

Labour market

II quarter 2015

An integrated picture

Today, Istat issues a new quarterly release on the labour market. The most recent data on enterprises' labour demand and on people's labour supply (the latter already published on September 1st) are presented jointly in order to provide a complete picture of employment features and of labour market trends. The contents of the release "Labour indicators in enterprises" scheduled for today are now included in this new release. From next December the two production processes will be aligned, thus the "Labour Market" release will replace both releases, the one on "Employment and unemployment" and the one on "Labour indicators in enterprises".

In the second quarter of 2015 the limited recovery of economic activity stabilized and the GDP grew by 0.3% over the previous quarter. This growth is associated with an improvement in labour market trends (both compared with the previous quarter and the same quarter of 2014: both labour input and employment rose and, to a limited extent, labour productivity, too improved in the first semester of 2015. The positive evolution of employment has continued in [July](#), (and employment grew) increasing by 1.1% over the same period of the previous year (235 thousands persons) and by 0.3% in the quarter May-July, according to seasonally adjusted data.

With respect to economic activity, in the second quarter a substantial progress over the previous period has been recorded in employment of the service sector, linked to the dynamics of domestic demand, and a first recovery in employment of construction has been recorded as well.

In the total economy, the growth of employment has involved mainly employees, both permanent and temporary, and it has been more intense in the South and Islands, the area that has been most hit by the economic recession in the last few years.

From the enterprises' side, the growth of labour input is the result of both an increase in the number of jobs and in the hours worked per capita: the latter have soared and at the same time short-time working allowance hours have considerably declined. Indications about labour demand evolution come from the growth of temporary employment agency jobs as well as from a slight growth of the job vacancy rate with respect to the same quarter of the previous year. The increase in wages over the same quarter of the previous year has widely exceeded the inflation rate: therefore, recovery of purchasing power of gross wages has continued.

NEXT RELEASE

11 December 2015

In addition to connecting data and press releases from Istat, Eurostat and other international organizations, since 10 July Istat's website has displayed a new area dedicated to short term statistics, offering an integrated insight and interactive graphical representations of phenomena.

TABLE 1. LABOUR INDICATORS (a)

II quarter 2015, absolute values, percentage values and index numbers, percentage points changes

	SEASONALLY ADJUSTED		Percentage change (II 2015/ II 2014)
	Level	Percentage change (II 2015/ I 2015)	
LABOUR INPUT			
<i>National Accounts</i>			
Full time equivalent (FTE) (thousands)	23,526	0.1	0.5
Agriculture	1,210	-1.1	1.1
Industry excluding construction	3,669	-0.6	0.1
Construction	1,529	0.7	1.8
Services	17,076	0.2	0.5
LABOUR SUPPLY			
<i>Labour Force Survey</i>			
Employed persons (thousands)	22,446	0.5	0.8
Employees	16,962	0.8	1.1
Self-employed	5,484	-0.6	-0.1
Employment rate (aged 15-64) (percent and percentage points changes)	56.2%	0.3	0.6
Unemployed persons (thousands)	3,179	1.1	0.0
Unemployment rate (percent and percentage points changes)	12.4%	0.1	-0.1
Inactive population (aged 15-64) (thousands)	13,939	-1.1	-1.9
Inactivity rate (aged 15-64) (percent and percentage points changes)	35.7%	-0.4	-0.6
LABOUR DEMAND			
<i>Oros, GI and Vela Surveys</i>			
Number of jobs (a) (indices; 2010=100)	97.5	0.4	0.8
Temporary employment agency jobs (d) (indices; 2010=100)	135.3	4.1	18.7
Hours worked (b) (c) (indices; 2010=100)	97.4	0.9	2.0
Per capita hours worked (b) (c) (indices; 2010=100)	99.6	0.6	1.4
Short-time working allowance hours per 1,000 hours worked (b) (percentage and absolute changes of percentage)	Nd	nd	-11.5
Job vacancy rate (b) (percent and percentage points changes)	0.6	0.0	0.1
LABOUR COST			
<i>Oros, GI and Vela Surveys</i>			
Gross wages (indices; 2010=100)	108.8	0.2	1.3
Social security contributions (indices; 2010=100)	108.1	-0.3	-0.2
Labour cost (indices; 2010=100)	108.7	0.1	0.9
Cash wages according to collective labour agreements (monthly average in euros; indices 2010=100) (e)	2,119	-	1.1

(a) Provisional data.

(b) Enterprises with at least 10 employees.

(c) The change over the same period of the previous year is computed on adjusted data by working days.

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

(e) Not seasonally adjusted data.

Main Results (second quarter of 2015)

In the second quarter of 2015 all labour market indicators improved. Total labour input, measured by hours worked according to National Accounts, increased by 0.2% over the previous quarter and by 0.8% over the same quarter of the previous year.

Thanks to a slightly more consistent growth of output, also labour productivity recorded a small increase over the previous period (+0.1%). According to the Labour Force Survey estimates the number of persons employed amounted to 22 million and 446 thousands (seasonally adjusted), increasing by 0.5% over the previous quarter (+ 103 thousands persons); the employment rate of the population in the age group 15-64 rose to 56.2%, +0.3 percentage points compared with the first quarter of 2015.

The growth of employment over the previous quarter involved both men and women and, among different types of workers, only employees (+137 thousands, equal to +0.8%, evenly divided between permanent and temporary workers), while the number of self-employed persons decreased (-35 thousands, -0.6%).

The unemployment rate slightly increased up to 12.4% in the second quarter, but it then decreased again to 12% in July. These results have been influenced by the evolution of inactive people, whose number decreased over the previous quarter and increased again in July. In the second quarter, according to not seasonally adjusted data among inactive people the number of people not actively seeking but available to work and the number of retired persons decreased, while students and people waiting for answers to active job seeking increased.

The number of jobs in industry and services enterprises increased by 0.4% over the previous quarter and by 0.8% over the same quarter of the previous year; total hours worked grew by 0.9% and 2.0% respectively. Thus, per capita hours worked rose by 0.6% over the previous quarter and by 1.4% over the same quarter of the previous year, also because of a sharp decrease in short-time working allowance hours (from 30.3 to 18.8 for 1,000 hours worked). Finally, the number of temporary employment agency jobs sharply increased (by 4.1% over the previous period and by 18.7% compared with the same quarter of the previous year).

The job vacancy rate for firms with at least 10 employees did not change over the previous quarter and (it) increased by 0.1 percentage points compared with the same quarter of 2014.

The seasonally adjusted labour cost index per full time equivalent (FTE) increased by 0.1% over the previous period, as a result of an increase in wages (+0.2%) and a reduction in employer's social security contributions (-0.3%). Labour cost recorded a positive evolution also compared with the same quarter of the previous year, equalling +0.9% (+1.3% for wages and -0.2% for employer's social security contributions). The different dynamics of wages and employer's social security contributions are partially due to contribution exemptions envisaged in the 2015 Stability law aimed at promoting permanent hires. The increase in gross wages per capita over the same quarter of 2014 exceeded by 1.3 percentage points the rate of inflation of the same quarter (null change of the Italian consumer price index for the whole nation).

FIGURE 1. HOURS WORKED – TOTAL ECONOMY
I quarter 2010 - II quarter 2015, seasonally adjusted data, percentage change over the same quarter of the previous year (percentage points)

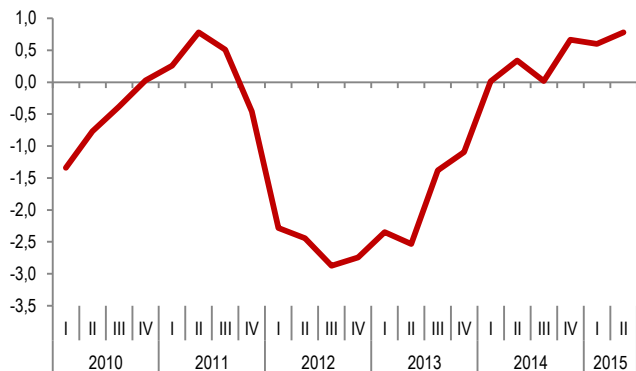


FIGURE 2. EMPLOYED PERSONS AND UNEMPLOYMENT RATE
I quarter 2010 - II quarter 2015, seasonally adjusted data, thousands and percent rates

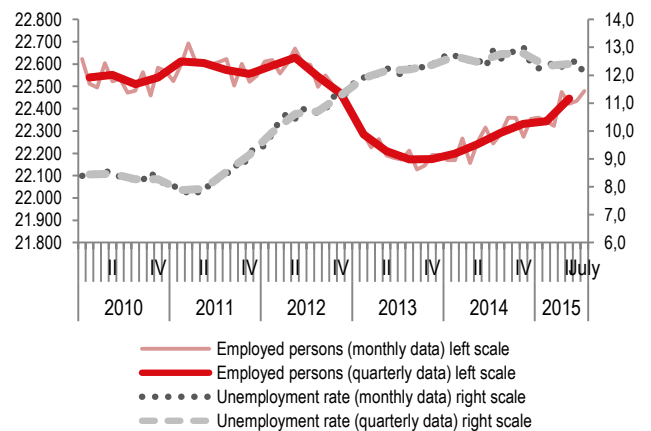


FIGURE 3. EMPLOYEES (PERMANENT AND TEMPORARY) AND SELF-EMPLOYED PERSONS I quarter 2010 - II quarter 2015, seasonally adjusted data, absolute change over previous period

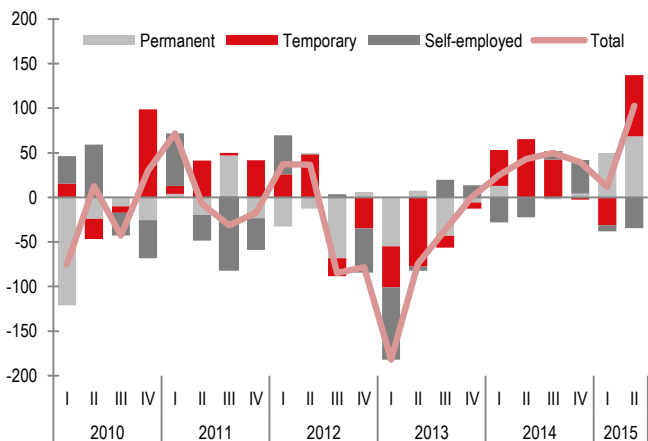


FIGURE 4. NUMBER OF JOBS IN INDUSTRY AND MARKET SERVICES I quarter 2010 - II quarter 2015, not seasonally adjusted data, percentage change over the same quarter of the previous year (2010=100)

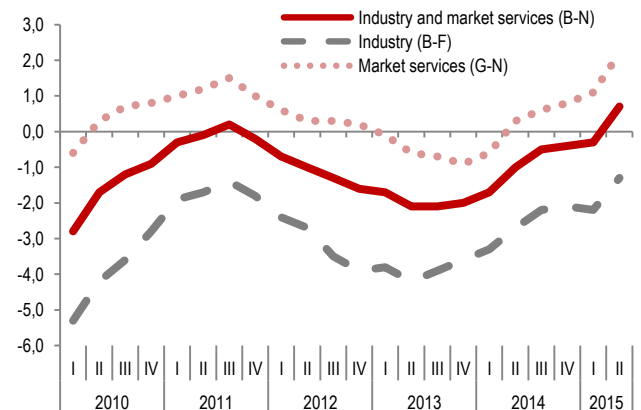


FIGURE 5. PER CAPITA HOURS WORKED AND PERCENTAGE OF SHORT-TIME WORKING ALLOWANCE HOURS FOR ENTERPRISES WITH AT LEAST 10 EMPLOYEES IN INDUSTRY AND SERVICES (B-S) I quarter 2010 – II quarter 2015, seasonally adjusted indices (2010=100) and percentage on 1,000 hours worked

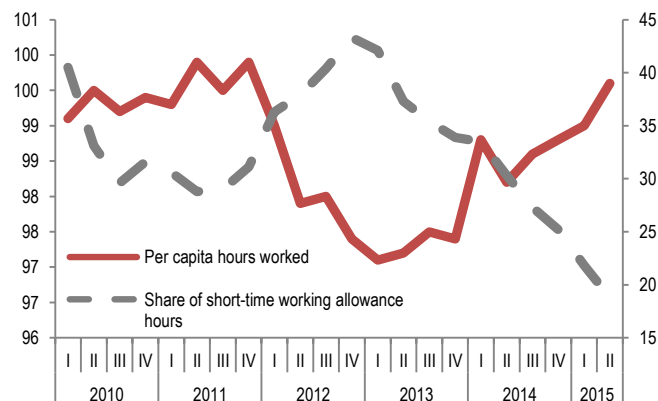
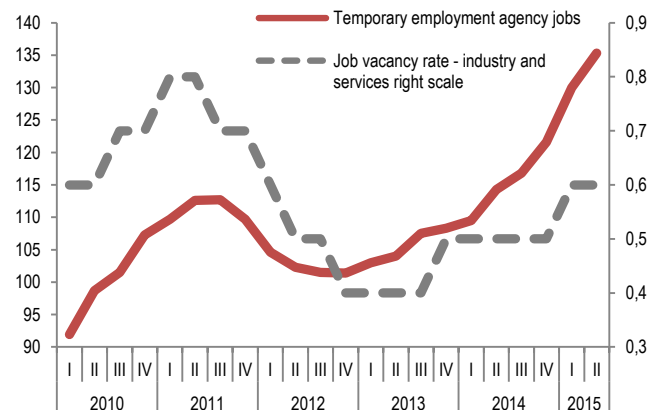


FIGURE 6. TEMPORARY EMPLOYMENT AGENCY JOBS AND JOB VACANCY RATE FOR ENTERPRISES WITH AT LEAST 10 EMPLOYEES IN INDUSTRY AND SERVICES (B-S) I quarter 2010 – II quarter 2015, indices (2010=100) and seasonally adjusted percentage values



Labour Supply

Employment, unemployment, inactivity: yearly trends (not seasonally adjusted)

In the second quarter of 2015 the growth of the number of persons employed (+180,000 units in a year) continued uninterrupted for five quarters and the employment rate (age group 15-64) rose to 56.3% (Table 2). The increase in employment concerned mainly employees (with a growing trend for four quarters) and part-time workers, that have been growing since 2010, albeit almost exclusively for the involuntary component, which stood at 64.6% (11.9% of total employment).

TABLE 2. EMPLOYMENT RATE 15-64 YEARS BY GENDER, GEOGRAPHICAL BREAKDOWN AND AGE. II quarter 2015

EMPLOYMENT RATE	I quarter 2015			Percentage change compared with the same quarter of the previous year		
	Total	Males	Females	Total	Males	Females
Total	56.3	65.3	47.4	0.6	0.6	0.5
GEOGRAPHICAL BREAKDOWN						
North	64.8	72.5	57.1	0.4	0.7	0.0
Centre	61.3	69.0	53.8	0.4	-0.2	0.9
South and Islands	42.6	53.9	31.4	0.9	0.8	0.9
Age group						
15-24	15.1	17.7	12.3	-0.6	-0.1	-1.1
25-34	58.9	66.9	50.8	-0.3	0.0	-0.6
15-34	38.5	43.8	33.1	-0.5	-0.1	-0.9
35-49	72.2	82.9	61.7	0.3	-0.3	0.9
50-64	56.6	68.3	45.6	2.1	2.4	1.7
Nationality						
Italian	56.0	64.9	47.0	0.6	0.6	0.6
Foreign	59.2	69.1	50.5	-0.1	0.2	-0.3

Source: Labour Force Survey

The number of full-time employed persons, which in recent years had suffered an almost continuous decline, started to grow again (Table 3).

TABLE 3. EMPLOYMENT BY WORKING TIME, PROFESSIONAL STATUS. II quarter 2015

Working time and professional status	Level (1,000)	Change on the previous quarter		Share %	
		Thousands	Percentages	II quarter 2014	II quarter 2015
Total	22,497	180	0.8	100.0	100.0
<i>Full time</i>	18,365	139	0.8	81.7	81.6
<i>Part time</i>	4,132	41	1.0	18.3	18.4
<i>Involuntary</i>	2,669	29	1.1	11.8	11.9
Employees	16,990	183	1.1	75.3	75.5
Permanent	14,587	106	0.7	64.9	64.8
<i>full time</i>	11,997	73	0.6	53.4	53.3
<i>part time</i>	2,590	33	1.3	11.5	11.5
Temporary	2,403	77	3.3	10.4	10.7
<i>full time</i>	1,663	34	2.1	7.3	7.4
<i>part time</i>	740	43	6.2	3.1	3.3
Self-employed persons	5,507	-3	-0.1	24.7	24.5
<i>full time</i>	4,705	32	0.7	20.9	20.9
<i>part time</i>	802	-35	-4.2	3.7	3.6
<i>with employees</i>	1,539	33	2.2	6.7	6.8
<i>without employees</i>	3,619	9	0.2	16.2	16.1
Freelance	349	-45	-11.4	1.8	1.6

Source: Labour Force Survey

The estimate of the number of people looking for an employment remained substantially unchanged at 3 million 101 thousand units, after fourteen quarters of uninterrupted growth and the decline in the first quarter of 2015. The unemployment rate decreased slightly over the same quarter of 2014 (Table 4), as a synthesis of different trends depending on the socio-demographic characteristics.

After the continuous growth in 2008-2014, the second quarter of 2015 continued to witness the reduction of long-term unemployment (12 months or more), 1 million 845 thousand persons. The incidence of long-term unemployed, although remaining very high, dropped to 59.5% (from 61.9% a year earlier).

The slight increase in the unemployed with previous work experience is associated with the reduction of those seeking their first job. Seeking work continued to be entrusted mainly to informal channels: 88.9% of people looking for work call on to friends, relatives and acquaintances (+2.3 points compared with the second quarter of 2014); this share is even higher among older people and unemployed with lower education attainment. Among graduates, the increasingly preferred method of seeking work is direct application to employers (e.g. sending out CVs).

The decline in the number of inactive in the 15-64 age group (-271 thousand units), uninterrupted for six quarters, continued with greater intensity, associated with the decrease in the rate of inactivity. Inactives decreased mainly due to the reduction of those not looking for work and not available to work (371 thousands less, nearly two-thirds of whom between 55 and 64 years); to a lesser extent it concerned those seeking employment but not immediately available to work (33 thousands less) (Table 5).

Discouraged persons also decreased (-114 thousand units in a year), especially in the South and Islands and among young people aged 15-34. Conversely, the number of inactives for academic purposes (+77 thousand units) and people waiting for the outcome of past research activities (+41 thousands) increased. The sharp reduction of people retired from work or not interested in working (-238 thousand units) continued: in nearly nine cases out of ten it involved people aged 55-64 and it was also related to the rising retirement age allowed by law.

The increase by 120,000 employed persons in the South and Islands, where a significant growth of the employment rate was recorded, should be noted. Nonetheless differences in unemployment rates grew to the detriment of the southern regions.

TABLE 4. UNEMPLOYMENT RATE BY GENDER, GEOGRAPHIC AREA AND AGE. II quarter 2015

UNEMPLOYMENT RATE	Percent			Percentage change over the II quarter of 2014		
	Males and females	Males	Females	Males and females	Males	Females
Total	12.1	11.6	12.8	-0.1	0.2	-0.5
Geographical breakdown						
North	7.9	7.2	8.9	-0.3	-0.4	-0.1
Centre	10.7	10.2	11.4	0.1	0.7	-0.6
South and Islands	20.2	19.2	21.7	0.0	0.7	-1.2
Age group						
15-24	41.1	39.8	43.0	-0.5	-1.9	1.5
25-34	18.6	17.2	20.4	1.1	1.0	1.2
15-34	23.9	22.7	25.4	0.5	0.1	1.0
35-49	9.5	9.1	10.1	-0.3	0.3	-1.1
50-64	6.1	6.4	5.7	0.2	0.5	-0.1
Nationality						
Italian	11.6	11.2	12.2	-0.1	0.3	-0.7
Foreign	16.2	15.3	17.2	0.1	-0.9	1.3

Source: Labour Force Survey

TABLE 5. INACTIVITY RATE 15-64 YEARS BY SEX GEOGRAPHIC BREAKDOWN AND AGE. II quarter 2015

INACTIVITY RATE	Percent			Percentage changes on the II quarter of 2014		
	Males and females	Males	Females	Males and females	Males	Females
Total	35.8	25.9	45.6	-0.6	-0.8	-0.3
Geographical breakdown						
North	29.5	21.7	37.3	-0.1	-0.4	0.1
Centre	31.1	22.8	39.1	-0.6	-0.4	-0.7
South and Islands	46.5	33.0	59.8	-1.1	-1.6	-0.6
Age group						
15-24	74.4	70.5	78.4	1.2	1.0	1.4
25-34	27.6	19.2	36.1	-0.6	-0.9	-0.2
15-34	49.4	43.4	55.6	0.3	0.1	0.6
35-49	20.2	8.8	31.3	-0.1	0.0	-0.1
50-64	39.4	26.7	51.5	-2.4	-3.0	-1.8
Nationality						
Italian	36.5	26.6	46.4	-0.6	-1.0	-0.3
Foreign	29.3	18.4	38.8	0.0	0.7	-0.7

Source: Labour Force Survey

Employment growth involved both men and women, and to a greater extent Italians. Conversely, foreigners' employment rate decreased. Differences between Italians and foreigners grew also for unemployment, while overall gender differences decreased due to a better performance of women both in employment and unemployment trends.

Relevant employment differences by age group are observed. The decline in employment for the 15-34 and 35-49 age groups is in contrast with the increasing number of employed people over 50 years old; the employment rate dropped for young people (aged 15-34), slightly increased for people aged 35 to 49, and strongly grew for the 50-64 age group. The latter is mostly due to the lower number of people retiring from work, due to the recent changes in the legislation. However, unemployment increased both for people over fifty and for young people aged 15 to 34.

Graduates employment rate increased the most compared with the previous year (1.4 percentage points higher), reaching 76.6% compared with 63.4% of undergraduates (+0.4%) and 42.2% (+0.4%) of less educated people (primary school). Unemployment reduced only for people with higher educational attainments.

FIGURE 7. EMPLOYMENT BY SEX | 2010- II 2015, absolute change compared with the previous year (thousands)

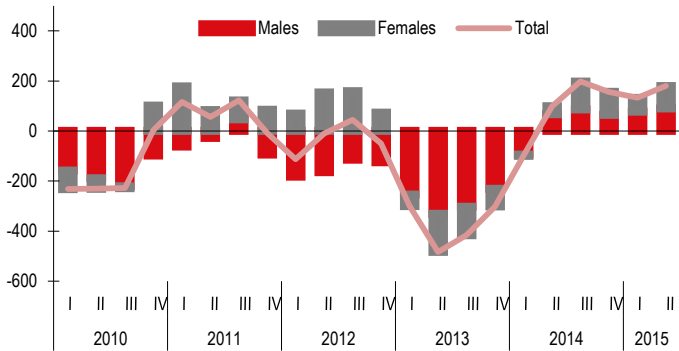


FIGURE 8. EMPLOYMENT BY AGE GROUP | 2010- II 2015, absolute change compared with the previous year (thousands)

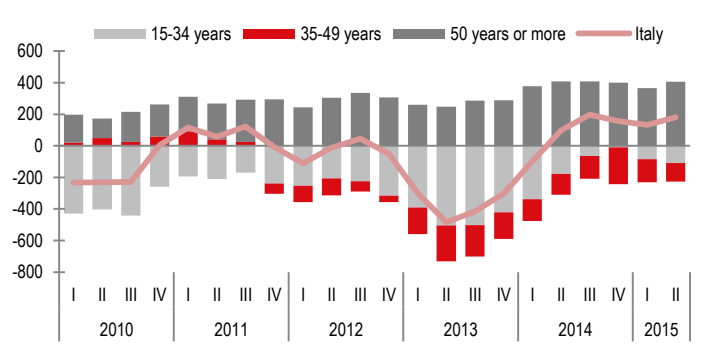


FIGURE 9. EMPLOYMENT BY PROFESSIONAL STATUS | 2010- II 2015, absolute change over the previous year (thousands)

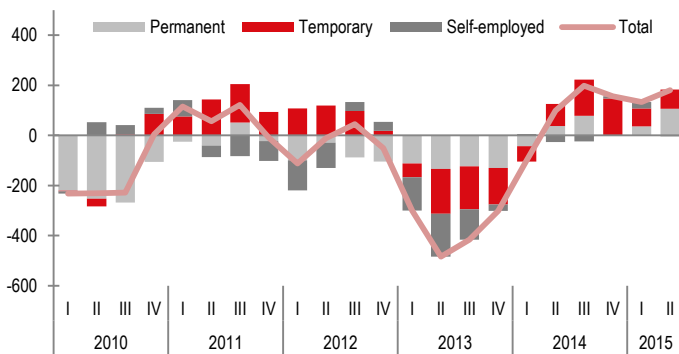


FIGURE 10. UNEMPLOYMENT BY DURATION | 2010- II 2015, absolute change compared with the previous year (thousands)

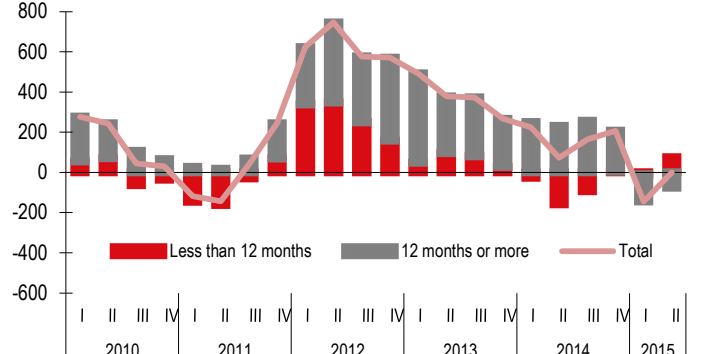


FIGURE 11. EMPLOYMENT BY GEOGRAPHICAL BREAK-DOWN | 2010- II 2015, absolute change compared with the previous year (thousands)

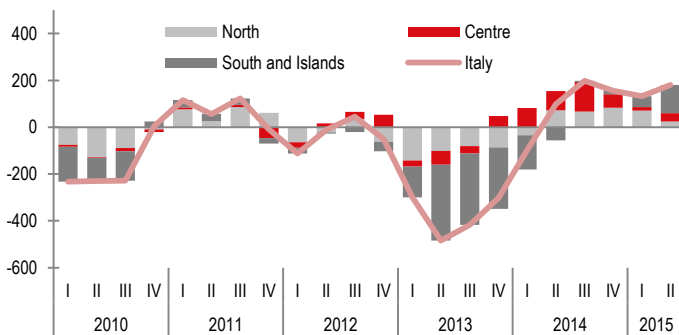


FIGURE 12. EMPLOYMENT BY NATIONALITY | 2010- II 2015, absolute change compared with the previous year (thousands)

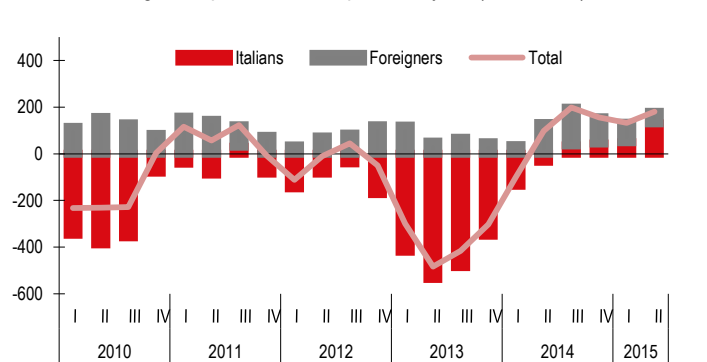


FIGURE 13. EMPLOYMENT BY FULL-TIME/PART-TIME | 2010- II 2015, absolute change compared with the previous year (thousands)

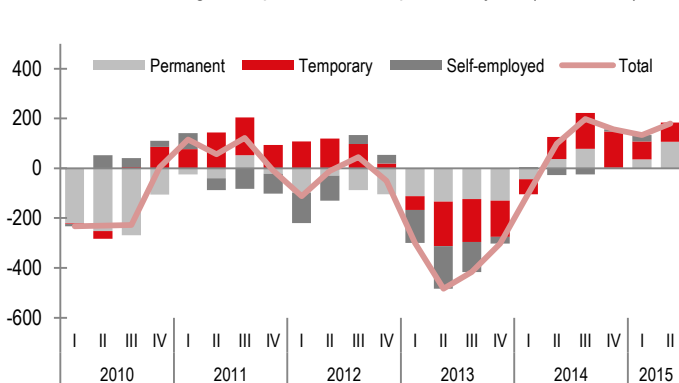
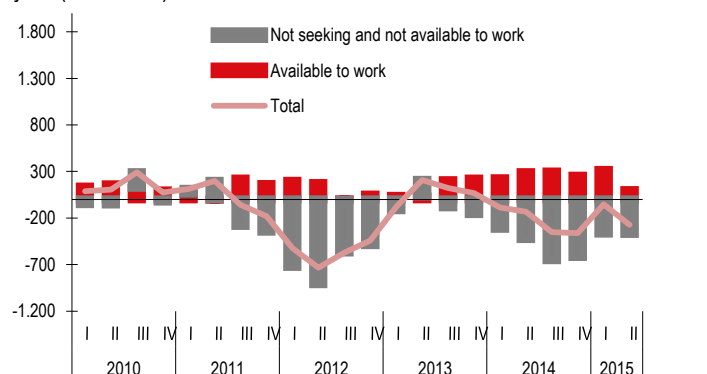


FIGURE 14. INACTIVITY OF PEOPLE AGED 15 TO 64 BY REASON | 2010- II 2015, absolute change compared with the previous year (thousands)



Labour demand

Number of jobs, hours worked, job vacancies, labour cost

The statistical treatment of administrative data from INPS (Italian national institute for social security) integrated into Istat statistics on enterprises allows to build relevant indicators on enterprise labour demand in terms of number of jobs, hours worked, job vacancies, labour cost and wages. The massive use of other administrative data collected by Public Administrations for the construction of short-term statistics able to coherently measure all relevant labour market features will improve, in the near future, through the statistical treatment of data on employers compulsory communications on jobs hires and dismissals, to be accomplished with the cooperation of the Ministry of Labour.

In the second quarter of 2015 the seasonally adjusted index of jobs remained unchanged in industry and increased by 0.7% in services compared with the previous quarter (Table 6). The index decreased by 1.3% in industry and increased by 2.2% in services compared with the second quarter of 2014. The seasonally adjusted number of temporary employment agency jobs rose by 4.1% over the previous quarter; the number increased by 18.7% compared with the second quarter of 2014.

Seasonally adjusted volumes of hours worked in enterprises with at least 10 employees increased by 0.2% in industry and 1.5% in services compared with the previous quarter. Working day adjusted hours worked rose by 0.6% in industry and 2.5% in services with respect to the same quarter of 2014. In industry the growth of per capita hours worked, partially due to a less intensive use of short-time working allowance hours, is associated with a reduction (although smaller) in the number of jobs both on the previous quarter and on the same quarter of the previous year. As a consequence, labour input used by enterprises rose.

TABLE 6. NUMBER OF JOBS, VOLUMES OF HOURS WORKED AND PER CAPITA HOURS WORKED IN ENTERPRISES WITH AT LEAST 10 EMPLOYEES BY ECONOMIC ACTIVITY

II quarter of 2015 (a), percentage change compared with the previous quarter (II 2015/I 2015); percentage change compared with the same quarter of the previous year (II 2015/II 2014).

Nace Rev. 2 activities	Number of jobs		Hours worked		Per capita hours worked	
	Seasonally adjusted (b)	Not seasonally adjusted (b)	Seasonally adjusted (b)	Working-day adjusted (b)	Seasonally adjusted (b)	Working-day adjusted (b)
	II 2015 I 2015	II 2015 II 2014	II 2015 I 2015	II 2015 II 2014	II 2015 I 2015	II 2015 II 2014
Industry (B-F)	0.0	-1.3	+0.2	+0.6	+0.6	+2.2
B-E Industry (excluding Construction)	-	-1.1	+0.8	+1.1	+0.8	+2.3
B Mining and Quarrying	-	-0.9	+0.2	-0.3	+0.7	+2.4
C Manufacturing	-	-1.1	+0.7	+1.2	+0.8	+2.5
D Electricity, gas, steam and air conditioning supply	-	-3.0	-1.1	-4.1	+0.2	-0.8
E Water supply; sewerage, waste management and remediation activities	-	+1.6	+0.1	+1.2	-0.5	+0.6
F Construction	-	-2.3	-0.6	-1.0	+0.7	+1.9
Services (G-S excluding O)	+0.7	+2.2	+1.5	+2.5	+1.0	+1.1
G-N Services of the business economy (c)	+1.1	+2.2	+1.4	+2.3	+1.1	+1.1
G Wholesale and retail trade; repair of motor vehicles and motorcycles	-	+1.1	+1.3	+0.5	+1.0	-0.5
H Transportation and storage	-	+1.6	+1.0	+3.5	+0.6	+1.7
I Accommodation and food service activities	-	+2.2	+3.6	+3.3	+1.8	+1.6
J Information and communication	-	+2.1	+1.5	+4.3	+0.7	+1.3
K Financial and insurance activities	-	-0.5	+0.3	-1.4	+0.6	-0.2
L Real estate activities (c)	-	+11.0	-	-	-	-
M Professional, scientific and technical activities	-	+2.4	+1.4	+3.5	+0.1	-0.2
N Administrative and support service activities	-	+4.7	+2.7	+4.7	+2.4	+5.1
.....temporary employment agency jobs	+4.1	+18.7	-	-	-	-
P-S Education, human health and social work activities, arts, entertainment and recreation	+1.4	+3.1	+1.0	+4.0	+0.4	+2.1
P Education	-	+2.5	+2.3	+0.5	+3.6	+1.1
Q Human health and social work activities	-	+3.6	+1.8	+7.1	+1.1	+3.9
R Arts, entertainment and recreation (d)	-	+3.8	-4.0	-3.1	-	-
S Other service activities	-	+1.3	-1.9	-2.3	-6.5	-7.3
Business economy (B-N) (c)	+0.6	+0.7	+0.8	+1.5	+0.8	+1.5
Total industry and services (B-S, excluding O) (c)	+0.4	+0.8	+0.9	+2.0	+0.6	+1.4

Sources: Monthly survey on employment, working time, earnings and labour cost in large enterprises (GI), OROS Survey (Employment, earnings and social security contributions), Quarterly survey on job vacancies and hours worked (VELA)

(a) Provisional data.

(b) Direct seasonal and working-day adjustment.

(c) Data in section L are not reported due to the small population size. They are included in aggregate G-N, G-S excluding O, B-N and B-S excluding O.

(d) For volumes of hours worked and per capita hours worked, seasonal and working-day adjustments are not requested.

In the second quarter of 2015, considering enterprises with at least 10 employees, the number of short-time working allowance hours per 1,000 worked hours was 18.8; 11.5 hours less compared with the same quarter of 2014 (Table 7). In industry, the decrease was equal to 21.0 hours, reaching 33.8; in services it declined by 4.2 hours, reaching 7.6.

For enterprises with at least 10 employees, the share of overtime hours on the total volume of worked hours for the total of industry and services remained unchanged with respect to the second quarter of 2014 (3.5%) (Table 7).

TABLE 7. SHORT-TIME WORKING ALLOWANCE HOURS AND OVERTIME HOURS IN ENTERPRISES WITH AT LEAST 10 EMPLOYEES BY ECONOMIC ACTIVITY

II quarter of 2015 (a), share per 1,000 hours worked; percentage; percentage change compared with the same quarter of the previous year (II 2015/II 2014).

Nace Rev. 2 activities	Short-time working allowance hours per 1,000 hours worked (share per 1,000 hours worked and percentage change over the same quarter of the previous year)		Overtime hours (percentage and percentage change over the same quarter of the previous year)	
	II 2015	II 2015 (b) II 2014	II 2015	II 2015 (b) II 2014
Industry (B-F)	33.8	-21.0	3.6	0.0
Industry excluding Construction (B-E)	31.9	-20.3	3.7	0.0
Construction F	48.0	-25.3	3.3	0.0
Services (G-S, excluding O)	7.6	-4.2	3.4	0.0
Services of the business economy (G-N)	8.4	-4.2	3.6	0.0
Education, human health and social work activities, arts, entertainment and recreation (P-S)	1.8	-3.9	2.0	-0.1
Business economy (B-N)	20.0	-12.1	3.6	0.0
Total industry and services (B-S, excluding O)	18.8	-11.5	3.5	0.0

Sources: Monthly survey on employment, working time, earnings and labour cost in large enterprises (GI), OROS Survey (Employment, earnings and social security contributions), Quarterly survey on job vacancies and hours worked (VELA)

(a) Provisional data.

(b) Absolute differences.

In the second quarter of 2015 the seasonally adjusted job vacancy rate remained unchanged in industry and increased by 0.1% in services compared with the previous quarter (Table 8). The non-seasonally adjusted job vacancy rate rose by 0.1% in industry and by 0.2% in services compared with the same quarter of 2014.

TABLE 8. JOB VACANCY RATE IN ENTERPRISES WITH AT LEAST 10 EMPLOYEES BY ECONOMIC ACTIVITY

II quarter of 2015 (a), percentage; absolute change on the previous quarter (II 2015/I 2015); absolute change on the same quarter of the previous year (II 2015/II 2014)

Nace Rev. 2 activities	Seasonally adjusted (b)		Not seasonally adjusted	
	II 2015	II 2015 I 2015	II 2015	II 2015 II 2014
Industry (B-F)	0.6	0.0	0.6	+0.1
B-E Industry (excluding Construction)	0.6	+0.1	0.6	+0.1
B Mining and Quarrying	0.2	+0.1	0.2	-0.1
C Manufacturing	0.6	0.0	0.6	+0.1
D Electricity, gas, steam and air conditioning supply	0.3	0.0	0.3	0.0
E Water supply; sewerage, waste management and remediation activities	0.3	0.0	0.4	+0.1
F Construction	0.9	0.0	0.8	+0.2
Services (G-S excluding O)	0.7	+0.1	0.8	+0.2
G-N Services of the business economy	0.7	+0.1	0.8	+0.2
G Wholesale and retail trade; repair of motor vehicles and motorcycles	0.8	+0.3	0.8	+0.1
H Transportation and storage	0.4	+0.1	0.5	+0.2
I Accommodation and food service activities	1.1	+0.1	1.4	+0.3
J Information and communication	1.1	0.0	1.1	+0.4
K Financial and insurance activities	0.4	-0.1	0.4	+0.1
L-N Real estate activities; Professional, scientific and technical activities; Administrative and support service activities (c)	0.7	-0.1	0.7	0.0
P-S Education, human health and social work activities, arts, entertainment and recreation	0.6	-0.1	0.7	0.0
P Education	0.9	-0.1	1.1	+0.7
Q Human health and social work activities	0.3	-0.2	0.4	-0.1
R Arts, entertainment and recreation	1.7	+0.2	2.5	+1.0
S Other service activities	0.5	-0.3	0.7	-0.3
Business economy (B-N)	0.6	0.0	0.7	+0.2
Total industry and services (B-S, excluding O)	0.6	0.0	0.7	+0.1

Sources: Monthly survey on employment, working time, earnings and labour cost in large enterprises (GI), OROS Survey (Employment, earnings and social security contributions), Quarterly survey on job vacancies and hours worked (VELA)

(a) Provisional data.

(b) Direct seasonal adjustment.

(c) Data in section L are not reported due to the small population size. They are included in aggregate G-N, G-S excluding O, B-N and B-S excluding O.

In the second quarter of 2015, the seasonally adjusted index of gross wages and salaries (“de facto”) per full time equivalent (FTE) increased by 0.2% with respect to the previous quarter (-0.1% in industry and +0.3% in services) for the total of industry and services. The index of gross wages and salaries per FTE rose by 1.3% (+1.8% in industry and +1.0% in services) compared with the same quarter of 2014.¹

In the second quarter of 2015 the seasonally adjusted index of social security contributions per FTE for the total of industry and services moved down by 0.3% with respect to the previous quarter (-0.9% in industry and -0.2% in services) (Table 9). The index of social contributions per FTE for the total of industry and services decreased by 0.2% compared with the same quarter of 2014.

The drop in social security contributions led to a slowdown in the labour cost per full-time equivalent. The seasonally adjusted labour cost per full time equivalent for the total of industry and services rose by 0.1% (+0.4% in industry and +0.1% in services) compared with the previous quarter. The index increased by 0.9% with respect to the same quarter of 2014; the growth was higher in industry (+1.2%) than in services (+0.7%) (Table 9).

¹ A major change was observed in the Electricity, Gas, Steam and Air Conditioning Supply sector (+5.9%), largely due to the implementation of resignation/retirement incentives plans in some large enterprises.

TABLE 9. GROSS WAGES AND SALARIES “DE FACTO”, SOCIAL CONTRIBUTIONS AND LABOUR COSTS PER FULL TIME EQUIVALENT (FTE) BY ECONOMIC ACTIVITIES.

II quarter of 2015 (a), percentage change compared with the previous quarter (II 2015/I 2015); percentage change compared with the same quarter of the previous year (II 2015/II 2014).

Nace Rev. 2 activities	Gross wages and salaries per Fte		Social contributions per Fte		Labour cost per Fte	
	Seasonally adjusted (b)	Not seasonally adjusted	Seasonally adjusted (b)	Not seasonally adjusted	Not seasonally adjusted (b)	Not seasonally adjusted
	II 2015 I 2015	II 2015 II 2014	II 2015 I 2015	II 2015 II 2014	II 2015 I 2015	II 2015 II 2014
Industry (B-F)	-0.1	+1.8	-0.9	-0.1	-0.4	+1.2
B-E Industry (excluding Construction)	-	+1.7	-	+0.4	-	+1.4
B Mining and Quarrying	-	+3.0	-	+0.7	-	+2.2
C Manufacturing	-	+1.6	-	+0.2	-	+1.1
D Electricity, gas, steam and air conditioning supply	-	+5.9	-	+2.4	-	+4.9
E Water supply; sewerage, waste management and remediation activities	-	+2.1	-	+1.8	-	+2.0
F Construction	-	+1.5	-	-2.2	-	+0.4
Services (G-S excluding O)	+0.3	+1.0	-0.2	-0.1	+0.1	+0.7
G-N Services of the business economy	-0.1	+1.0	-1.2	-0.1	-0.2	+0.7
G Wholesale and retail trade; repair of motor vehicles and motorcycles	-	+0.9	-	-0.3	-	+0.7
H Transportation and storage	-	-0.5	-	-0.2	-	-0.5
I Accommodation and food service activities	-	+0.8	-	-3.3	-	-0.3
J Information and communication	-	+2.4	-	+1.8	-	+2.2
K Financial and insurance activities	-	+3.8	-	+4.1	-	+3.9
L Real estate activities	-	+0.5	-	-1.9	-	-0.1
M Professional, scientific and technical activities	-	+1.3	-	-0.7	-	+0.7
N Administrative and support service activities	-	+0.6	-	-0.8	-	+0.3
P-S Education, human health and social work activities, arts, entertainment and recreation	0.0	+0.5	-0.5	-1.0	0.0	+0.1
P Education	-	+1.1	-	-1.0	-	+0.6
Q Human health and social work activities	-	+0.3	-	-1.0	-	-0.1
R Arts, entertainment and recreation	-	+0.1	-	-1.0	-	-0.3
S Other service activities	-	+1.8	-	-0.6	-	+1.2
Business economy (B-N)	-0.1	+1.4	-1.3	-0.2	-0.2	+1.0
Total industry and services (B-S, excluding O)	+0.2	+1.3	-0.3	-0.2	+0.1	+0.9

Sources: Monthly survey on employment, working time, earnings and labour cost in large enterprises (GI), OROS Survey (Employment, earnings and social security contributions), Quarterly survey on job vacancies and hours worked (VELA)

(a) Provisional data.

(b) Direct seasonal adjustment.

In the second quarter of 2015 cash wages according to collective labour agreements per employee increased by 1.1% compared with the same quarter of 2014 for the total of the economy (Table 10). They rose by 1.5% for the total of industry and market services, in coherence with the trend of index of gross wages and salaries per full time equivalent in industry and private services (B-N).

TABLE 10. CASH WAGES ACCORDING TO COLLECTIVE LABOUR AGREEMENTS PER EMPLOYEE BY ECONOMIC ACTIVITY.

II quarter of 2015, monthly average (euro); percentage change compared with the same quarter of the previous year (II 2015/II 2014)

Nace Rev. 2 activities	Monthly average	II 2015
A Agriculture	1,570	3.3
Industry (B-F)	2,059	1.8
B-E Industry (excluding Construction)	2,031	1.9
B Mining and Quarrying	2,758	2.6
C Manufacturing	1,968	2.0
D Electricity, gas, steam and air conditioning supply	3,035	1.9
E Water supply; sewerage, waste management and remediation activities	2,591	1.3
F Construction	2,157	1.4
Services (G-U)	2,172	0.7
G-N Services of the business economy	2,263	1.2
G Wholesale and retail trade; repair of motor vehicles and motorcycles	2,252	1.1
H Transportation and storage	2,303	1.5
I Accommodation and food service activities	2,010	0.6
J Information and communication	2,311	1.7
K Financial and insurance activities	2,941	1.4
L Real estate activities	2,223	1.2
M Professional, scientific and technical activities	2,277	1.3
N Administrative and support service activities	1,904	0.7
O Public administration and defense; compulsory social security	2,155	0.0
P Education	2,032	0.0
Q Human health and social work activities	1,958	0.1
R Arts, entertainment and recreation	2,134	0.5
S Other service activities	1,948	1.1
Business economy (B-N)	2,168	1.5
Total economy	2,119	1.1

Source: Gross contractual wages, length of work contract and yearly wages and salaries on an accrual basis

FIGURE 15. HOURS WORKED IN ENTERPRISES WITH AT LEAST 10 EMPLOYEES IN INDUSTRY AND SERVICES (B-S). I quarter 2010 - II quarter 2015, seasonally adjusted index (base 2010=100).

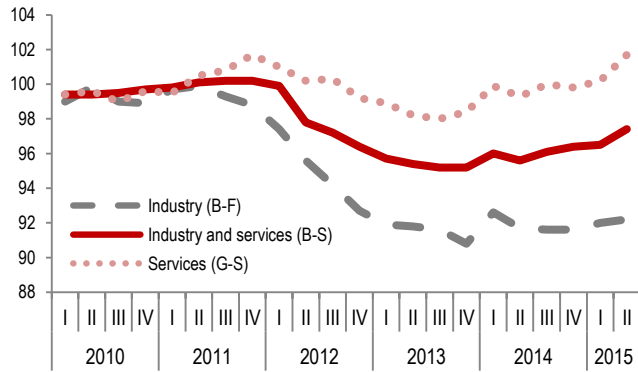


FIGURE 16. JOB VACANCY RATE IN ENTERPRISES WITH AT LEAST 10 EMPLOYEES IN INDUSTRY AND SERVICES (B-S). I quarter 2011 - II quarter 2015, seasonally adjusted data, percentage.

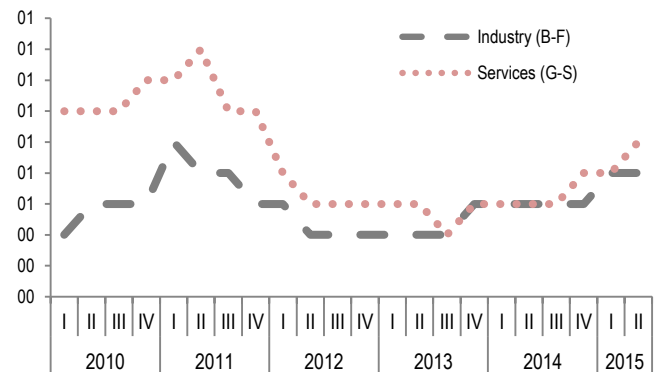


FIGURE 17. GROSS WAGES AND SALARIES “DE FACTO” PER FTE IN INDUSTRY AND SERVICES (B-S). I quarter 2011 - II quarter 2015, not seasonally adjusted index, percentage change over the same quarter of the previous year.

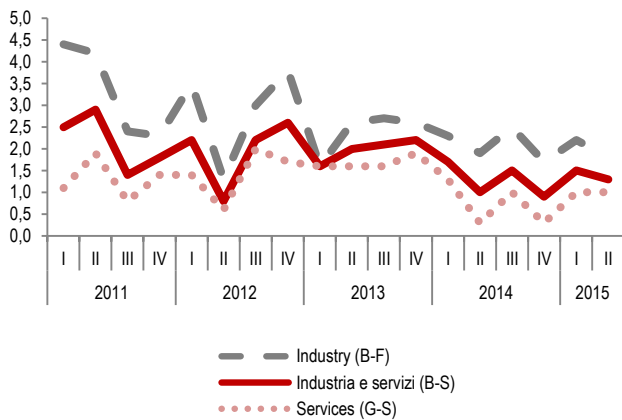


FIGURE 18. SOCIAL CONTRIBUTIONS PER FTE IN INDUSTRY AND SERVICES (B-S). I quarter 2011 - II quarter 2015, not seasonally adjusted index, percentage change over the same quarter of the previous year.

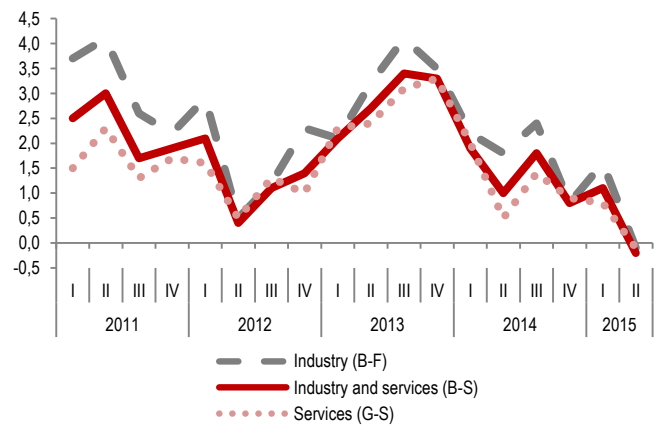


FIGURE 19. LABOUR COST PER FTE IN INDUSTRY AND SERVICES (B-S). I quarter 2011 - II quarter 2015, not seasonally adjusted index, percentage over the same quarter of the previous year.

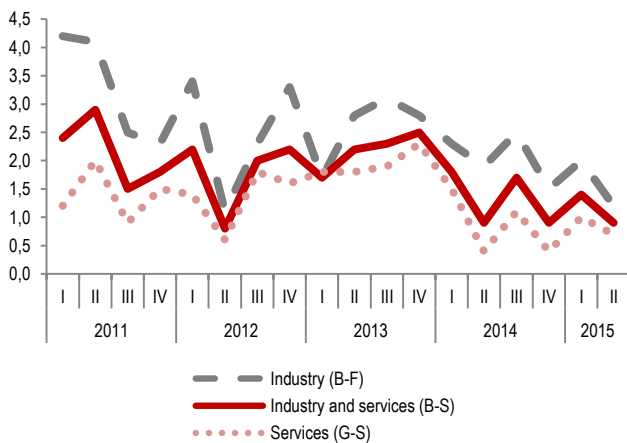
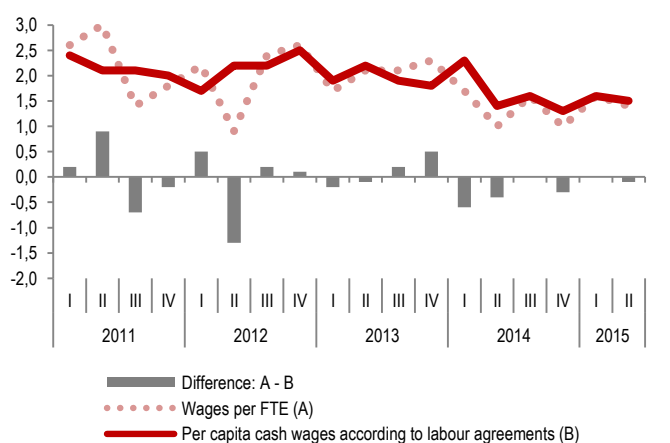


FIGURE 20. GROSS WAGES AND SALARIES “DE FACTO” PER FTE AND CASH WAGES ACCORDING TO COLLECTIVE LABOUR AGREEMENTS PER EMPLOYEE IN INDUSTRY AND SERVICES. I quarter 2011 - II quarter 2015, not seasonally adjusted index, percentage change over the same quarter of the previous year.



a focus on

In recent years the various components of employees have had ups and downs, depending on the phases of the economic cycle.

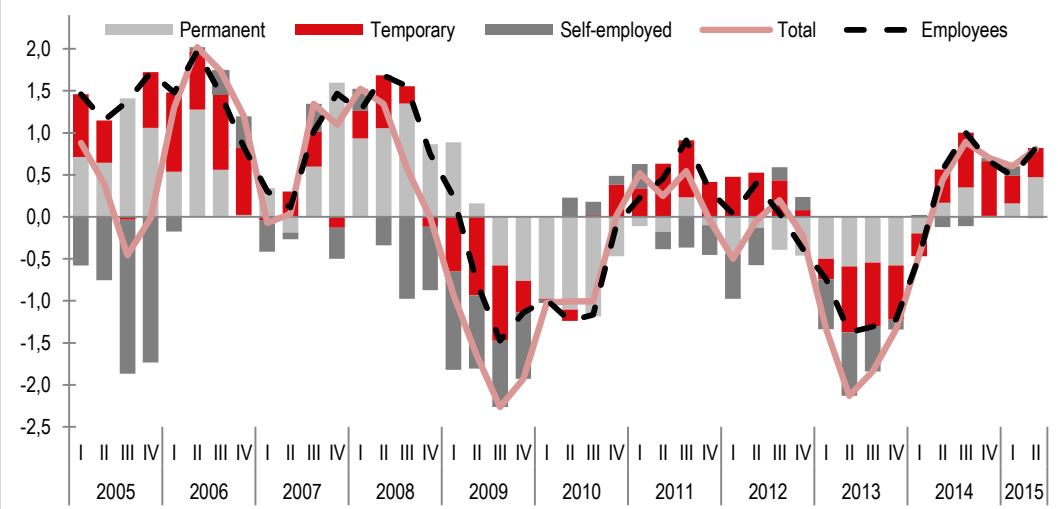
In the pre-crisis period, employment growth (has) mainly involved temporary employees, who were also the hardest hit at the beginning of recession. In the phase of cyclical recovery between 2010 and 2012, however, only temporary employment grew, while the permanent one continued to decline. The new fall of economic activity between late 2012 and early 2014 resulted in a decrease in employment for both the categories of employees, and in 2014 the recovery was largely for fixed-term employees. Permanent employment began to show strong signs of recovery in the first half of 2015: in the second quarter, in association with a more robust recovery of economic activity, permanent employment grew more than temporary workers in absolute value (+106 thousands versus + 77 thousands) although in relative terms temporary employment was the most dynamic component.

In the second quarter of 2015, only people over the age of 50 contributed to the trend growth of permanent jobs and, to a greater extent, women, central and southern regions, graduates, services sector and executive occupations in trade and services.

The decline in permanent jobs was generalized for young people under 35 years, while in the central age group (35-49 years) there was a significant growth in female (+51 thousands), only between graduates and mostly in skilled occupations. Among the over 50s, however, the increase in permanent employees involved both men and women, and three out of four Italian employees. However, in this case it is for about half of individuals with low level of education, and for about 80% of employees working in low-medium skilled professions, especially in the private services.

Recent developments of employment, observed in the evolution of the business cycle are encouraging. The consolidation of economic recovery is usually associated with the growth of the permanent employment component which follows and reinforces the increase in the temporary component, more volatile and responsive to changes in the production cycle. Therefore, positive contributions registered by permanent employment in the first half of 2015, also facilitated by incentives and regulatory changes in the labour market, could be a positive signal for economic recovery.

Employed persons by contract duration and quarter. Years 2009-2015 (percentage contributions to employment changes over the same period of the previous year)



Source: Labour Force Survey

Revisions

The tables below show data revisions according to the various sources used. Revisions are calculated as differences among percentage changes or differences among rates between the last press release and the previous one.

Table 11 shows revisions of changes - over the previous period - of persons employed, unemployed and inactive, as well as rates of employment, unemployment and inactivity, derived from the Labour Force Survey and produced when a new observation is added to the seasonal adjustment procedure.

TABLE 11. PERSONS EMPLOYED, PERSONS UNEMPLOYED, PERSONS INACTIVE, EMPLOYMENT RATE, UNEMPLOYMENT RATE, INACTIVITY RATE.

II quarter 2014 – I quarter 2015, revisions of percentage changes over the previous period, differences of percentage points between the series of this press release and previous estimates.

Periods	Employment	Unemployment	Inactives	Employment rate	Unemployment rate	Inactivity rate
II quarter 2014	-0.1	-0.7	+0.3	-0.1	-0.1	+0.1
III quarter 2014	+0.1	+0.9	-0.4	+0.1	+0.1	-0.1
IV quarter 2014	+0.1	+0.3	-0.2	+0.1	0.0	-0.1
I quarter 2015	+0.1	-1.0	+0.2	+0.1	-0.1	+0.1

Table 12 summarizes revisions changes over the previous period and over the same period of the previous year in the indices of the number of jobs, gross wages and salaries, social security contributions and full-time equivalent labour costs, within industry and services, according to the indicators of enterprises (Oros and GI Surveys). Trend changes are referred to current revisions performed each quarter; for changes over the previous period the revision resulting from the seasonal adjustment procedure when a new observation occurs, is added. In addition, with today's release, the new data also include the effects of an extraordinary revision deriving from some methodological changes in the estimates, the effects of which are more visible on the number of jobs.

TABLE 12. NUMBER OF JOBS, GROSS WAGES AND SALARIES, SOCIAL SECURITY CONTRIBUTIONS, FULL-TIME EQUIVALENT LABOUR COST IN INDUSTRY AND PRIVATE SERVICES (B-S).

II quarter 2014 – I quarter 2015, revisions in percentage changes, differences in percentage points between series of this press release and previous estimates (indices, 2010=100)

Periods	Number of jobs		Wages and salaries		Social security contr.		Labour cost	
	Over the same period of the previous year (a)	Over the previous period (b)	Over the same period of the previous year (a)	Over the previous period (b)	Over the same period of the previous year (a)	Over the previous period (b)	Over the same period of the previous year (a)	Over the previous period (b)
II quart. 2014	+0.8	+0.2	-0.3	0,0	-0.4	+0.1	-0.3	+0.3
III quart. 2014	+0.7	+0.1	-0.1	-0.1	0.0	-0.1	0.0	-0.3
IV quart. 2014	+0.7	+0.5	0.0	0.0	0.0	-0.1	0.0	0.0
I quart. 2015	+0.7	+0.2	0.0	0.0	0.0	-0.2	0.0	0.0

(a) Raw indices.

(b) Seasonally adjusted indices.

Table 13 shows revisions in changes over the same period of the previous year and in changes over the previous period of indices of hours worked and hours worked per employee, and the job vacancy rate in enterprises with at least 10 employees in industry and services, according to the indicators on enterprises (Vela and GI Surveys).

For changes over the previous period, the revision is derived by the seasonal adjustment procedure when a new observation is added. For changes over the same period of the previous year in the hours worked and the hours worked per employee the revision derives from the working days adjustment procedure when a new observation is added.

TABLE 13. HOURS WORKED, HOURS WORKED PER EMPLOYEE, JOB VACANCY RATE IN ENTERPRISES WITH AT LEAST 10 EMPLOYEES IN INDUSTRY AND PRIVATE SERVICES (B-S)

II quarter 2014 – I quarter 2015, revisions in percentage and absolute changes, changes in percentage points between series of this press release and previous estimates (base index 2010=100)

Periods	Hours worked		Hours worked per employee		Job vacancy rate	
	Over the same period of the previous year (a)	Over the previous period (b)	Over the same period of the previous year (a)	Over the previous period (b)	Over the same period of the previous year (c)	Over the previous period (b)
II quarter 2014	0.0	-0.3	+0.1	-0.3	-	0.0
III quarter 2014	0.0	+0.2	+0.1	+0.1	-	0.0
IV quarter 2014	0.0	+0.2	0.0	0.0	-	0.0
I quarter 2015	0.0	+0.3	0.0	+0.2	-	0.0

(a) Adjusted for working days.

(b) On seasonally adjusted data.

(c) Raw data are revised once per year when I quarter indicators are released.

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.

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 Short-time Working Allowance: total amount of ordinary, extraordinary hours and exceptional hours of Short time working allowance, worked for 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, except for managers.

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.

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.

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, excluding managers, unoccupied 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 completed (because a suitable candidate has not been already hired and the company has not decided to stop the search). The number of job vacancies refers to the last day of the reference quarter.

Job vacancy rate: ration between the number of vacant posts and the sum of vacant and occupied posts. The data presented here refers only to employees, excluding managers. Therefore, the job vacancy rate measures the part of occupied and vacant jobs for non-managerial posts 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.

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.

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

	National accounts	Istat Labour Force Survey	Business indicators (Oros and Large Enterprises Surveys)
Type of source	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"> • Administrative data for small and medium-size enterprises from the National Social Security Institute; • Data from the monthly survey on large enterprises with 500 employees and over (GI).
Target universe	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.
Unit of analysis	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
Coverage	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).
Frequency of data dissemination and geographical breakdown	<ul style="list-style-type: none"> • on a yearly and quarterly basis: estimates of labour input at the national level; • yearly basis only: estimates of labour input at regional and provincial levels. 	<ul style="list-style-type: none"> • monthly and quarterly: estimates of indicators at national level; • quarterly: estimates of indicators at regional level; • yearly: estimates of indicators at local level 	<ul style="list-style-type: none"> • Quarterly estimates of the indicators only at the national level
Reference period for the measurement of employment	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.

Definition of employment	<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"> • domestic employees (residents and non-residents employed in domestic production units) • jobs (jobs held by domestic employees) • Full time equivalent (FTE) (jobs reduced to standard full time equivalents). <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"> • 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; • did at least one hour of unpaid work in the family business in which they work regularly; • are absent from work (for example, on leave, sickness or short time working allowance); • 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. <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>
Main indicators	<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>