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## PRESS RELEASE

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### The weight of the non-profit sector in the Belgian economy

- **NPI activity generates almost 5% of GDP each year.**
- **The main area for non-profit organisations' work is in health care and social work.**
- **The job-creating dynamic is higher there than in the rest of the economy.**

On Wednesday, 13 May 2020, the National Accounts Institute (NAI) is publishing the data on the **satellite account of non-profit institutions (NPIs)** for the years 2009 to 2017. Compared to the previous edition of the account, this new publication covers a longer period of nine years.

Belgium's NPI satellite account covered more than 19 000 entities in 2017. The weight of the non-profit sector in GDP is 4.9 %, with a gross value added at current prices of € 21.7 billion. This weight remained relatively stable over the whole period between 2009 and 2017. In terms of employment, NPIs hold an even more important position in the Belgian economy since they provided almost 12.6 % of paid employment in 2017, a share in constant progression since 2009. For instance, an average 10 200 jobs have been created in NPIs each year, which works out at an annual average growth rate of 2.3 %, more than four times higher than that recorded in the rest of the economy. In terms of remuneration, the share of NPIs is a bit lower – accounting for slightly less than 10% of total compensation of employees in 2017 – a figure that can notably be explained by the fact that NPIs tend to specialise in branches of activity offering traditionally lower wages.

### NPI SATELLITE ACCOUNT: SOME FIGURES

	2009	2017	Annual average change over the period 2009-2017
Number of NPIs covered by the satellite account (units)	18 445	19 060	
Gross value added at current prices			
In € million	16 459.9	21 660.6	+3.5%
In % of GDP	4.8	4.9	
Compensation of employees			
In € million	16 173.0	21 561.9	+3.7%
In % of compensation in the economy as a whole	8.9	9.8	
Paid employment			
In thousand persons	415.6	497.4	+2.3%
Of which: Human health and social work	286.1	350.6	
Market services	54.4	62.7	
Miscellaneous membership organisations	40.0	42.7	
In % of paid employment in the economy as a whole	11.1	12.6	

Source : NAI.

The main branches of activity where these organisations are active are the health and social work sectors, each accounting for roughly one-third of the total value added generated by the non-profit sector. But the organisations also pursue about 10% of their activity in traditionally market service branches, such as trade, hotels and restaurants, R&D, administrative and support services for businesses, etc.

If employment is viewed as an indicator of the share of the non-profit sector in the economy of each Region, it emerges that the position of the NPIS is very similar in the Flemish Region and the Walloon Region (respectively 12.8% and 12.7% of total employment in each Region), which is a higher share than in the Brussels-Capital Region (11.4 %).

#### **REGIONAL DIMENSION OF THE SATELLITE ACCOUNT OF NPIS (2017)**

	Brussels Capital Region	Flemish Region	Walloon Region
Number of NPIS covered by the satellite account (units) (1)	5 165	6 109	7 167
Compensation of employees			
In € million	3 856.8	12 315.0	5 390.1
Paid employment			
In thousand persons	70.5	294.7	132.2
Of which: Human health and social work	34.0	224.7	92.0
Market services	7.7	38.8	16.3
Miscellaneous membership organisations	18.0	13.8	10.3
In % of paid employment in the region (2)	11.4	12.8	12.7

Source: NAI.

(1) The population referred to here is strictly confined to NPIS employing paid staff. Thus, NPIS which have no paid staff, but which file annual accounts with the Central Balance Sheet Office are not included in this table. Furthermore, an NPIS which has establishments in more than one Region is counted in each of the Regions concerned. The total number of NPIS in this table therefore differs from the figure in the previous table.

(2) Based on the regional employment figures published in February 2020.

#### **Additional information**

“Satellite account” means a set of statistical tables consistent with the central framework of the national accounts but in which it is possible to adopt a specific approach and add information not included in the national accounts, in order to describe the economic reality from another angle. Unlike the central national accounts, the satellite accounts are established by statistical institutes on a voluntary, rather than mandatory, basis.

The NPIS satellite account is drawn up on the basis of methodology approved by the United Nations. The population of the account consists mainly of private sector units which, on the one hand, employ paid staff and/or file annual accounts with the Central Balance Sheet Office, and, on the other hand, adopt the legal form of a non-profit institution (NPIS) or a more specific not-for-profit legal form (foundation, professional association, etc.). De facto associations which employ staff and do not aim to make a profit (e.g. unions) also form part of the population. Conversely, the population considered does not include associations belonging to the general government sector.

Various data sources are combined to form the NPIS satellite account. The annual accounts filed by the largest associations at the Bank’s Central Balance Sheet Office are a key source. That information is supplemented by the results of the structural survey on non-profit institutions as well as by using alternative estimation methods, notably to cover the smaller NPIS not required to file annual accounts.

As the NPIS satellite account is compiled in accordance with the central framework for establishing the national accounts, the changes in methodology made to the national accounts publication in October 2019 have been fully reflected in this new edition.