

MAIN FINDINGS

1998

- Services are the major activity in OECD countries, accounting for 50% to 70% of industrial activity. In the United States and Luxembourg, turnover in the service sector is around 3.5 times higher than in the manufacturing sector (Figure 1), but over the period 1995 to 1998 the most dramatic rise –from 32% to 52% – was in the Czech Republic.
- Regarding turnover, the share of firms under foreign control is higher in the manufacturing sector than in the service sector (Figure 3).
- In most countries, the share of firms under foreign control into the service sector is greater in terms of turnover than in terms of employment. It is more evenly balanced in Belgium, Poland and Austria (Figure 4).
- For most countries, the establishment of an affiliate in the service sector abroad is a more successful way of penetrating markets than through exports. For Japan, the turnover of affiliates established in the service sector abroad is 8 times higher than Japanese service exports, compared with 4.5 times higher in Finland, 3.1 times higher in the United States and 2.7 times higher in Germany (Figure 10).
- In some countries (Japan, Finland), services are much more internationalised on foreign markets (outward investment) than on the domestic market (inward investment), while in France they are equally internationalised on both markets (Figures 3 and 7).
- The sales of national firms' affiliates abroad, compared to the sales of all firms in the countries of origin for which data are available, are higher in the manufacturing industry than in the service sector. On the basis of these limited observations, it appears that services are less internationalised than manufacturing, taking into account their respective shares in economic activity (Figure 7).