

Labour market

Current definitions

Activity rate

The ratio between the people who make up the labour force and the population aged 15 and over, multiplied by 100.

Agreed hourly wage

Contractual remuneration compared to the contractual number of working hours. This varies when tabular measures are modified and when there are changes to working hours set by contracts.

Agreed monthly wage

One twelfth of annual wage calculated by reference to the measures laid down in the wage-tariff tables for the month in question, taking account, in each month, of the remuneration elements of a general and continuing nature - basic pay, cost of living allowance, periodical amounts for increased length of service, compensation on duty and any other benefits of a general nature, monthly premiums, additional monthly payments and other payments paid regularly at specific times of the year.

Average length of job vacancy

The ratio between the amount of months of job vacancy of employees waiting for contract renewal and the amount of employees directly involved (specific indicator), or the amount of employees in the reference sector (generic indicator).

Classification by main (national) contract groups and wage bargaining sector

According to this mode of presentation, the contracts are assigned to different groups based on the prevailing economic activity within each contract. The main groupings are modelled on the classification scheme of economic activities Ateco 2007; groupings are presented also on the specific combinations of sub-contracting.

Contractual number of working hours

Hours of work that must be carried out, by contract, by full-time employees, excluding the hours that are paid without being worked, for holidays and permission given for other reasons (annual reduction of work, recouping cancelled holidays, study, trade-union meeting). Any variation to these last elements changes the indicator.

Domestic employed persons

All people, employees and self-employed, working in the economic territory of the Country.

According to the concept of domestic occupation used in the National Accounts, the estimate of employees refers to the residence of the production unit and not the residence of the person employed, including conscripts and people in employment living in cohabitation (certain types of cohabitation, for example, charitable institutions, religious ones and prisons)..

According to the definition of employed persons in Istat *Rilevazione sulle forze di lavoro* (Labour Force Survey), it refers to all resident people employed in both resident and non-resident production units, with the exclusion of conscripts and people in employment living in cohabitation. Domestic employed persons also include people temporarily not at work that maintain a formal link with their

employment status, in the form of a guarantee of return to work or to an agreement about the date of its restarting (for example, workers still gaining from *Cassa Integrazione Guadagni CIG* - temporary state redundancy funds).

The different definitions and calculation methods lead to a discrepancy between the data detected by the survey and the estimation of domestic employed persons.

Employed persons (*Rilevazione sulle forze di lavoro*)

People of 15 years or more who:

- have completed at least one hour of work (paid) during the reference week of the survey; domestic help is included (even if unpaid) while conscripts are excluded (or those who perform the alternative civilian service);
- or, despite not having worked during the reference week, they have a job from which to derive an income. Therefore, they are to be considered employed those employees who are absent from work or (or *Cassa Integrazione Guadagni CIG* - Temporary state redundancy funds) for a period less than or equal to 3 months, or who, despite being absent for a period exceeding 3 months, continue to receive at least 50% of salary from the employer; workers on compulsory maternity leave; workers off sick, self-employed persons who whilst being absent from work still have a business or professional activity; unpaid domestic help absent for a period not exceeding 3 months.

Employees

Person working in a legal-economic unit and is on the payroll of an enterprise or an institution, also when playing a management role. Employees are:

- members of cooperatives listed in the payroll;
- top and middle management, employees and workers, both full and part-time;
- apprentices;
- workers at home listed in the payroll;
- seasonal workers;
- workers in service-training contract;
- workers with temporary contracts;
- workers receiving redundancy payments;
- students working under a formal commitment to contribute to the production process against payment and/or training.

Employment position

Employment contract, express or implied, between a person and a resident production unit intended for the performance of work against payment of a fee (which, broadly speaking, includes mixed income of self-employed). In the schemes of National Accounts the employment positions represent, therefore, the number of jobs, positions given by the sum of the first working multiple jobs and positions, regardless of the number of hours worked.

Employment rate

Ratio between the employed persons and the corresponding population aged 15 and over, multiplied by 100.

Gross domestic product at market prices (GDP)

The final result of productive activities of resident production units. This value corresponds to the total production of goods and services in the economy, less intermediate consumption and in addition to VAT and indirect taxation on imports. It is also equal to the sum of the added value to basic prices in the various branches of economic activity, plus product taxation (including VAT and import taxation), net of subsidies on products.

Inactive

People who are not part of the labour force, or rather are not classified as employed or jobseekers.

Jobseekers (unemployed)

Unemployed persons between 15 and 74 who during the reference week of the survey have not worked, and do not have a job from which they were absent and that:

- have carried out active research for work in the 4 weeks before the week of reference and are available for work (or to commence an autonomous activity) within the next 2 weeks;
- or rather, they will begin to work within 3 months from the week of reference and they would be available to work (or to commence an autonomous activity) within the next 2 weeks, if it were possible to begin work earlier.

Labour disputes

Disputes between employers and trade unions of the employees, resulting in a temporary suspension of work. Collective abstention from work originated by reasons unrelated to the employment relationship is also included.

Labour force (active population)

Employed persons and jobseekers.

Labour unit (or full-time equivalent – FTE)

Units of analysis evenly quantifying the volume of work carried out by those involved in the process of production of income in the economic territory of a country, regardless of their residence (employed persons in accordance with the concept of domestic employment). This calculation is necessary because the person may take one or more jobs depending on:

- activity (single, main job, second job);
- professional status (employee, self-employed);
- duration (continuous, non-continuous);
- working time (full-time, part-time);
- tax position (regular, irregular).

Full time equivalent units are equal to the sum of full time jobs and part-time jobs (main job or second job) converted into full time equivalent units.

Full-time jobs are not reduced, except by the effect of part-time work performance of employees temporarily receiving redundancy payments. Part-time jobs (main job and second job) are converted into full time equivalent units through coefficients taking into account the number of hours actually worked in a job on a part-time basis and the hours worked in the same branch in a full-time job. Labour units are used as volume measure of the work needed in the production of goods and services included in the estimates of gross domestic product for a specific reference period.

Long-term unemployment rate

Ratio between unemployed for 12 months or more and labour force, multiplied by 100.

National collective labour agreements (CCNL)

Agreements and contracts between the organizations of employers and trade unions of the employees, applicable on the entire national territory, with regard to different sectors of economic activity. In particular, the purposes of the contract are: govern the relationship between collective subjects and determine the content relating to regulatory issues (working time arrangements, qualifications, assignment to professional levels, tasks, etc.) and economic issues (basic wage rate, seniority increase, unitary amounts of allowances, etc.).

Public Administrations

The sector comprises institutional units whose primary functions are to produce collective services not destined for sale and operate a redistribution of income and wealth of the Country. Its main resources are made up by compulsory payments made directly or indirectly by units belonging to other sectors. The sector of public administrations is divided into three subsectors:

- General Government, including the State Administration in the strict sense (the ministries), the constitutional bodies and the central bodies and institutions with jurisdiction at national level (Deposit and loan bank, Anas, Cri, Coni, Cnr, Cnen, Istat, etc.).
- Local Government, including public bodies whose competence is limited to one part of the territory (regions, provinces, municipalities, public hospitals and other local economic, cultural bodies or

welfare institutions, chambers of commerce, universities, provincial tourist institutions, etc.).
- social security institutions, including central and local institutional units whose main activity is to provide social benefits financed through mandatory contributions in general (Inps, Inam, Inail, etc.).

Self-employed persons

Person working in a legal-economic unit without being a subordinate. Self-employed are:

- the owners, members or administrators of an enterprise or an institution, provided they actually work in the enterprise or institution, are not listed in the payroll, are not paid by invoice, do not have a regular ongoing collaboration;
- members of cooperatives actually working in the enterprise and are not listed in the payroll;
- owner's relatives or relatives in law working without a predetermined contractual wage and the payment of contributions.

Total hours worked

All the hours actually worked, both paid and unpaid, in any professional status (employed and self-employed), provided they produce income. Hours worked after the regular working time are included. Hours paid but not worked are excluded (holidays, cancelled holidays, disease, reduction of working time for absence, permits, etc.), as well as all hours worked in activities that, according to National Accounts, should not be considered for the calculation of GDP (mainly domestic work, voluntary production of services, *do-it-yourself* activities other than extraordinary maintenance of dwellings and agricultural production for own consumption). Lunch breaks and commuting time are also excluded.

Unemployment rate

Ratio between jobseekers and the labour force, multiplied by 100.