

## Labour market

### Fourth quarter of 2015

#### an integrated picture

In order to facilitate assessment on the differences registered at the territorial level, this press release disseminates provincial data on labour supply on the 2015 average data and, for the first time, also those on large municipalities. Overall, the increase in employment in the last year was widespread on the territory and was more significant in the South and Islands, an area which registered the highest losses during the crisis. Also the unemployment rate decreased mainly in the Southern regions, but the gaps are still deep.

The signals of a progressive slowdown in the short time growth of Gdp started at the beginning of the year, were confirmed for the last quarter of 2015. The slightly positive dynamics led to an additional rise in the year over year growth rate, which passed to +1.0% from +0.8% of the third quarter and +0.6% in the second. This result went together with an improvement in the labour market conditions recorded by a large part of the indicators, which registered short-term increases both for the labour input as well as for the employment rate. A peculiar feature of this short-term phase is the growing gap between the positive trend of the number of employees and the persistent weakness of the self-employed. At the same time the labour demand by the industrial sector increased following what happened in the services sector.

In the fourth quarter of 2015 employment was stable, after the growth in the two previous quarters, and the increase in the North and the Centre areas was compensated by a reduction in the South and Islands area. The employment rate rose particularly among the aged 50-64, while the unemployment rate was unchanged and the inactivity rate decreased. The stability of overall employment levels summarized a relevant increase in the number of permanent employees (99 thousand more over the third quarter), offset by a drop in temporary employees (-43 thousand) and in the self-employed (-48 thousand).

Seasonally adjusted data referring to January 2016 recorded a growth in employed persons (+70 thousand) going back to August level, after the unchanged values of October and November and the decrease of December.

The year on year increase of employment recorded in the fourth quarter (+184 thousand) was almost exclusively due to men and driven by employees, who grew by 298 thousand units, in their majority with a permanent contract (+207 thousand). Among the temporary employees the increase was due to those with a contract not exceeding 6 months. Beside the rise of full-time employees, the increase of part-time jobs was mainly related to the voluntary option.

Longitudinal data showed that after twelve months, temporary employees' transitions towards permanent jobs grew (+3.5 points) as well as transitions from para-subordinate workers to employees (+14.4 points) both for temporary and for permanent workers. Moreover permanence in unemployment decreased (-5.1 points) and the possibility of shifting to employment (+2.1 points) or to inactivity (+3.0 points) increased.

In enterprises a relevant growth, quarter-on-quarter and year-on-year, was registered both in the number of jobs and hours worked, also due to the relevant reduction in the use of the short-time working allowance. The growth was robust in the services sector and it regarded industry as well for the first time since the second quarter of 2008. The dynamics of temporary employment agency jobs and vacancy rate, two indicators used to assess prospect trends of jobs in enterprises, highlight a quarter-on-quarter weakness associated with positive trends on an annual basis. The rise in *de facto* wages was higher than inflation, thus resulting in an ongoing recovery of the purchasing power gross of taxes. Social security expenses kept diminishing, due to the significant rebate associated to new hiring of permanent employees. These two trends could provide a significant input to the economic growth by supporting the consumption demand (induced by the growth of wages in real terms) and to business competitiveness (deriving from a reduction in the labour cost).



NEXT RELEASE: 9 June 2016

**TABLE 1. LABOUR INDICATORS (a) Q4 2015, absolute values, percentage values and index numbers, percentage points changes**

	Seasonally adjusted		Percentage change (Q4 2015/Q4 2014)
	Values	Percentage change (Q4 2015/Q3 2015)	
LABOUR INPUT (a) (b) National Accounts			
Hours worked (thousands)	10,608,064	0.1	1.2
Agriculture	607,012	0.2	2.6
Industry excluding construction	1,850,614	0.5	0.5
Construction	680,234	-2.0	-2.4
Services	7,470,204	0.2	1.6
LABOUR SUPPLY Labour Force Survey			
Employed (thousands)	22,583	0.0	0.8
Employees	17,161	0.3	1.8
Permanent	14,767	0.7	1.4
Temporary	2,394	-1.8	3.9
Self-employed	5,422	-0.9	-2.1
Employment rate (aged 15-64) (percent and percentage points changes)	56.7	0.1	0.7
15-34 years	39.7	0.0	0.5
35-49 years	72.0	0.0	0.5
50-64 years	57.0	0.4	1.2
Unemployed (thousands)	2,943	-0.1	-10.7
Unemployment rate (percent and percentage points changes)	11.5	0.0	-1.3
Inactive population (aged 15-64) (thousands)	13,954	-0.4	0.3
Inactivity rate (aged 15-64) (percent and percentage points changes)	35.8	-0.1	0.2
LABOUR DEMAND (a) (c) Oros, GI and Vela Surveys			
Number of jobs (index 2010=100)	99.0	0.9	2.6
Temporary employment agency jobs (d) (index 2010=100)	138.5	-0.4	12.9
Hours worked (e) (f) (index 2010=100)	99.3	1.1	3.6
Per capita hours worked (c) (e) (index 2010=100)	99.0	-0.2	0.4
Short-time working allowance hours per 1,000 hours worked (e) (percentage and absolute changes of percentage)	nd	nd	-10.1
Job vacancy rate (e) (percent and percentage points changes)	0.7%	0.0	0.1
LABOUR COST Oros, GI and Vela, Contractual Wages and Salaries Survey			
Gross wages (a) (c) (index 2010=100)	109.1	0.3	0.6
Social security contributions (a) (c) (index 2010=100)	106.0	-0.8	-2.7
Labour cost (a) (c) (index 2010=100)	108.3	0.0	-0.3
Cash wages according to collective labour agreements (monthly average in euros; base 2010=100) (g)	2,545	-	1.3

(a) Provisional data.

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

(g) Not seasonally adjusted data.

## Main results (fourth quarter of 2015)

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In the fourth quarter of 2015 most labour market indicators improved. Labour input in the total economy (measured in hours worked in the National Accounts) grew by 0.4% on a quarterly basis and by 1.0% on an annual basis. Employed persons, as estimated by the Labour Force Survey, net of seasonal effects, were 22,583 thousand, unchanged over the previous quarter, after the increase in the second (+0.4%) and third quarter (+0.7%). The employment rate grew by 0.1 percentage points, mostly due to the increase in the 50-64 age group (+0.4 points).

The stability of employed persons on a quarterly basis was the result of the increase in permanent employees (+0.7%, 99,000 persons), the decrease in fixed-term employees (-1.8%, -43,000 units) and self-employed persons (-0.9%, -48,000 units). With respect to geographical areas, the increase in the North (+0.4%) and Centre (+0.3%) was countered by the decrease in the South and Islands (-0.9%).

The unemployment rate remained unchanged at 11.5% over the previous quarter and the inactivity rate slightly decreased (-0.1 points) reaching 35.8%.

Employee jobs in industrial and services enterprises rose by 0.9% on a quarterly basis and by 2.6% on an annual basis, along with the number of hours worked (+1.1% and +3.6%, respectively). The hours worked per capita, although decreased by 0.2% on a quarterly basis, continued to increase on an annual basis (+0.4%), thanks also to the significant reduction of redundancy payments from 25.2 to 15.1 per thousand hours worked. Temporary employment agency jobs decreased by 0.4% over the previous quarter, while they rose by 12.9% year over year.

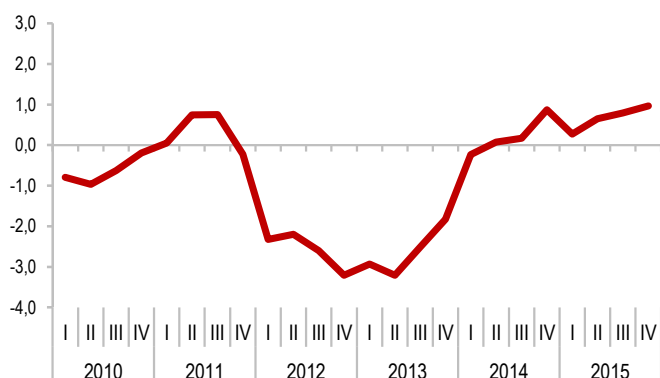
The vacancy rate in enterprises with 10 or more employees remained unchanged over the previous quarter while it increased by 0.1 percentage points on an annual basis.

The seasonally adjusted labour cost index per full time equivalent (FTE) was unchanged on a quarterly basis, as a result of an increase in wages (+0.3%) and a reduction in social security contributions (-0.8%). Labour costs decreased by 0.3% also on an annual basis, while wages rose by 0.6% and social security contributions decreased by 2.7%. The negative trend in social security contributions, observed since the second quarter of 2015, despite a slight increase in wages, was mainly due to the significant reduction in employer's contributions for new permanent jobs created during 2015, as provided for by the 2015 Stability Law.

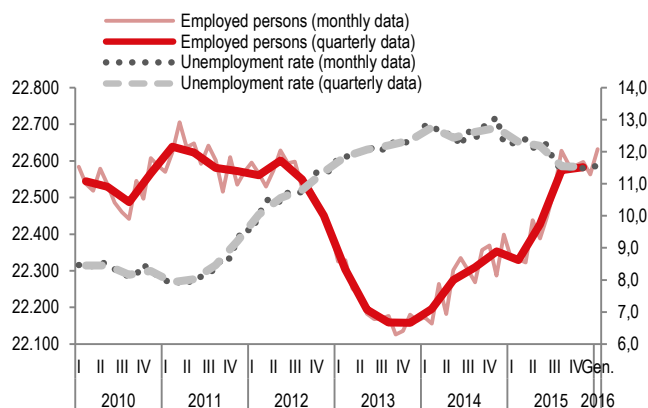
The year over year increase in gross wages per FTE exceeded by 0.4 percentage points the inflation rate in the same quarter (+0.2% change in the Italian consumer price index for the whole nation).

The Methodological Note (Italian only) reports the confidence intervals for sample estimates of the main indicators on labour supply (not seasonally adjusted).

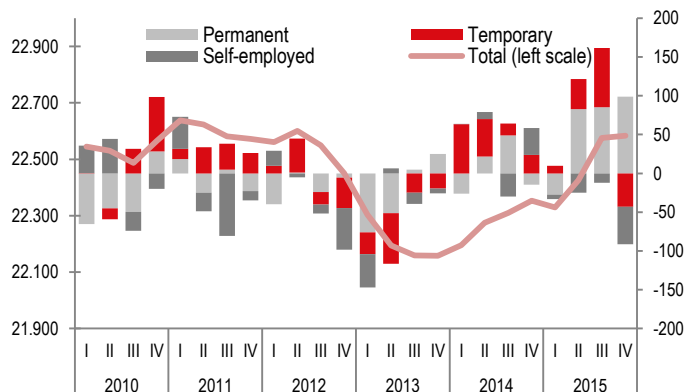
**FIGURE 1. HOURS WORKED – TOTAL ECONOMY Q1 2010 – Q4 2015, seasonally adjusted data, percentage change over the same quarter of the previous year**



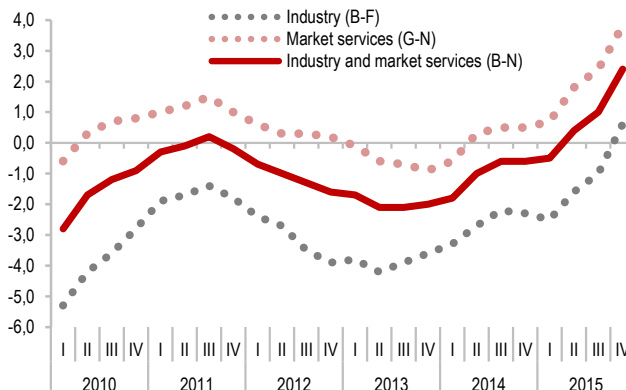
**FIGURE 2. EMPLOYED (left scale) AND UNEMPLOYMENT RATE (right scale) Q1 2010 – Q4 2015, seasonally adjusted data, thousands and percent rates**



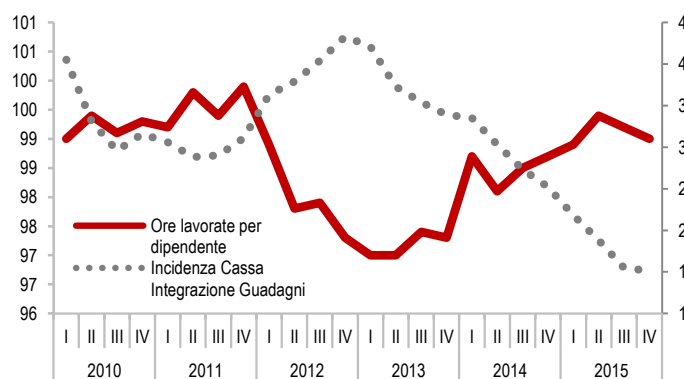
**FIGURE 3. EMPLOYEES (PERMANENT AND TEMPORARY) AND SELF-EMPLOYED Q1 2010 – Q4 2015, seasonally adjusted data (left scale), absolute change over previous period (right scale)**



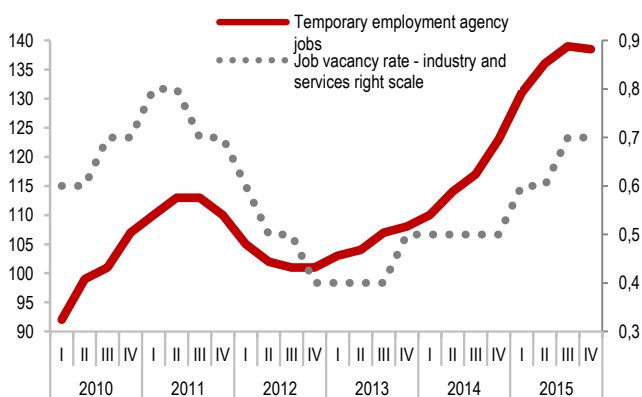
**FIGURE 4. NUMBER OF JOBS IN INDUSTRY AND MARKET SERVICES (B-N) Q1 2010 – Q4 2015, not seasonally adjusted data, percentage change over the same quarter of the previous year (2010=100)**



**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 2010 – Q4 2015, seasonally adjusted indices (2010=100) and percentage on 1,000 hours worked**



**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 2010 – Q4 2015, indices (2010=100) and seasonally adjusted percentage values**



## a focus on...

### The 2015 territorial trend in labour supply

Annual average data allow to analyse more in depth the trends in labour market indicators with a highly detailed territorial information. Employment growth was widespread all over the country in the last year, and was more marked in the South and Islands area, which during the crisis recorded the most significant job losses. Between 2014 and 2015, the employment rate for the aged 15-64 grew by 0.8 points in the Southern regions (+0.5 in the Centre and in the North). However the indicator kept 3.5 points below 2008 (-2.1 points in the North and -1.3 in the Centre). Territorial gaps were still quite marked: the Centre-north recorded more than 6 persons employed in the age group 15-64 out of 10, and the South and Islands area slightly more than 4. Moreover, the unemployment rate decreased in 2015 and mainly in Southern regions (-1.3 points versus -0.7 in the Centre and -0.5 in the North). However territorial imbalance remained significant with the unemployment rate ranging from 19.4% in the South and Islands to 10.6% in the Centre and 8.1% in the North.

As for Northern regions the highest increase of the employment rate was in Liguria and in Piemonte (+1.7 and +1.3 points respectively); unemployment rate decreased in all regions with the exception of Valle d'Aosta and Friuli Venezia Giulia, where it kept unchanged. Liguria recorded also the highest reduction of the unemployment rate (-1.7 points). At the province level, the major increase in employment rate was in Novara, La Spezia, Imperia, Alessandria, Genova and Vicenza (ranging from 2 to 3 points) versus a decrease by 2-3 points in the provinces of Verona and Monza e della Brianza. The most significant reductions of the unemployment rate were recorded in Imperia, Venezia and Novara (drops from 3 to 2 points), while the indicator grew more in Trieste, Monza e della Brianza, Padova and Verona (increases from 1 to 2 points). As regard the largest municipalities, employment rate increased more in Genova and Venezia (+3.4 and +2.3 points), where unemployment rate showed the highest reduction (-2.7 and -2.9 points); on the contrary Verona was the only large municipality where the employment rate decreased (-2.7 points) and unemployment rate slightly increased.

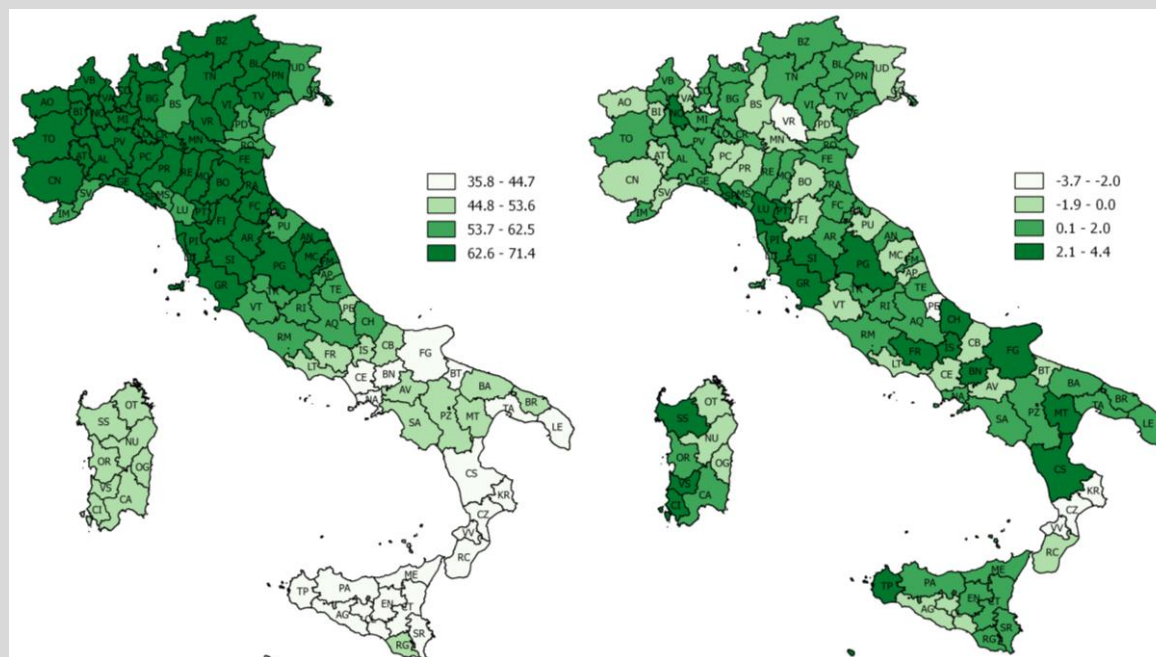
In the Centre the employment rate mainly grew in Umbria and Toscana (+2.1 and +1 points), while it decreased in Marche (-0.3 points). The unemployment rate dropped in all Central regions and particularly in Umbria and Toscana. As for provinces the highest increases of the employment rate were recorded in Lucca, Pistoia, Pisa, Frosinone, Grosseto, Siena, Perugia and Terni (between 2 and 4 points), while the most significant drops occurred in Firenze, Pesaro-Urbino, Prato and Latina (with reductions from 1 to 2 points). The provinces of Lucca, Massa-Carrara and Pistoia recorded the sharpest drops in the unemployment rate (from 6 to 3 points), while the indicator increased in Pesaro-Urbino, Arezzo and Siena. As for large municipalities, the employment rate decreased in Firenze (-0.2 points) and kept almost unchanged in Roma while the unemployment rate increased in Firenze (+0.8 points) and decreased in the Capital (-0.3 points).

In the South and Islands area the growth of the employment rate was mainly due to the positive trends in Basilicata, Sardegna, Puglia and Sicilia (increase between 1 to 2 points); Calabria was the only Southern region with a dropping value. The unemployment rate decreased in all regions except Abruzzo, where the rate remained almost unchanged; in Campania and Puglia the highest decreases were recorded (-1.9 and -1.8 points). In the South and Islands provinces, Carbonia-Iglesias, Sassari, Medio Campidano, Trapani and Benevento the employment rate increased by 3 or more percentage points; Cosenza was the only province in Calabria with a positive dynamic of the indicator while the other provinces in the region presented a decrease by more than 1 point, as it is the case of Pescara, Barletta-Andria-Trani, Agrigento, Nuoro, Ogliastra and Olbia-Tempio. The unemployment rate had a sharper decrease (3 or more points) in the provinces of Medio Campidano, Cosenza, Isernia, Trapani, Lecce, Enna, Benevento, Catania, Olbia-Tempio and Sassari, while the highest increases were in Crotone, Reggio Calabria, Nuoro, Catanzaro and Ragusa (from 1 to 4 points). Among the large municipalities in the South and Islands area, Bari and Palermo alone showed a positive trend in the employment rate (+1.2 and +0.9 percentage points respectively), while the level was unchanged in Napoli, in Messina and Catania it decreased by 0.3 and 0.2 points. The unemployment rate decreased in Napoli and Bari while it increased in Palermo and Messina and kept almost unchanged in Catania.



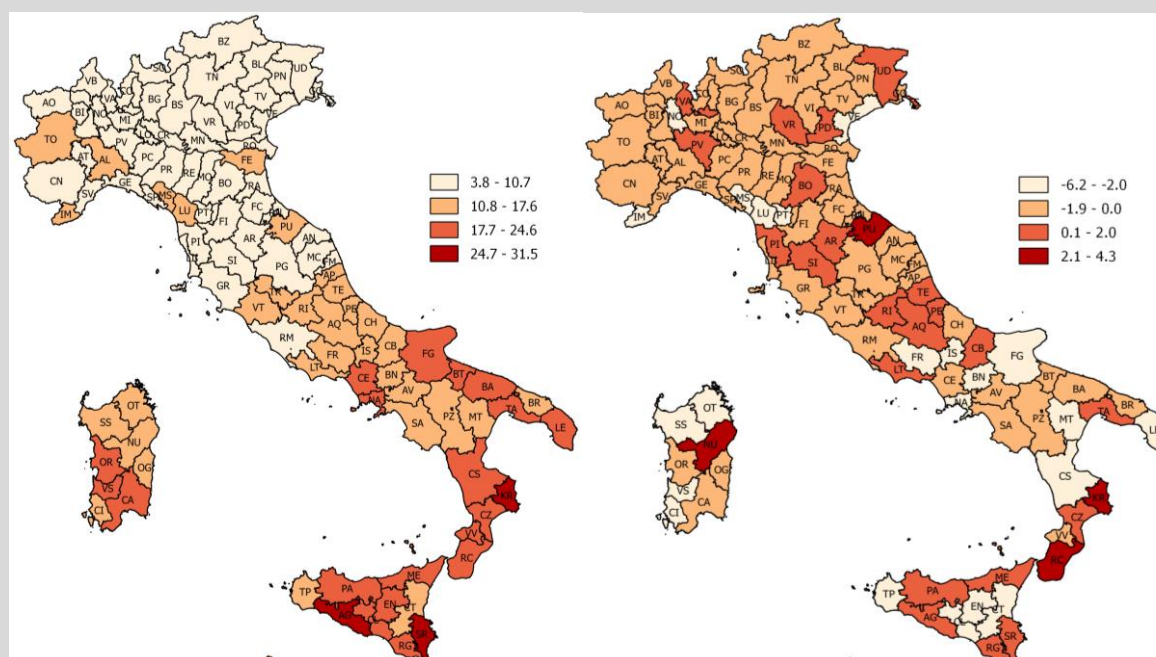
### Employment rate 15-64 years by province. Year 2015.

(percentage values and percentage points changes compared to 2014)



### Unemployment rate by province. Year 2015

(percentage values and percentage points changes compared to 2014)



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.

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.

**Large 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).

## Istat sources on employment

	National accounts	Istat Labour Force Survey	Business indicators (Oros and Large Enterprises Surveys)
<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>