



ICT-Study Canton of Zurich

In 2008, the ICT sector generated 5.5% of Zurich's GDP. In three years, employment in the sector increased by 9.5% and reached 41'044 people. Noticeable is the high share of service focused activities. Manufacturers of software-products are rare. The main reason is the strong financial industry.

The settlement of prominent companies of Information and Communication Technologies (ICT) like Google and Microsoft has led to an increasing perception of the Zurich economic area as an international ICT location.

On behalf of the Business and Economic Development Division, we analyzed the ICT cluster Zurich from different perspectives and with various data basis from the Swiss Federal Statistical Office FSO (Business Census, Added Value Statistics, Production Account, Swiss Labour Force Survey).

Method and Definition of the ICT sector

The following analysis of the ICT sector is mainly based on the Business Census. Therefore, only those enterprises and workplaces are taken into account that are assigned in the census to the ICT branches. The ICT sector is a cross section industry which is composed of different branches. The study follows the OECD definition which divides the ICT sector into three sub-segments ICT manufacturing, ICT services and ICT commerce.

Facts and Figures

According to the first Zurich ICT Report, in 2008 there were 41,044 people employed in 3,748 information and communications firms that generated 5.2 billion Swiss francs in gross value added. This corresponds to a 5.5% share of the GDP (national 3.7%).

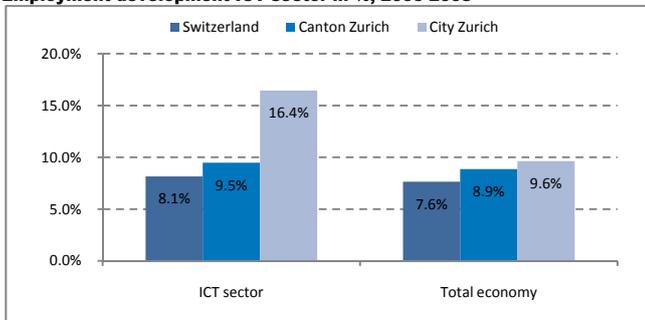
Overview ICT sector Zurich, 2008

	Switzerland	Canton Zurich	City Zurich
Firms			
Number	14'662	3'748	1'293
(%-share on total economy)	(3.2%)	(5.0%)	(5.0%)
Employees			
Number of Full time/ Part time	142'962	41'044	19'923
(%-share on total economy)	(3.4%)	(5.1%)	(5.5%)
Employees			
Number of FTE	131'617	37'869	18'552
(%-share on total economy)	(3.7%)	(5.6%)	(6.1%)
Total turnover*			
in Mio. CHF	181'728	65'440	25'406
(%-share on total economy)	(5.6%)	(10.5%)	(9.1%)
Gross value added**			
in Mio. CHF	18'339	5'231	2'677
(%-share on GDP)	(3.7%)	(5.5%)	(6.3%)

*Estimation based on Added Value Statistics, ** Estimation based on Production Account. ICT sector definition by OECD. Source: Business Census 2008, Production Account 2007, FSO; Added Value Statistics 2007, ESTV; calculations by Statistics Canton of Zurich

The increasing importance of the ICT sector is underscored by the growth in the numbers of ICT employees between 2005 and 2008. A 16.4% increase was recorded in the City compared to a 9.5% growth in the Canton of Zurich.

Employment development ICT sector in %, 2005-2008



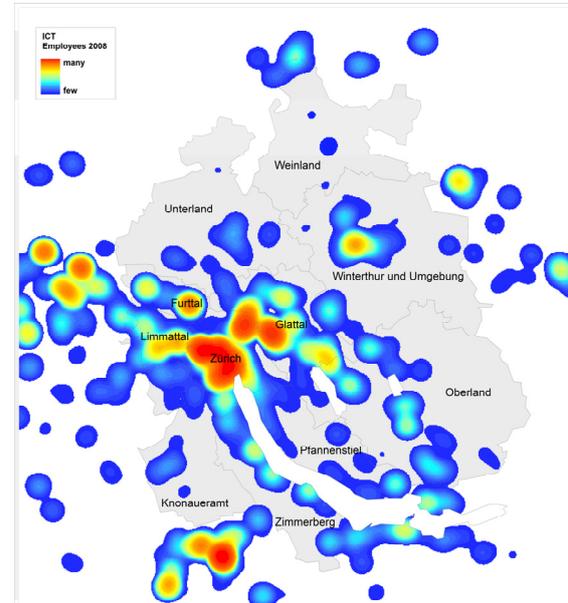
Full Time Equivalents. Source: Business Census 2008, FSO; calculations by Statistics Canton of Zurich

In 2008, the financial sector was definitive for the predominance of service-focused activities within the ICT sector in the Canton of Zurich. 72% of those employed in ICT worked in consulting, individual software development or systems services for user companies (Switzerland: 66%).

A further 18% worked in strong-selling ICT commerce (mainly software and hardware from abroad). Here too, the main customers were the financial services sector

Hotspots ICT sector Zurich

Businesses and employees in the ICT cluster Canton of Zurich are spatially concentrated. Next to the City of Zurich, so-called „Hotspots“ are to be found in neighbouring Agglomeration Municipalities in the Regions Glattal (Wallisellen, Opfikon, Dubendorf, Schwerzenbach), Furtal (Regensdorf) and Limmattal (Schlieren, Urdorf).



Density map employees (Kernel Density Estimation). Graph: Statistics Canton of Zurich; Source: Business Census 2008, FSO

Regional Importance

The importance of the ICT sector for a region can be measured by the share of its employees on the total economy of the region. In the Canton of Zurich, 5.1% of all employees work in the ICT sector. The biggest share of employees is to be found in the regions Glattal-Furtal (7.5%), Limmattal (6.9%) and City of Zurich (5.5%).

Market Share

Within the Canton of Zurich, we observe a concentration in the City of Zurich. In 2008, 48.5% of all ICT jobs were located in the City of Zurich, followed by the regions Glattal-Furtal (24.3%), Limmattal (6.9%) and Winterthur (5.6%).

IT Professionals

Specialists in ICT are not only employed within their specialized field, but also by companies that apply the technology. Cases in point are the major banks Credit Suisse and UBS who employ thousands of ICT specialists.

The analysis of the professions exercised on the basis of the Swiss Labour Force Survey gives us an indication of how many people really work in the IT.

Professions exercised in IT, 2008

	Switzerland	Canton of Zurich
System planner, System analyst, System programmer, Software engineer	97'000	28'000
Computer scientist	31'000	9'000
Data handling assistant	*	*
Computing operator	4'000	*
Total IT professionals	133'000	39'000

A star (*) on place of a number means that the publication is not possible (less than 10 cases in the Survey Sample). Source: Swiss Labour Force Survey 2008, FSO; calculations by Statistics Canton of Zurich

In 2008, around 39'000 people did work in the information technologies. The share of the IT professionals on all professions exercised in the Canton of Zurich (5.1%) is higher than in Switzerland (3.2%). Noticeably 28.4% of all IT specialists in the Canton of Zurich work for a bank or insurance.

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More Information: First Zurich ICT-Report 2010, Cluster Report 2009-2010 Business and Economic Development Canton of Zurich, www.standort.zh.ch