

## Labour market

### First quarter of 2016

an integrated picture

During the first quarter of 2016 Italian economy grew at a slightly higher rhythm to the second semester of last year. The Gdp increase by 0.3% on a quarterly basis and by 1% year-on-year went together with a growing use of labour. The total hours worked increased on a quarterly basis by 0.5% to the previous quarter and by 2.1% on an annual basis. This increase involved all the main economic sectors except constructions.

On the labour supply side, in the first quarter of 2016 total employment slightly grew to the previous quarter, after a light decrease in the fourth quarter, but with highly differentiated dynamics among the types of employment. The significant increase in permanent employees was balanced by the decrease in temporary employment and by the stability of the self-employed. Widening gaps emerged also in relation to the age class of employed persons, with an increase for the aged 50-64 and slight decreases for the aged 15-34 and 35-49. The most recent trends measured on seasonally adjusted monthly data and referred to April 2016, recorded improved employment levels, with a total growth of employed persons for the second and consecutive month.

The year-on-year dynamics evidenced between the first quarter of 2015 to the first three month of the current year led to a total growth of 242 thousand employed persons on an annual basis, with a relevant share of permanent employees (+341 thousands), a general stability of temporary employees and a drop in the self-employed, the latter mainly due to para-subordinate workers and self-employed with no employees. The most relevant increase was for part-time jobs, mainly the voluntary type, but also full-time jobs were still increasing. Moreover employment increased especially for men in the northern Italian regions, for the over 50, for graduates and for foreigners on an annual basis.

A significant aspect of the recent dynamics in the labour market was the decrease both on a quarterly and on an annual basis, of the inactive persons (both as absolute numbers and incidence), while the unemployment rate was unchanged to the previous quarter and decreased about one percentage point to the first three months of 2015, with a year-on-year drop by 127 thousands of long-term unemployed persons.

Stock changes in employment implicated significant changes in people's conditions in the labour market, measured by flow data after twelve months – transitions to permanent jobs of employed persons increased particularly for temporary employees and above all for para-subordinate workers. Moreover the flow from unemployment to employment increased exclusively for the permanent job share. However, the transitions from unemployment to employment increased for the youth aged 15-34 and for men only, and it was higher among the Centre and North residents and among graduates.

As for enterprises, the signs of growth in labour demand strengthened and widened with a significant increase both in employee jobs and in hours worked per capita, and also with the robust reduction in the use of short-time working allowance hours payments, both on a quarterly and on an annual basis. Employment growth was progressively extending to all economic activity sectors, with more intensity in services. The job vacancy rate was stable on a quarterly basis and increased on an annual basis. As for labour cost, social security contributions kept on decreasing due to the significant rebate associated to new hiring of permanent employees.

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**TABLE 1. LABOUR INDICATORS. Q1 2016, absolute values, percentage values and index numbers, percentage points changes**

	Value	Seasonally adjusted	Not seasonally adjusted data y-o-y (Q1 2016/Q1 2015)	
		Percentage changes (Q1 2016/ Q4 2015)		
<b>LABOUR INPUT (a) (b)</b>				
<i>National Accounts</i>				
Hours worked ( <i>thousands</i> )	10,682,107	0.5	2.1	
Agriculture	610,953	1.7	5.8	
Industry excluding construction	1,844,296	0.7	2.6	
Construction	675,176	-1.3	-1.3	
Services	7,551,682	0.5	2.0	
<b>LABOUR SUPPLY</b>				
<i>Labour force survey</i>				
Employed ( <i>thousands</i> )	22,558	0.1	1.1	
Employees	17,129	0.1	2.1	
Permanent	14,805	0.5	2.4	
Temporary	2,324	-2.4	0.1	
Self-employed	5,429	0.0	-1.8	
Employment rate (aged 15-64) (percent and percentage points changes)	56,7	0.1	0.8	
15-34 years	39,5	-0.2	0.7	
35-49 years	71,9	-0.1	0.2	
50-64 years	57,4	0.7	1.8	
Unemployed ( <i>thousands</i> )	2,970	0.3	-6.5	
Unemployment rate (percent and percentage points changes)	11,6	0.0	-0.9	
Inactive population (aged 15-64) ( <i>thousands</i> )	13,904	-0.5	-1.2	
Inactivity rate (aged 15-64) (percent and percentage points changes)	35,7	-0.1	-0.3	
<b>EMPLOYEE LABOUR DEMAND (a) (c)</b>				
<i>Oros, Large enterprises and Vela Surveys</i>				
Number of jobs ( <i>index 2010=100</i> )	100,5	1.3	4.1	
Temporary employment agency jobs (d) ( <i>index 2010=100</i> )	133,7	-2.9	2.0	
Hours worked (e) (f) ( <i>index 2010=100</i> )	101,5	1.9	5.9	
Per capita hours worked (c) (e) ( <i>index 2010=100</i> )	100,2	0.9	1.7	
Short-time working allowance hours per 1,000 hours worked (e) (absolute changes per 1,000 incidence)	nd	nd	-5.6	
Job vacancy rate (e) (percent and percentage points changes)	0,7	0.0	0.1	
<b>EMPLOYEE LABOUR COST</b>				
<i>Oros, Large enterprises and Vela, Contractual Wages and Salaries Survey</i>				
Gross wages (a) (c) ( <i>index 2010=100</i> )	108,9	0.0	-0.1	
Social security contributions (a) (c) ( <i>index 2010=100</i> )	103,5	-1.6	-5.0	
Labour cost (a) (c) ( <i>index 2010=100</i> )	107,4	-0.5	-1.5	
Cash wages according to collective labour agreements (monthly average in euros) (g)	1,919	-	0.7	

(a) Provisional data.

(b) For the hours worked (National Account) the change over the same period of the previous year is computed on seasonally adjusted data.

(c) Section from B to S (excluding O) of the Nace Rev 2 classification of economic activities.

(d) Number of jobs relating to hires by employment agencies.

(e) Enterprises with at least 10 employees.

(f) The change over the same period of the previous year is computed on calendar day adjusted data.

(g) Not seasonally adjusted data calculated with a fixed employment structure (base December 2010).

## Main results (first quarter of 2016)

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During the first quarter of 2016 the majority of the labour market indicators kept improving. Labour input in the total economy (expressed as hours worked in National Accounts) recorded increases by 0.5% on a quarterly basis and by 2.1% on a year-on-year basis. Employed persons, as estimated by the Labour Force Survey, net of seasonal effects, were 22 million and 558 thousands, a moderate increase to the previous quarter (+0.1%), following the growth in the second (+0.4%) and in the third quarters of 2015 (+0.6%) and a slight decrease in the fourth (-0.1%). The employment rate increased by 0.1 points, as a result of the decrease for the aged 15-34 (-0.2 points) and for the aged 35-49 (-0.1 points) versus a growth for the aged 50-64 (+0.7 points).

The increase of employed persons on a quarterly basis summarized the new increase of permanent employees (+0.5%, 75 thousands), versus the decrease of temporary employees (-2.4%, -57 thousands) and the stability of the self-employed. At a territorial level, the increase in the North (+0.3%) and in the South (+0.2%) was opposed to the decrease in the Centre (-0.7%).

The unemployment rate kept stable at 11.6% to the previous quarter, the inactivity rate slightly decreased (-0.1 points) stopping at 35.7%.

Employee jobs in industrial and service enterprises increased by 1.3% on a quarterly basis and by 4.1% on an annual basis; at the same time the total hours worked increased by 1.9% and by 5.9% respectively, and hours worked per capita increased by 0.9% and by 1.7% respectively. This was also due to the decrease of short-time working allowance hours payments from 21.5 to 15.9 per thousand hours worked. Temporary employment agency jobs decreased by 2.9% on a quarterly basis, while increased by 2.0% over a year.

The vacancy rate in enterprises with 10 or more employees remained unchanged to the previous quarter while it increased by 0.1 percentage points on an annual basis.

The seasonally adjusted labour cost index per full time equivalent employee decreased on a quarterly basis by 0.5%, versus a null growth of wages and a reduction of social security contributions by 1.6%. On an annual basis labour cost recorded a negative change by 1.5%, the result of a decrease by 0.1% in wages and by 5.0% in social security contributions.

The negative trend of social security contributions reflects the robust reduction of social contribution associated with the new contracts for permanent employees during 2015.

Also an year-on-year decrease by the tenth of a percentage point for gross wages per full time equivalent was recorded and balanced by a similar dynamics in the inflation rate (NIC whole nation).

In the methodological note the confidence intervals for sample estimates are reported for the main not seasonally adjusted indicators on labour supply and some indicators on labour demand.

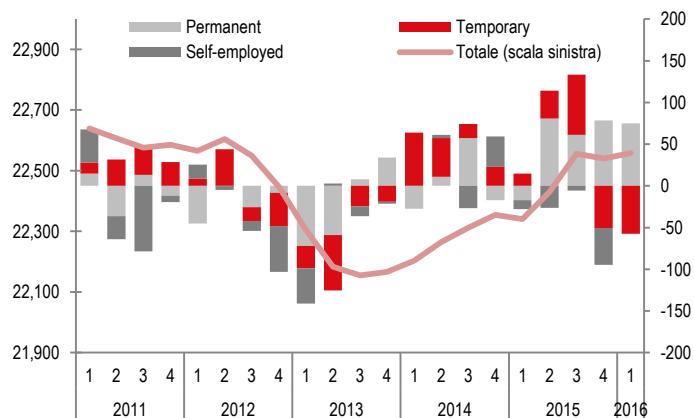
The box focuses on the labour market dynamics in the past years by means of the longitudinal data analysis of the survey on labour force survey.

**FIGURE 1. HOURS WORKED - TOTAL ECONOMY Q1 2011–Q1 2016**, seasonally adjusted data, percentage change over the same quarter of the previous year

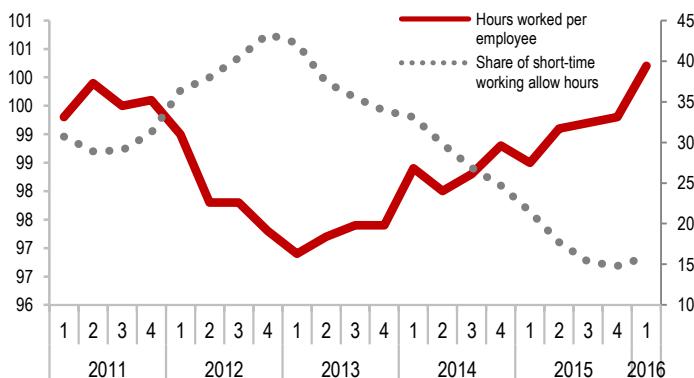


**FIGURE 3. EMPLOYEES (PERMANENT AND TEMPORARY) AND SELF-EMPLOYED**

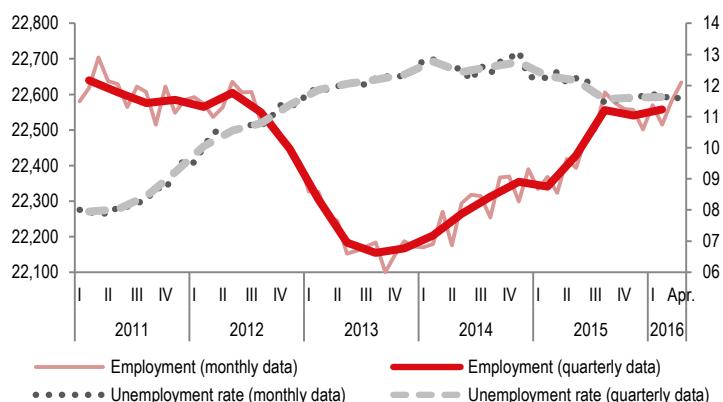
Q1 2011–Q1 2016, seasonally adjusted data, values (left scale) and absolute changes over previous period (right scale)



**FIGURE 5. PER CAPITA HOURS WORKED (left scale) AND PERCENTAGE OF SHORT-TIME WORKING ALLOWANCE HOURS (right scale) FOR ENTERPRISES WITH AT LEAST 10 EMPLOYEES IN INDUSTRY AND SERVICES (B-S) Q1 2011 – Q1 2016**, seasonally adjusted indices (2010=100) and percentage on 1,000 hours worked

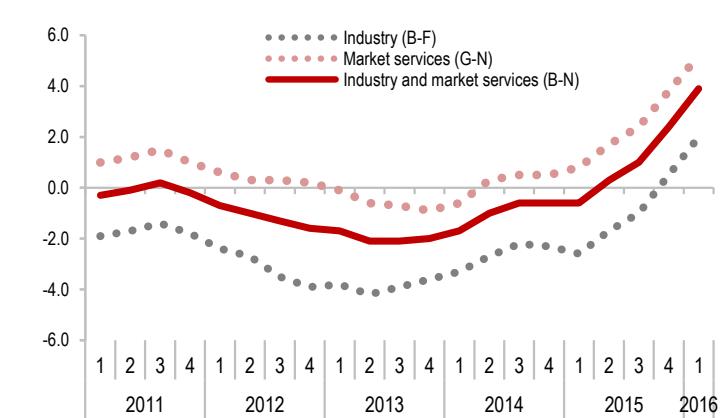


**FIGURE 2. EMPLOYED (left scale) AND UNEMPLOYMENT RATE (right scale) Q1 2011– Q1 2016**, seasonally adjusted data, thousand and percentage rates



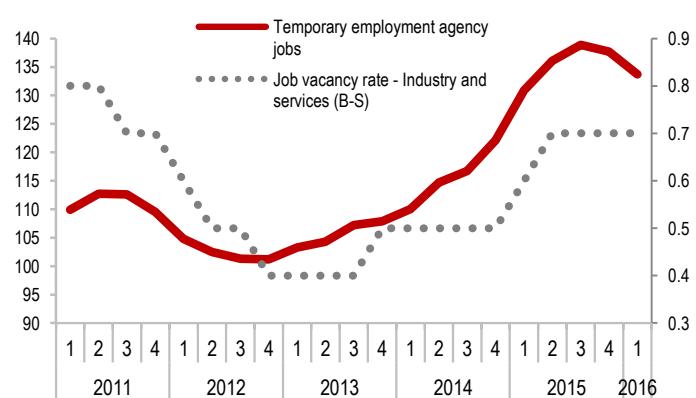
**FIGURE 4. NUMBER OF JOBS IN INDUSTRY AND MARKET SERVICES (B-N) Q1 2011 – Q4 2016**

not seasonally adjusted data, percentage change over the same quarter of the previous year (2010=100)



**FIGURE 6. TEMPORARY EMPLOYMENT AGENCY JOBS (left scale) AND JOB VACANCY RATE FOR ENTERPRISES WITH AT LEAST 10 EMPLOYEES (right scale) IN INDUSTRY AND SERVICES (B-S)**

Q1 2011–Q1 2016, indices (2010=100) and seasonally adjusted percentage values



## a focus on...

The analysis of labour supply is enhanced by the use of the longitudinal component of the Labour Force Survey.

Longitudinal data are based on information collected from the same individuals at specific moments in time (for more details, see the Methodological note). Persistence and transition in employment over a 12-month period are also analysed here.

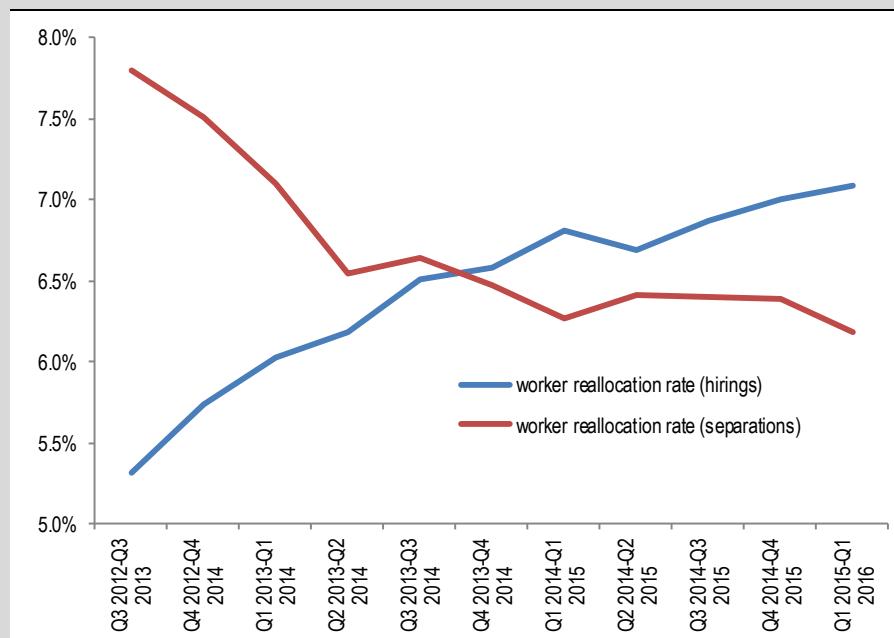
After a long period of crisis, recent trends in the labour market show a recovery in employment which, according to cross-sectional data, has started in the second quarter of 2014, while in terms of dynamics, a clear trend reversal can be observed from the end of same year.

Longitudinal data show, in fact, that the negative balance between those who enter employment (unemployed at the beginning of the reference period who become employed at the end of the same) and those who move out of it (employed at the beginning of the reference period who become unemployed at the end of it) reduced only in the fourth quarter of 2014, and became positive in the first quarter of 2015. These trends are illustrated by the worker reallocation rate among employed people aged 15-64 (Figure 1), which provides a summary measure of hirings and separations in a year (see Glossary). In particular, the worker reallocation rate for hirings passes, with a constantly increasing trend, from 5.3% in Q3 2012-Q3 2013 to 7.1% in Q1 2015-Q1 2016, while in the same period, the worker reallocation rate for separations decreases from 7.8% to 6.2%.

A substantial contribution to employment growth comes from the young: in addition to the steady increase in the positive balance of the 15-24 age group, a trend reversal can be observed in the 25-34 age group, where job entries overtake job exits three quarters earlier than in total employment. A significant contribution to this change also comes from the following age group (35-49 years), which represents the most significant employment basin, where the balance of job entries and exits (always negative in the previous periods) comes close to zero in Q1 2014-Q1 2015 and remains so to today. Those with a university degree could benefit from the recovery trend earlier than the less educated, in particular those with at most compulsory education, for whom the hiring/separation balance remains negative.

Recovery is mainly concentrated in the southern regions: as from the third quarter of 2014 in the South and Islands the unemployed who find a job after one year overtake those who move out of employment. In the same period the negative trend, that had affected it in the previous period, also stops in the North area. The hiring/separation balance is positive among men, while for the female component, the trend is uneven.

**FIGURE 1. WORKER REALLOCATION RATE BY HIRINGS AND SEPARATIONS. (Employed people aged 15-64)**

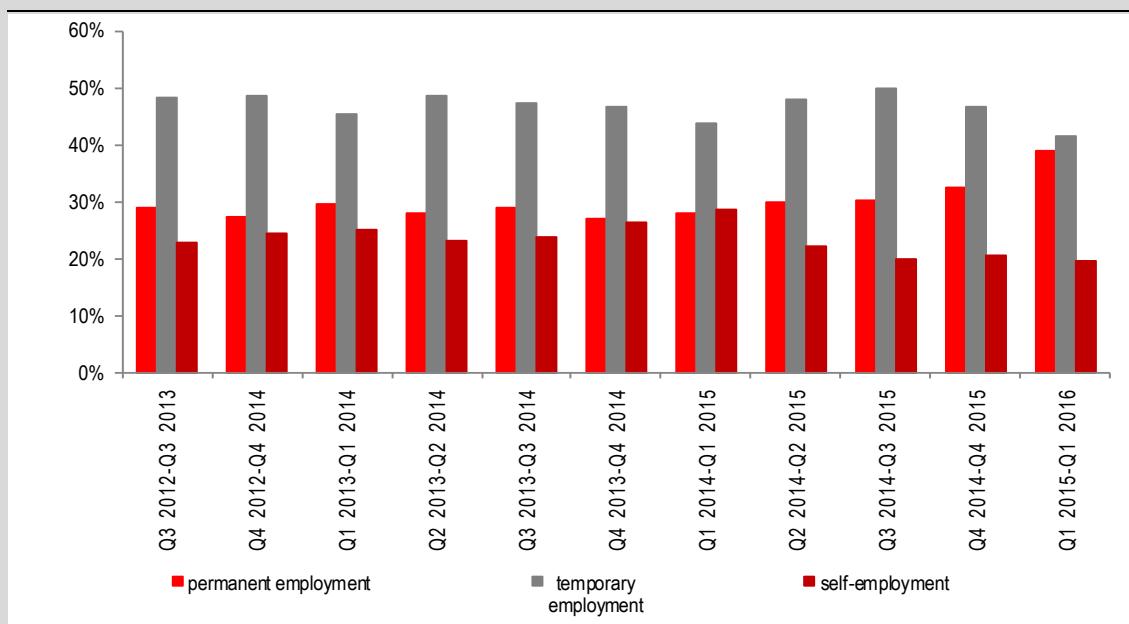


Source: Labour force survey

The most attractive sectors to new workforce that have contributed to the albeit weak recovery in employment are services (excluding trade), which has recorded a prevalence of hirings and separations as early as the second quarter of 2014. The most critical sectors are industry and commerce, which have experienced a long period of difficulty, although over the last three quarters, the trade balance was positive.

Although the fixed-term employment contract still represents the main port of entry into the labour market, its use in the last two periods show a considerable decline (from 49.8% in 2014Q3-2015Q3 to 41.4% in 2015Q1 -2016Q1) especially in favour of an increased use of permanent contracts (from 27.0% in 2013Q4-2014Q4 to 38.9% in 2015Q1-2016Q1), following the recent reforms of the labor market (Figure 2).

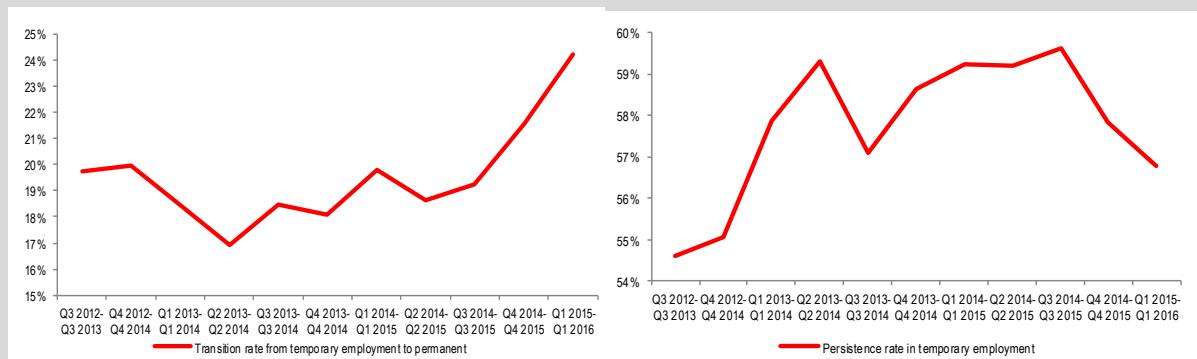
**FIGURE 2. HIRINGS BY TYPE OF EMPLOYMENT**



Source: Labour force survey

Even the transition to more stable work relations showed a marked increase in the last period; among the fixed-term employed in the first quarter of 2015, about 1 in 4 finds a permanent job in the following year (Figure 3). After one year, over half of the fixed-term employed remain, however, under the same contractual conditions.

**FIGURE 3. TEMPORARY EMPLOYMENT: TRANSITION RATES TO PERMANENT EMPLOYMENT (left) AND PERSISTENCE RATE IN TEMPORARY EMPLOYMENT (right) AFTER 12 MONTHS**



Source: Labour force survey

## Glossary

**Active persons:** persons aged 15 years and over who during the reference week (the week the information refers to) had at least one of the following characteristics:

- worked for pay or profit in a job or business for at least one hour;
- worked unpaid in the family enterprise where they usually work;
- did not work as they were temporarily away from their jobs (for holidays or sickness). Out of service-employees are considered employed if the absence from work is no longer than three months, or if they keep on perceiving half of the wage at least. The self-employed persons out of service, except for family workers, are considered employed if they continue their activity during their absence. Family workers are considered employed if the absence from work is no longer than three months.

The previous conditions are independent of the signing of an employment contract and therefore the employed estimated through the sample Labour Force survey include also forms of irregular work.

**Business surveys: OROS** (Employment, wages and salaries and social charges), **GI** (Large Enterprises) and **Vela** (Job vacancies and hours worked): the Oros survey produces quarterly information on employment trends (Full-Time Equivalent - FTE), wages, salaries and social charges for employees of all size enterprises and private institutions. Oros indicators are estimated by integrating administrative data from INPS (the Italian National Institute for Social Security) and data from the monthly survey on Large Enterprises (GI). The Vela survey is a quarterly data collection on job vacancies and hours worked that measures - together with the monthly survey on employment, working hours, wages and salaries and labour cost in large enterprises - job vacancies, hours worked and hours paid in enterprises of the private sector with at least 10 employees, excluding agriculture.

**Contractual wages and salaries in cash value:** includes all compensation items used to calculate the monthly index of contractual wages and salaries plus any arrears and one-time bonuses. The amounts related to each compensation item (wage or salary) are allocated to the months of actual payment. Wages and salaries in cash value are calculated for all grades envisaged when defining the base (which is the same as that of the index of contractual wages and salaries). The aggregates are then determined according to a constant structure of employment, which allows for monitoring the pay trend, net of the effects due to changes in the structure of employment by professional status and grade.

**Data adjusted for calendar reasons:** working day adjusted data, Easter holidays and leap year.

**Employment rate:** Ratio between employed people of a given age group (usually aged 15-64) and the overall resident population of that given age group.

**Full-time equivalent (FTE):** a unit to measure the volume of work performed in all jobs. It is obtained by reducing to full-time equivalent (the unit value of) part-time jobs and temporary agency jobs. In the OROS survey FTEs include middle managers, employees, workers, salespersons, apprentices and home workers. Managers are excluded. Unlike the number of employed people, the calculation of FTEs excludes workers benefiting from the short time working allowance or job-security agreements.

Within the framework of national accounts, FTEs measure the number of jobs reduced to standard full-time measures. The total number of FTEs is obtained by adding to full-time jobs the part-time jobs reduced to full-time equivalents. Part-time jobs are turned into FTEs by using coefficients obtained by the ratio between the hours actually worked on average by a part-time worker (either as a second job, or part-time) and the hours worked on average by a full-time worker for the same activity. The jobs of workers temporarily benefiting from short time working allowances are reduced to full time equivalents by excluding from the total number of FTEs, the full-time equivalents corresponding to the hours of short time working allowance granted by the production system.

**Hours of job-security agreement:** hours not worked due to job-security agreements.

**Hours of short-time working allowance:** total amount of ordinary, extraordinary, exceptional hours of short time working allowance, and hours of job-security agreement used by enterprises in the reference quarter.

**Hours worked:** total number of ordinary hours and overtime, worked by employees with an employment contract, excluding managers. Within the framework of national accounts, the hours actually worked - both paid and unpaid in any occupation (employed and self-employed) - provided they produce income.

The calculation of hours worked includes the hours worked during ordinary working hours, the hours worked in addition to the ordinary working hours (overtime), the time needed for activities such as preparation of the workplace and the time corresponding to short breaks at work. The calculation excludes: hours paid but not actually worked (annual leaves, holidays and sick leaves, etc.), meal breaks and the way to and from work.

**Hours worked per employee:** average number of ordinary and extraordinary working hours of employees under contract.

**Inactive persons:** All persons not classified as employed or job seekers (unemployed).

**Inactivity rate:** Ratio between people that are not part of the labour force in a given age group (usually aged 15-64) and the **overall** resident population of that given age group.

**Involuntary part-time work:** individuals working part-time who accepted to work part-time because a full –time job could not be found.

**Job-security agreement:** job agreement between employer and trade unions aimed at reducing the working time, with the purpose to maintain the current employment levels in case of enterprise crisis or to hire new employees through a planned working time or wages reduction program (L.863/84).

**Job vacancies** are the posts, either newly created or already existing, unoccupied or about to become vacant, which the employer actively seeks to fill with - and is prepared to make further efforts to find - a suitable candidate from outside the enterprise. The data presented here refers to job vacancies for employees, available as of the last day of the reference quarter. Therefore, they measure the staff search which at that date has already started and not yet been completed (because a suitable candidate has not been already hired and the company has not decided to stop the search).

**Job vacancy rate:** ratio between the number of vacant posts and the sum of vacant and occupied posts. Therefore, the job vacancy rate measures the part of occupied and vacant jobs for which staff search is ongoing. The data used to calculate the job vacancy rate refers to the last day of the reference quarter.

**Labour cost:** total expenditure borne by employers for employing staff (including wages, salaries in cash and in kind, employers' social security contributions, vocational training costs).

**Labour force:** People in employment and unemployment.

**Largest municipalities:** municipalities that at 2001 Census had at least 250 thousand inhabitants (Roma, Milano, Napoli, Torino, Palermo, Genova, Bologna, Firenze, Bari, Catania, Venezia, Verona, Messina).

**NACE Rev.2:** classification of economic activities published in the Official Journal on 20 December 2006 (Regulation EC of the Council and the European Parliament No 1893/2006) and adopted by Istat on 1 January 2008.

**Ordinary hours:** all the hours worked, included at night and during holidays and excluding overtime, hours of Short time working allowance and hours not worked due to holidays, days-off and in general, hours not worked even if a compensation for them was received.

**Overtime:** time worked in addition to hours worked during normal periods of work, net of compensation of stored overtime credit systems. Working hours on Sundays, nights or public holidays are considered as overtime only if they are not included in the working time under contract or stored overtime credit systems.

**Payroll job:** employment contract between a single natural person and a production unit (enterprise), the object of which is the performance of work in return for compensation (pay). Payroll jobs, therefore, are the number of jobs occupied by employees (both full- or part-time) regardless of the amount of hours worked on a given reference day. Just like the number of employees, payroll jobs are a stock variable at a certain moment in time. Workers, under regular contract by a production unit, are included even if they are not working due to holidays, parental leaves, short time working allowances, etc.

**Permanent employees:** workers under permanent contract where there is no end-date.

**Reference week:** in the Labour Force Survey, the week the information collected refers to (usually it is the week preceding the interview).

**Seasonally adjusted data:** data that have been adjusted for seasonal variations, including trading-day (working-day) effects and other regular calendar variations if present (including changes in weather,

harvests, major holidays, and school schedules). These seasonal adjustments make it easier to observe the cyclical, underlying trend of a short term indicator.

**Self-employed persons (workers):** People working in an economic unit without subordination. The following are considered self-employed workers: holders, partners and managing directors of enterprises; or institutions respecting the following conditions: actually work in enterprises or institution, are not in the payroll, are not paid with invoice, do not have contracts as casual workers; members of producers' cooperatives who work in the enterprises but are not in the payroll; contributing family workers of the holder who work neither with pay nor with social contributions.

**Short-time working allowance:** State instrument that provides support when businesses are forced to downsize or suspend their activities as a result of legally-acknowledged crises or difficulties. The instrument consists in the provision by INPS (the Italian Social Security Institute) of compensation to substitute for the salaries of employees who have been laid off or whose working hours have been reduced.

There are three different forms of Short time working allowances:

- *ordinary*, which applies to enterprises in the industrial sector during lay-offs and contractions in productive activity due to temporary market situations or to temporary circumstances that do not depend on the employer, the employees;
- *exceptional*, which is a form of economic support for workers, employees and middle managers who have been laid off from work and have no access (or no longer have) to the ordinary or extraordinary short time working allowance. It also provides economic support for apprentices, temporary workers and homeworkers for enterprises using ordinary and extraordinary short-time working allowances;
- *extraordinary*, which applies to enterprises facing difficulties due to restructuring, reorganization, conversion, company crisis or for recruiting procedures.

**Social security contributions:** the amount of the social charges incurred by the employer to the social security funds as well as the amount set aside for severance pay.

**Survey on contractual wages and salaries:** statistics derived from the survey on contractual wages and salaries are based on the concept of "price of work." Thus they refer to a constant number of workers, characterized by a fixed structure of professional status (workers, employees, managers) and grade (base). The base currently in force is December 2010 = 100. They satisfy the need to assess the dynamic of earnings, net of the effects due to changes in the structure of employment by professional status, grade, working hours (full-time/part-time), seniority, overtime, decentralized bargaining, absences, conflicts etc.

**Temporary (employment) agency jobs:** workers under temporary contract, hired by a temporary employment agency that supply temporary work (supplier). The agency puts these persons at disposal of another legal-economic unit (enterprises or institution requiring) in order to cover a temporary productive need. In NACE Rev.2 this kind of contract falls in the category "Temporary employment agency activities" (group 78.2) included in section N "Administrative and support service activities".

**Temporary workers:** workers under a fixed-term contract where there is an end-date.

**Unemployed (job seekers):** unemployed people aged between 15 and 75 who: have looked for a job at least once in the 30 days before the survey and are willing to start work (or to start their own business) in the next two weeks; Will start work within three months since the interview and are willing to work within the two weeks following the interview (or to start their own business), in case it is possible to start work.

**Unemployment rate:** ratio between unemployed people of a given age group (usually aged 15 and over) and the total number of the employed and unemployed (the labour force) of the same age group.

**Wages and salaries:** They are defined as the total "de facto" remuneration in cash, payable to all persons counted on the payroll in return for work done during the accounting period. Wages in kind are excluded. They include the values of any social contributions, income taxes, payable by the employee even if they are actually withheld by the employer and paid directly to social insurance schemes and tax authorities on behalf of the employee. "De facto" wages differ from national contractual (agreed) wages because the last ones include only the components related to national labour agreements.

## Istat sources on employment

	<b>National accounts</b>	<b>Istat Labour Force Survey</b>	<b>Business indicators (Oros and Large Enterprises Surveys)</b>
<b>Type of source</b>	Estimates of labour input are the result of integration and comparison of different statistical sources and indirect methods of estimation.	Estimates of the number of persons employed, unemployed and inactive are provided by a sample survey of households. The sample is composed of more than 250,000 households residing in Italy (a total of approximately 600,000 individuals) distributed in about 1,200 municipalities.	Census-type survey carried out by integrating: <ul style="list-style-type: none"> <li>• Administrative data for small and medium-size enterprises from the National Social Security Institute;</li> <li>• Data from the monthly survey on large enterprises with 500 employees and over (GI).</li> </ul>
<b>Target universe</b>	The total regular and non-regular labour input, employed in the production units residing in the economic territory of the country. Permanent members of cohabitation are included.	Members of households residing in Italy. People living permanently in institutions (religious institutions, barracks, etc.) are excluded.	Active small, medium and large enterprises and private institutions with employees residing in Italy.
<b>Unit of analysis</b>	Aggregate estimates of domestic employed, jobs, hours worked and full time equivalents.	Persons aged 15 and over residing in private households. Since the first quarter of 2007, data on persons aged 15 have not contained information on employment and unemployment because the age of compulsory education has been raised by Law No 296/2006. The number of 15 years old employed or seeking employment is however traditionally negligible. Therefore, the change in the legislation did not imply any break in time series for the 15-64 age group.	Functional unit for large enterprises, enterprises/private institutions with employees for the other enterprises
<b>Coverage</b>	Input from employment and self-employment in all sectors of economic activity.	Employees and self-employed (with or without contract) in all sectors of economic activity.	Enterprises/private institutions with employees that in the reference quarter paid taxable wages and salaries for social security purposes, in the sectors of industry and services (NACE rev. 2 sections B-S, excluding O).
<b>Frequency of data dissemination and geographical breakdown</b>	<ul style="list-style-type: none"> <li>• on a yearly and quarterly basis: estimates of labour input at the national level;</li> <li>• yearly basis only: estimates of labour input at regional and provincial levels.</li> </ul>	<ul style="list-style-type: none"> <li>• monthly and quarterly: estimates of indicators at national level;</li> <li>• quarterly: estimates of indicators at regional level;</li> <li>• yearly: estimates of indicators at local level</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly estimates of the indicators only at the national level</li> </ul>
<b>Reference period for the measurement of employment</b>	Average employment of the period (quarter and year).	Week the information refers to (usually the one preceding the interview). Information gathered through a uniform distribution of the sample of households in every week of the year.	Monthly survey on employment. In particular, all payroll jobs under employment contracts are surveyed even if under a one-day contract in the reference month.

<b>Definition of employment</b>	<p>The labour input that contributes to the product produced by the system during the reference period is measured using three different definitions of employment:</p> <ul style="list-style-type: none"> <li>• domestic employees (residents and non-residents employed in domestic production units)</li> <li>• jobs (jobs held by domestic employees)</li> <li>• Full time equivalent (FTE) (jobs reduced to standard full time equivalents).</li> </ul> <p>Furthermore, hours actually worked by all workers (total hours worked)</p> <p>Employed and jobs include workers temporarily absent from work since benefiting from short time working allowance (CIG). The FTEs are calculated net of the CIG. The hours actually worked include overtime and exclude the hours of CIG, holidays, sickness and leaves.</p>	<p>Employed: people aged 15 and over who during the reference week have, at least, one of the following characteristics:</p> <ul style="list-style-type: none"> <li>• did at least one hour of work in any business (with or without a contract) that provides in return for remuneration in cash or in kind;</li> <li>• did at least one hour of unpaid work in the family business in which they work regularly;</li> <li>• are absent from work (for example, on leave, sickness or short time working allowance);</li> <li>• if absent from work for less than three months, or if during the absence they continue to receive at least 50% of wages or salaries.</li> </ul> <p>Self-employed persons absent from work, excluding family workers, are considered employed if, during the period of absence, they continue to keep the business. Family workers are considered employed if their absence does not exceed three months. People without a contract (forms of illegal work) are also included.</p> <p>The labour force survey does not disseminate data on illegal work. Estimates on the basis of these data are disseminated within the framework of the National Accounts.</p>	<p>Payroll jobs are the number of jobs occupied by employees (both full- or part-time) with an employment contract regardless of the amount of hours worked. Workers under regular contract by a production unit are included even if they are not temporarily working due to holidays, parental leaves, short-time working allowances, etc.</p>
<b>Main indicators</b>	<p>Domestic employees, jobs, hours worked and full time equivalents (FTE).</p>	<p>Employed (employees and self-employed), unemployed, inactive persons and related rates with social-demographic and geographical breakdown.</p>	<p>Index of average monthly payroll jobs, of wages and salaries, of labour cost</p>