

The PBS sub-sectors contribute significantly to the UK economy



Accountancy and auditing

- £18.5bn in gross value added,
- £2.2bn of exports, and
- 396,000 jobs.



Advertising and marketing

- £12.9bn in gross value added,
- £6.7bn of exports, and
- 221,000 jobs.



Architecture

- £3.7bn in gross value added,
- £500 million of exports, and
- 98,000 jobs.



Legal services

- £24.4bn in gross value added,
- £4.9bn of exports, and
- 368,000 jobs.



Management consulting

- £21.2bn in gross value added,
- £13.6bn of exports, and
- 522,000 jobs.



Recruitment

- £3.5bn in gross value added,
- £1.4bn of exports, and
- 169,000 jobs.

The following organisations contributed to the report of the Professional Business Services Council's Mutual Market Access Working Group that has informed this document.



UK data:
Sources: ONS GDP low level aggregates, ONS Pink Book trade in services statistics, and ONS workforce jobs.
Notes: GVA data benchmarked to the 2016 Annual Business Survey and Jobs data to Business Register and Employment Survey (BRES) employment data. All data is 2016.

EU data:
Sources: UNCTAD Trademap 2016, Eurostat Structural Business Statistics 2016.
Notes: Eurostat does not publish detailed sub-category data for all countries, therefore «Professional, scientific and technical activities» and «Administrative and support service activities» are used as an alternative for PBS. EU GVA data is available only for 2015. All other data is for 2016.

Professional and Business Services

Based in the UK, serving the world

Professional and Business Services (PBS) providers are highly qualified specialists whose expert knowledge and experience are in constant demand from domestic and international businesses to help them innovate, grow and manage their risk around the world.¹

PBS sector contribution to the UK economy:

£187.6bn
of gross value added
(11% of UK gross value added)

£66.1bn
of exports

£24.9bn
of trade surplus

4.6 million jobs
(13% of UK jobs)

PBS sector contribution to the EU economy:

€1243.9bn
of gross value added
(10% of EU gross value added)

€481.3bn
of exports

€2.6tn
in revenues

28.182 million jobs
(9% of EU jobs)

¹ The UK Professional and Business Services (PBS) sector comprises accountants and auditors, actuaries and tax consultants, the advertising and marketing services industry, architects, legal service providers, management consultants, recruiters and a range of other professional services activities and business support functions.

What contributes to the success of the UK PBS sector?

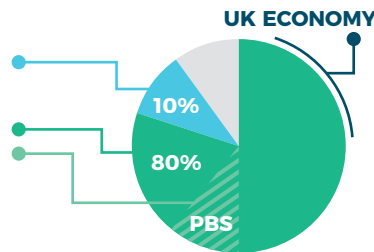
- A **highly skilled international workforce** not currently replicated anywhere else.
- The **UK's infrastructure and 'cluster effect'** which permit international businesses to have all their PBS needs catered for in one place by flexible and innovative PBS providers.
- The widespread use by business of **English law, the English courts and the English language**, makes the UK a global hub for trade and investment.

Why is the PBS sector a priority in the Brexit negotiations?

Much of the debate around the UK's future trade arrangements with the EU has centred on the question of tariffs and trade in goods. But **the manufacturing sector only makes up about 10%** of the UK economy.

It is dwarfed by the contribution of **the services sector, which makes up about 80%**. **The PBS sector accounts for approximately 11% of the UK economy.**

The PBS sector exports £66.1 billion a year and employs 4.6 million people, two thirds of whom are outside London. It also serves as an enabler for the whole of the UK economy.



A successful deal for the PBS sector will contribute to a successful Brexit

If the future partnership agreement covers the PBS sector adequately, **the sector, and by extension the UK economy, will continue to flourish.**

If no deal is reached, the factors which contribute to the success of the UK PBS sector will be jeopardised.

World-leading PBS providers in the UK will **face significant restrictive regulations and uncertainty**; some of their activities will be severely curtailed and others will disappear altogether. **This, coupled with any reduction in the reliance on English law as the international law of business, as well as the English courts, will significantly impact the cluster benefits that the UK currently enjoys.** Businesses depend on a whole range of PBS services to attract investment, grow their operations and comply with legislation. Disruption and uncertainty could have a significant impact not only on the businesses themselves, but also the businesses that depend on PBS services and the integrity and stability of the markets overall and the wider UK economy.

A successful deal for the PBS sector: the right people in the right place at the right time

For the PBS sector, a successful Brexit means:

A meaningful partnership agreement between the UK and EU-27 which



Ensures the mutual recognition and enforcement of British jurisdiction clauses and judgments in the EU-27 and vice versa



Allows clients in the UK and EU-27 to choose how and where they receive PBS services, particularly from PBS providers flying-in/flying-out and those established locally



Provides for the **mutual recognition** of:

- **professional qualifications** (e.g. auditing and accounting, architectural and legal qualifications)
- **products** (e.g. advertising, construction materials and audits)
- **operating licences** (e.g. broadcasting licences)



Enshrines a system which allows UK and EU-27 PBS businesses to continue to use their current corporate forms to serve clients across Europe



Ensures continued cooperation in areas that facilitate cross-border trade, including the exchange of personal data between the UK and the EU-27

A domestic immigration policy which



Lets the best worldwide talent flow into the UK to maintain and enhance a multicultural, multinational, multiskilled global PBS hub