,6 (22)	10,3%	80,0%
Lituania	1,7 (29)	2,9 (29)	9,4%	71,6%
Slovenia	5,7 (21)	8,2 (19)	6,1%	43,0%
Polonia	5,2 (23)	7,3 (20)	5,8%	40,6%
Slovacchia	8,6 (14)	11,9 (9)	5,6%	38,8%
Romania	1,3 (30)	1,9 (30)	5,6%	38,4%
Estonia	4,0 (27)	5,5 (26)	5,5%	37,6%
Croazia	4,2 (24)	5,7 (24)	5,3%	36,1%
Paesi Bassi	14,2 (2)	19,0 (1)	5,0%	34,0%
Lussemburgo	9,5 (10)	12,4 (6)	4,8%	30,9%
Islanda	9,2 (11)	11,9 (9)	4,3%	29,0%
Portogallo	6,0 (20)	7,2 (21)	3,1%	19,9%
Finlandia	8,4 (16)	10,9 (13)	2,9%	19,0%
Malta	4,1 (26)	4,9 (28)	2,8%	18,2%
Francia	8,2 (17)	9,6 (14)	2,7%	17,6%
Regno Unito	10,5 (7)	12,4 (7)	2,7%	17,2%
Repubblica Ceca	10,1 (8)	11,7 (10)	2,5%	16,2%
Bulgaria	4,6 (24)	5,3 (27)	2,3%	14,9%
Ungheria	5,6 (22)	6,3 (24)	2,0%	12,7%
Svizzera	13,2 (5)	14,8 (4)	2,0%	12,5%
Spagna	7,7 (13)	8,6 (11)	1,0%	12,1%
Belgio	13,1 (3)	14,5 (4)	1,7%	10,8%
Austria	9,7 (9)	10,6 (10)	1,3%	9,7%
Germania	10,7 (6)	11,4 (11)	1,1%	6,8%
Italia	16,6 (1)	17,2 (3)	0,6%	3,8%
Danimarca	8,5 (15)	8,7 (16)	0,5%	3,1%
Grecia	13,6 (3)	13,9 (5)	0,4%	2,2%
Irlanda	8,6 (13)	8,8 (15)	0,2%	1,3%
Svezia	8,8 (12)	8,6 (16)	-3,7%	-2,2%
Norvegia	7,8 (18)	6,5 (23)	-3,1%	-16,5%
Unione Europea (28 paesi)	10,0	10,9	1,4%	15,0%

5. Conclusion

The review of existing statistics on Liberal Professionals highlights several methodological obstacles which hamper reliable statistics.

Difficulties arise in defining those who have the main role in the human development.

While liberal professions seems the definition accepted by the European Union, this term is replaced by professional services in UK. Intellectual professions is a further identification of those involved in occupation such as lawyers, notary or accountant.

According to the European Commission ¹⁴, the liberal professions include lawyers, notaries, engineers, architects, doctors, dentists and accountants, amongst others. They all require special training in the arts or sciences, and their activities are usually closely regulated by national governments or professional bodies. The services they provide are very important for European businesses and consumers. In the European Communication on Liberal Professions ¹⁵, the terms "Liberal Professions" is meant as an encompassing category including both statutory and non statutory professions.

In the words of the European Commission, Professional services are a driver of a competitive, knowledge-based economy and the knowledge-intensive nature of the

¹⁴ https://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/liberal-professions_it

¹⁵ European Commission, Action lines for Liberal professions, 2016

products and services provided suggests their potential importance as future providers of new, sustainable jobs and contributors to economic growth. In one hand, the definition of the European Court of Justice is recalled, therefore restricting the definition to statutory professions. On the other, is recalled the European legislative framework affecting service at large as in the Professional Qualification Directive ¹⁶ or the Service Directive ¹⁷.

In other EU documents, such as Entrepreneurship 2020, liberal professions are included among entrepreneurs domain. As a result, following cases are reported simultaneously: a barristers is a liberal professional acting under a specific statutory regulation, an entrepreneur who tries to achieve a profit, a service trying to answer a need.

Conversely a plumber is a liberal profession, involved himself within the knowledge society towards EU 2020 goals. Both are parts of the European Liberal Professions set.

It goes without saying that a clarification is need in order to avoid that one person is statistically included in different statistical sets.

What is important here, is to agree that, whatever a liberal professionals is classified, this profession is a "statutory profession", and managed by a statutory regulator, like Health and Care Professional Council which is, in its turn, scrutinized and oversight by Professional Standards Authority. In short, a professionals without a public function can not be included in the statistical set of Liberal Professionals. A fortune-teller is a liberal profession but it cannot be included in a population susceptible of being studied as social partner.

In conclusion, aforementioned typologies (Statutory Professionals, Entrepreneurs and Liberal Professionals) should be considered within three different statistical set.

Regarding the need to quantify the liberal professionals population and according to existing data, we can assume in Europe a population of liberal professionals ranging from 4 to 6 million units with approximately a employee population ranging from 12 million to 18 million assuming an unit average of 3 employees. Adding employees with professionals, total amounts to 16 million or 24 million workers in the Liberal profession sector.

The definition and related quantification issue has relevant policy issue.

The more extended the definition is, the more important the sector.

Both professionals associations and trade union are interested in the effect of metrics.

However a trade off springs off between the quantity and quality. In short, when a Representative body tries to interpret the needs of represented population, the effectiveness of its action depends on both number of represented people and their homogeneity ($E = f(N / H)$). A representative body made up by 100 lawyers women, has more probability to be effective than an organization made up by 1000 lawyers, 50% men and 50% women.

As a result, Professional associations that extend their role to non statutory professionals, including workers of the so called gig economy, face great difficulty in representing so large population with different needs and priority. What is going in the policy power (number of represented) is loss in focused representativeness (response to needs, not to be confused with representativeness of response in survey).

Vicenza, February 2018

¹⁶ Directive 2005/36/EC on the recognition of professional qualifications

¹⁷ Directive 2006/123/EC of 12 December 2006 on services in the internal market