Italy Pilot Report

Before presenting the study of quality of employment indicators in Italy, we should provide an overview of the labour market in the country. The analysis of the main indicators shows deep differences between the Italian and the European situations (Table 1).

Firstly, in Italy the employment rate is still substantially lower than the EU-27 average, especially for the female population. The labour market dynamics in the south of the country influenced this outcome to a great extent. Non-standard jobs (part-time and/or temporary) are less common in Italy than for EU-27 as a whole.

Although the Italian unemployment rate is lower than European average, the unemployed people have more difficulty to find a job, as pointed out by the higher percentage of long-term unemployment. Moreover, Italy presents a high inactivity rate, which is a high percentage of working age people who do not work nor are actively seeking a job.

To sum up, significant differences still remain with regard to both gender and territory, despite the progress made in the past years. As a matter of fact:

1) The female population has an employment rate and a percentage of employed persons lower than that of EU-27 (by about seven and five percentage points, respectively);
2) Even if the total unemployment rate is lower than the European average, the female unemployment rate is higher;
3) In the same way, Italian women's share in temporary jobs is higher than both Italian men and European women;
4) The differences between geographical areas are wide, to the extent that we may consider Italy as made up of two different countries. With respect to all indicators, the northern area shows values close to or even better than the European average, while the southern area lags behind.

Table 1. Main labour market indicators 2008 (per cent)

Indicator	EU-27	Italy			
		Total	North	Centre	South
Employment rate 15-64 years					
Male	72.8	70.3	76.2	73.0	61.1
Female	59.1	47.2	57.5	52.7	31.3
Total	65.9	58.7	66.9	62.8	46.1
Employed women	44.7	39.9	42.1	42.0	34.2
Part-time					
Male	7.9	5.3	4.6	5.8	6.0
Female	31.1	27.9	28.8	28.5	25.2
Total	18.2	14.3	14.8	15.3	12.6
Employees with temporary jobs					
Male	13.3	11.6	9.6	11.1	15.0
Female	14.9	15.6	13.2	15.3	21.8
Total	14.0	13.3	11.2	13.0	17.5
Unemployment rate					
Male	6.6	5.5	2.9	4.6	10.0
Female	7.5	8.5	5.2	8.2	15.7
Total	7.0	6.8	3.9	6.1	12.0
Unemployment rate, long-term					
Male	2.4	2.4	0.9	1.7	5.0
Female	2.8	4.1	1.9	3.4	8.9
Total	2.6	3.1	1.3	2.4	6.4
Inactivity rate, 15-64 years					
Male	22.0	25.6	21.5	23.4	32.0
Female	36.1	48.4	39.3	42.6	62.8
Total	29.1	37.0	30.3	33.1	47.6

Source: LFS 2008.

The indicators of quality of employment will be analyzed separately for each dimension. The only exception is the sub-dimension Fair treatment in employment, which is transversal across all the

dimensions and sub-dimensions.[1] Therefore, to the extent possible, we will calculate and present each indicator in the framework by sex, citizenship and geographical area.

Moreover, the analysis will look at changes over time in employment quality, as measured by the proposed indicators. In particular, time series from the Labour Force Survey (LFS) are available starting from 2004, when the continuous survey collecting information related to every week of the year started. At the time of writing the report, the most recent data referred to the first quarter of 2009 but we used annual data including 2008. With regard to others sources, we will look at time series for a maximum of ten years.

On the whole, as emerged at the joint UNECE/ILO/Eurostat Seminar on the Measurement of the Quality of Work in 2005, the LFS is the main source for measuring internationally comparable data regarding quality of employment indicators. Therefore, we used the LFS as much as possible to calculate the variables. Moreover, with regard to the indicators computed in the Italian LFS 2008, we estimated the sampling errors (coefficients of variation). All the indicators display insignificant sampling errors, showing that they could be properly estimated by the LFS (Annex I). When we refer to data from others sources, we will highlight the advantages and disadvantages.

First of all for each dimension we will review the data availability and source. Then, in the subsequent data for the various years will be examined and analyzed by sex, citizenship and territory.

A. Safety and ethics of employment

The major source on occupational injuries is INAIL (National Institute for Insurance against Occupational Accidents) which collects data referred to the workers covered by insurance.[2] INAIL covers almost all those for whom insurance is compulsory. INAIL statistics report data on compensated injuries due to all types of occupational accidents.

With regard to child labour, data on working conditions of people aged below 18 years are not available. However, the three indicators concerning young workers and child labour do not have particular relevance within the Italian context, since child labour for children aged less than 16 years is forbidden by national law. Furthermore, the phenomenon is very marginal in Italy. Partial information can be obtained using LFS. The share of persons aged 15 to 17 years in employment amounts to 2.3 per cent. Considering the threshold of at least 40 working hours per week, it is instead equal to 1.6 per cent.

Concerning the share of employees working in hazardous conditions, additional information comes from LFS 2007 ad-hoc module on accidents at work and work-related health problems.[3] This module provides data on people who declare to be exposed to factors that can adversely affect their physical health (exposure to chemicals, dusts, fumes, smoke or gases; noise or vibration; difficult work postures, work movements or handling of heavy loads; risk of accident). Information on the share of workers, who experienced one or more work-related health problems, may also be obtained from this module.

Occupational fatal injuries affect above all male workers, due to their frequent involvement in hazardous activity sectors such as buildings and industry. In recent years, a strong decrease has been observed in the level of fatal occupational injuries in the absolute and relative values: from 976 fatal accidents in 2003 to 744 in 2008 (Table 3).

[1] The most recent recommendation for the sub-dimension "Fair treatment in employment" of the Task Force was the following: rather than identifying specific indicators, it would be better to produce as many quality of employment indicators as possible disaggregated by gender, race, ethnic minority and by every other group for which there may be fair treatment concerns. UNECE Task Force on the Measurement of Quality of Employment. *Introduction of the Conceptual Framework for Measuring the Quality of Employment. Statistical Measurement of Quality of Employment: Conceptual framework and indicators*. September 2009.

[2] In Italy insurance against occupational injury is compulsory for all employees carrying out paid manual work on a permanent or casual basis in specific activities or processes. Non-manual workers in the public and private sectors are insured if they supervise manual workers, or if they use any type of electrical or electronic machinery on a regular basis. Self-employed workers in industry and agriculture, apprentices, family workers and members of cooperatives are also insured if they are manual workers in specific activities.

[3] Detailed information on module results is available at http://www.istat.it/salastampa/comunicati/non_calendario/20081229_01/ ;
European results have been published in Eurostat, *Statistic in Focus*, no. 63, 2009.
http://ep.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-SF-09-063 .

Table 2. Safety and ethics of employment indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Fatal occupational injuries rate (Workplace fatalities per 100 000 employees)	INAIL	2008	Annual	Yes	n.a.
Non-fatal occupational injuries rate (Workplace accidents per 100 000 employees)	INAIL	2007	Annual	Yes	n.a.
Employment of persons below the minimum age for the kind of work performed	n.a.	n.a.	n.a.	n.a.	n.a.
Employment of persons aged below 18 years in hazardous industries and occupations	n.a.	n.a.	n.a.	n.a.	n.a.
Employment of persons aged below 18 years for hours exceeding a specified threshold	n.a.	n.a.	n.a.	n.a.	n.a.
Employees working in hazardous conditions	LFS ad-hoc	II 2007	Five-yearly	Yes	Yes

Table 3. Fatal injury cases

Years	Absolute values			Standardized incidence rate of fatal accidents at work (rate per 100 000 workers)*
	Total	Men	Women	
2003	976	930	46	2.8
2004	930	889	41	2.5
2005	918	877	41	2.6
2006	987	945	42	2.9
2007	847	805	42	n.a.
2008	744	715	29	n.a.

*Source: ILO – Database Labourstа and *European Statistics on Accidents at Work (ESAW).*

Also the rates on non-fatal injuries are decreasing moving from 4,179 in 1996 to 2,812 (per 100,000 in employment) in 2006. For this indicator gender differences are also relevant (table 4).

Further information come from the LFS 2007 ad-hoc module on accidents at work and work-related health problems according to which 45.6 per cent of male workers and 27.3 per cent of female workers are exposed to at least one risk factor. For all workers the share is 38.3 per cent. Italian figures are hardly lower than the ones for EU-27.

Table 4. Standardized incidence rate of accidents at work (per 100,000 workers)

Years	Male	Female	Total
1996	5 125	2 012	4 179
1997	5 006	1 992	4 089
1998	4 987	2 047	4 105
1999	4 932	2 093	4 067
2000	4 908	2 124	4 049
2001	4 802	1 811	3 779
2002	4 244	1 754	3 387
2003	3 993	1 716	3 267
2004	3 899	1 576	3 098
2005	3 534	1 558	2 900
2006	3 439	1 507	2 812

Source: European Statistics on Accidents at Work (ESAW.)

Industrial work in construction and agriculture is characterized by a greater exposure to hazardous conditions. Respectively 63.4 per cent and 54.3 per cent of workers involved in these sectors are under

such risk. Hazardous conditions concern also other sectors such as transport where 48.3 per cent, health where 45.5 per cent and manufacture where 44.7 per cent of workers work under hazardous conditions.

Furthermore, 18.2 per cent of workers overall declare to be exposed to negative factors affecting mental wellbeing. The rate is lower than for EU-27.

The ad-hoc module also reports information on people declaring work-related health problems suffered during the last 12 months besides accidental injuries and occupational diseases contraction per 100,000 employees. The number of persons, who suffered of occupational diseases in 2007, was equal to 2,797,000. The share over total employment is 6.9 per cent. The female share, on the other hand, was 6.3 per cent. Even in this respect, Italian results are better than the EU-27 average.

Table 5. LFS ad-hoc module 2007, main results
(per cent)

		Eu-27	Italy
Workers who experienced one or more work-related health problems	Men	8.6	7.4
	Women	8.5	6.3
	Total	8.6	6.9
Workers with work-related health problems who experienced limitations in normal daily activities	To some extent	50.1	60.6
	Considerably	22.3	7.7
Workers with work-related health problems resulting in sick leave	Sick leave	62.0	47.3
	Sick leave ≥ 1 month	27.0	16.7
Workers who are exposed to factors affecting mental wellbeing	Men	28.1	18.2
	Women	27.6	17.1
	Total	27.9	17.7
Workers who are exposed to factors affecting physical health	Men	47.5	45.6
	Women	32.4	27.3
	Total	40.7	38.3

Source: LFS, II quarter 2007 ad hoc module on accidents at work and work-related health problems

B. Income and benefits from employment

With regard to Dimension 2 "Income and benefits from employment", some information can be obtained from the Structure of Earnings Survey (SES), which is the main source of EU-wide harmonized structural data on gross earnings, hours paid and annual days of paid holiday leave.[4]

Table 6. Income and benefits from employment indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Average weekly earnings of employees	LFS	QI 2009	Quarterly	Yes	Yes
	SES	2006	Four-yearly	Yes	n.a.
Low pay (Share of employed with below 2/3 of median hourly earnings)	LFS	QI 2009	Quarterly	Yes	Yes
Share of employees using paid annual leave in the previous year	n.a.	n.a.	n.a.	n.a.	n.a.
Share of employees using sick leave	n.a.	n.a.	n.a.	n.a.	n.a.
Average number of paid annual leave days used in the previous year	SES	2006	Four-yearly	Yes	n.a.

Unfortunately, the data cover only employees in enterprises with at least ten employees excluding some National Classification of Economic Activities (NACE) branches (agriculture, fishing, public administration, private households and extra-territorial). On the other hand, since 2008, LFS collects data on monthly net salary of employees. In this case, all employees are included and cross-tabulations with

[4] SES is conducted every four years under Council Regulation (EC) no. 530/1999 concerning structural statistics on earnings and on labour costs, and Commission Regulation (EC) No 1738/2005 amending Regulation (EC) no. 1916/2000 regarding the definition and transmission of information on the structure of earnings.

many variables are possible. Therefore, we calculated the variables from both sources. In respect to the first indicator we calculated the variable mean monthly gross earning from SES and the variable mean monthly net salary from LFS (Tables 6 and 7).

Firstly, we observe a growth of the mean monthly gross earning: from €1,880 in 2002 to €2,099 four years later. Moreover, gender differences are evident in both years: on average females earn about 20 per cent less then males. Among other things, this may be related to the different incidence of part-time work and to occupational segregation by gender. The difference between national and non-national, populations instead, is mainly due to the higher number of non-national workers in non-skilled occupations (Table 8).

With regard to the second indicator of low pay, derived from LFS data, we observe higher values for women, non- national and in the South, confirming the indicator's relationship with disadvantaged working conditions. Regarding the third and fourth indicators, no specific information is collected. However, in Italy all regular employees are entitled to paid annual leave and to paid sick leave by national law. Differences exist about the length of both paid annual leave and paid sick leave.

Information on the average number of annual paid leave days comes from SES. There are no significant differences over time and by sex while the number of annual leave days varies across occupations, e.g. 22 days for International Standard Classification of Occupations (ISCO) 7 and 30 days for ISCO 2.

Table 7. Income and benefits from employment indicators

Variable	Year				
	2002	2005	2006	2007	2008
Average monthly gross earnings of employees,* €	€1 880	n.a.	€2 099	n.a.	n.a.
Average monthly net salary of employees,** €	n.a.	n.a.	n.a.	n.a.	€1 217
Share of employed with below 2/3 of median hourly net earnings,** per cent	n.a.	n.a.	n.a.	n.a.	10
Annual holiday,* days	26	n.a.	25	n.a.	n.a.

*Sources: * SES, 2002 and 2006; ** LFS, 2008*

Table 8. Income and benefits from employment indicators by sex, 2006 and 2008

Variable	Sex		Geographic area			Citizenship	
	Male	Female	North	Centre	South	National	Non- national
Average monthly gross earnings of employees*	2 271.0	1 865.0	n.a.	n.a.	n.a.	n.a.	n.a.
Average monthly net earnings of employees**	1 339.0	1 056.0	1 255.0	1 223.0	1 140.0	1 239.0	973.0
Share of employed with below 2/3 of median hourly net earnings**	8.5	12.0	6.9	9.6	16.2	8.9	21.6
Annual holiday*	25.0	25.0	n.a.	n.a.	n.a.	n.a.	n.a.

*Sources: * SES, 2006; ** LFS, 2008.*

Table 9. Working hours and balancing work and non-working life indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Average annual (actual) hours worked per person	NA	2009	Annual	n.a.	n.a.
	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed persons working 49 hours or more per week	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed persons working less than 30 hours per week involuntarily	LFS	QI 2009	Quarterly	Yes	Yes
Percentage of employed people who usually work at night/evening	LFS	QI 2009	Quarterly	Yes	Yes
Percentage of employed people who usually work on the weekend or bank holidays	LFS	QI 2009	Quarterly	Yes	Yes
Share of people with flexible work schedule	LFS ad-hoc	QII 2004	Five-yearly	Yes	n.a.
Ratio of employment rate for women with children under compulsory school age to the employment rate of all women aged 20-49	LFS	QI 2009	Quarterly	Yes	n.a.
Share of people receiving maternity/ paternity/family leave benefits	LFS ad-hoc	QII 2005	Five-yearly	Yes	n.a.

C. Working hours and balancing work and non-working life

Dimension 3 takes into account working time arrangements and balancing work and non-working life. All indicators can be obtained from LFS data (Table 9). In particular, the first indicator can be calculated both from National Accounts and LFS. The two indicators, share of people with flexible work schedule and share of people receiving maternity/ paternity/family leave benefits are available from the ad-hoc modules in 2004 and 2005 respectively. The other five indicators can be calculated from the quarterly LFS.

With regard to the indicator share of employed persons working less than 30 hours per week involuntarily' we calculated three variables: involuntary part-time (per 100 part-time), involuntary part-time (per 100 in employment) and time-related underemployment (per 100 in employment). Regarding the share of people receiving maternity/paternity/family leave benefits the estimated variables refer to persons entitled to receive the benefits, i.e. employees with children aged 0-7 years.[5]

The majority of the indicators remain constant over time (Table 10). The only exception is the incidence of involuntary part-time work that increases for both variables.

The average annual and weekly hours worked per person show a similar trend, being mostly stable. The use of the variable weekly hours worked per person obtained from LFS has the advantage of allowing cross-tabulations with socio-demographic and labour characteristics.

[5] Law 53/2000 integrated into Italian Law Council Directive 96/34/EC led to the introduction of significant changes in Italy. For instance, all working mothers with children aged up to eight years are entitled to apply for parental leave, whereas, previously, the children had to be aged three years or below; the length of parental leave has been increased from six to ten months; the employee is allowed to spread the time out to a certain extent (but not as a fully part-time option); there is now a provision for unpaid sick leave; fathers are entitled to apply for parental leave and, if they apply for at least three months, a further month is granted. However, payment rates for leave remain unchanged (30 per cent of wages), and are limited to six months of the leave period for children aged up to three years (previously up to one year old).

For what concerns long hours, we should always bear in mind the significant difference between employees and self-employed. Moreover, to improve the relevance of this indicator, it would be useful to consider also the involuntariness of the long hours. Others significant differences are revealed when considering the main socio-demographic characteristics (Table 11). Men are characterized by longer working hours while women have less frequently flexible work schedules. The incidence of involuntary part-time is higher for women than men if calculated on the total number of persons in employment. Conversely, it is lower when considering only persons employed part-time. This reflects the different incidence of part-time by gender. For both variables the values are higher for non-nationals compared to nationals.

Time-related underemployment only partially overlaps with involuntary part-time. In fact, the criteria used in the definition of time-related underemployment is based on hours worked,[6] while the distinction between part-time and full-time is based on the respondents' self-evaluation (especially for self-employed).

The variable ratio of employment rate for women aged 20-49 years with children aged 0-five years to the employment rate of women aged 20-49 years has significantly lower values for non-national women compared to Italian women (0.60 and 0.98 respectively). However, this indicator probably considers too wide an age group to highlight the problem of conciliation between working and non-working life. In fact, if limited to the age group 25-34, the rate decreases to 0.82.

Lastly, parental leave is taken above all by women and no significant differences are observed among geographical areas.

Table 10. Working hours and balancing work and non-working life indicators

Variable	Year				
	2004	2005	2006	2007	2008
Average annual (actual) hours worked per person	1 826	1 819	1 815	1 817	1 802
Average weekly (actual) hours worked per person*	34.7	34.9	34.9	34.9	34.6
Excessive hours of work	12.7	12.3	12.4	12.5	11.8
Excessive hours of work, employees	5.7	5.4	5.8	5.4	5.2
Excessive hours of work, self-employed	30.9	31.1	30.6	32.6	31.0
Involuntary part-time, as a share of part-time	35.7	38.4	36.8	38.5	40.3
Involuntary part-time, as a share of total employment	4.5	4.9	4.9	5.2	5.8
Share of time-related underemployment	n.a.	3.6	3.4	3.1	3.6
Share of those who usually work on Saturday and Sunday	12.9	12.7	12.3	12.3	12.8
Share of those who usually work at night	8.3	8.1	8.2	7.7	8.1
Share of people with flexible work schedule	33.7	n.a.	n.a.	n.a.	n.a.
Ratio of employment rate for women (20-49 years) with children (0-five years) to the employment rate of women (20-49 years)	0.92	0.92	0.92	0.93	0.93
Parental leave taken by employees (15-64 years), per 100 employees (15-64 years) with children (0-7 years)	n.a.	14.2	n.a.	n.a.	n.a.

*Source: LFS; *National Accounts.*

[6] According to 16th ICLS resolution in 1998, time-related underemployment refers to insufficient hours of work compared with an alternative employment situation where a person is willing and available to engage in. Operationally, it identifies employed persons who in the reference week were, are willing to work additional hours; were available to work additional hours; had worked less than a threshold relating to working time (40 hours in Italy).

Table 11. Working hours and balancing work and non-working life indicators, socio-demographic characteristics

Variable	Sex		Geographic area			Citizenship	
	Male	Female	North	Centre	South	National	Non national
Average weekly hours worked per person	37.80	29.80	34.60	34.20	34.80	34.60	34.90
Excessive hours of work	16.00	5.30	12.10	11.10	11.60	11.90	10.10
Excessive hours of work of employees	7.40	2.20	5.30	5.00	5.20	5.00	7.00
Excessive hours of work of self-employed	36.50	18.30	33.00	28.50	29.30	31.20	26.90
Involuntary part-time, as a share of part-time	49.80	37.60	30.00	42.60	60.90	37.90	62.90
Involuntary part-time, as a share of total employment	2.60	10.50	4.40	6.50	7.70	5.30	11.90
Share of time-related underemployment	3.40	3.90	3.20	3.70	4.20	3.30	7.00
Share of those who usually work on Saturday and Sunday,	13.10	12.20	11.40	13.20	14.90	12.60	14.70
Share of those who usually work at night	9.80	5.40	7.40	8.10	9.20	7.90	9.90
Share of people with flexible work schedule	36.00	30.60	34.00	32.90	33.80	n.a.	n.a.
Ratio of employment rate for women (20-49 years) with children (0-5 years) to the employment rate of women (20-49 years)	n.a.	n.a.	0.92	0.96	0.94	0.98	0.60
Parental leave taken by employees (15-64 years), per 100 employees (15-64 years) with children (0-7 years)	7.50	24.20	13.90	15.40	14.00	n.a.	n.a.

Source: LFS, 2008; *LFS, ad-hoc module Quarter II 2004; ** LFS, ad- hoc module Quarter II 2005.

D. Security of employment and social protection

Dimension 4 includes two sub-dimensions: i) Security of employment ii) Social protection. As regards the first sub-dimension, the two indicators can be obtained from LFS. Relating to the second sub-dimension, unfortunately information is available only for the first indicator public social security expenditure as share of GDP (Table 12).

As for temporary employment, we calculated both the incidence of temporary wage employment as a share of total number of employees, which is the measure usually adopted at European level, and the incidence of all kinds of temporary employment (i.e. including para-subordinate work) as a share of total employment.[7]

[7] The Italian survey collects data about the atypical self-employed without employees, a temporary freelancer called "collaboratore". This has been one of the main issues in the recent years in connection with the introduction of new employment typologies in Italy. In terms of autonomy at work, the "collaboratore" is often more similar to the temporary employee rather than the self-employed.

Table 12. Security of employment and social protection indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Percentage of employees aged 25 years and older with temporary jobs	LFS	QI 2009	Quarterly	Yes	Yes
Percentage of employees aged 25 years and older with job tenure (< 1 year, 1-3 years, 3-5 years, ≥ 5 years)	LFS	QI 2009	Quarterly	Yes	Yes
Public social security expenditure as a share of GDP	NA	2007	Annual	n.a.	n.a.
Share of employees covered by unemployment insurance	n.a.	n.a.	n.a.	n.a.	n.a.
Share of economically active population contributing to a pension fund	n.a.	n.a.	n.a.	n.a.	n.a.

Table 13. Security of employment and social protection indicators (per cent)

Variable	Year				
	2004	2005	2006	2007	2008
Temporary employment as a share of employment	10.7	11.0	11.8	11.9	11.9
Temporary employees as a share of employees	11.8	12.3	13.1	13.2	13.3
Temporary employees as a share of employees aged 25 years and older	9.7	10.1	10.8	10.9	10.9
Share of employees aged 25 years and older and with job tenure <1 year	6.3	6.1	6.5	6.7	6.6
Share of employees aged 25 years and older and with job tenure 1-2 years	13.4	13.7	13.4	13.8	15.2
Share of employees aged 25 years and older and with job tenure 3-five years	17.9	19.1	17.0	15.8	15.1
Share of employees aged 25 years and older and with job tenure >five years	55.3	58.9	61.4	62.1	61.3
Share of temporary employees with job tenure <1 year	46.4	47.4	50.0	50.6	50.1
Public social protection expenditure as share of GDP*	18.0	18.1	18.1	18.2	n.a.

*Source: LFS, *National Accounts*

Moreover, we limited the indicator only to employees aged 25 years and older, as suggested by the Task Force.

All variables show an increasing trend over the five years considered (Table 13). Classifying job tenure of the last job in four categories (<12 months, 1-3 years, 3-five years, >five years) the results do not change considerably over time. However, understanding the relationships between job tenure and the quality of employment is not easy. For instance, being in the same job for a long time may imply work security, but at the same time it can also indicate few possibilities to find a better job. Considering temporary employees only, about half of them have job tenure shorter than one year.

Lastly, the public social protection expenditure as a share of GDP presents similar values for the four available years. However, it is important to highlight that the expenditure is mostly directed to old age (about 70 per cent of social protection expenditure) while only a little part is assigned to families and children and to unemployment (about six per cent and three per cent respectively).

As for socio-demographic characteristics, the incidence of temporary employment is higher for women, for non nationals and in the south of the country (Table 14). With regard to job tenure, fewer non-nationals - compared to Italians – have job tenure longer than five years. This is mainly due to the fact that the number of foreigners in Italy has increased over the last five years.

Table 14. Security of employment and social protection indicators (per cent)

	Sex		Geographical area			Citizenship	
	Male	Female	North	Centre	South	National	Non national
Temporary employment as a share of employment	9.6	15.4	10.4	12.3	14.5	11.7	14.3
Temporary employees as a share of employees	11.6	15.6	11.2	13.0	17.5	13.1	15.6
Temporary employees as a share of employees aged 25 years and older	9.0	13.4	8.7	10.4	15.7	10.7	13.4
Share of employees aged 25 years and older and with job tenure <1 year	6.4	6.7	5.7	6.5	8.2	6.1	11.4
Share of employees aged 25 years and older and with job tenure 1-2 years	14.1	16.6	15.2	15.0	15.3	14.1	26.9
Share of employees aged 25 years and older and with job tenure 3-five years	14.6	15.8	15.5	15.8	13.9	13.9	29.1
Share of employees aged 25 years and older and with job tenure >five years	62.7	59.6	62.2	61.7	59.4	64.1	31.4
Share of temporary employees with job tenure <1 year	49.5	50.8	47.7	48.3	54.2	50.0	50.9

Source: LFS, 2008.

E. Social dialogue

Social dialogue is a dimension related to the freedom of association and to the right to organize and bargain collectively. It is measured by two indicators: share of employees covered by collective wage bargaining and average number of days not worked due to strikes and lockouts (Table 15).

Both indicators are collected by Istat. The first comes from the Structure of Earnings Survey (SES); the second from the Wages According to Collective Agreements and Labour Disputes Survey (WACALD).

Table 15. Social dialogue indicators

Indicators	Source	Last data	Periodi-city	Sex
Share of employees covered by collective wage bargaining	SES	2006	Four-yearly	Yes
Average number of days not worked due to strikes and lockouts	WACALD	2007	Monthly	n.a.

In SES, the number of employees with national level or interconfederal agreement covers all NACE branches except agriculture, fishing, public administration, private households and extra-territorial organizations in enterprises with at least ten employees. The 10,352 million employees in these economic branches were all covered by collective wage bargaining in 2006 where women represented 42 per cent of total.

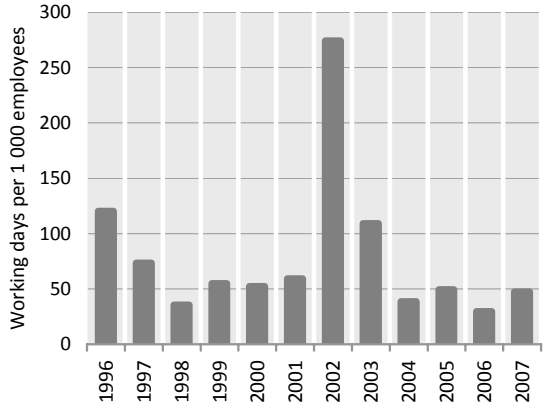
However, the LFS estimate for 2006 covers 16,915 million employees when all NACE branches are considered. There are no official statistics on the coverage of collective bargaining for all employees, but the Organization of Economic Cooperation and Development (OECD) estimated it as over 80 per cent in 2000.[8]

Other information on collective bargaining is collected by the WACALD survey, which provides monthly an index of wages according to collective agreements. This survey also provides information on the delays in renewing collective agreements.

[8] OECD. Employment Outlook. 2004

The number of working days lost for strikes and lockouts per 1,000 workers is calculated using the number of working hours lost for labour disputes collected monthly by WACALD survey.

Figure 1. Working days lost per 1,000 workers



Source: WACALD

Analyzing data from last years we observe a peak in the number of days lost in 2002. The reasons are twofold. First, 2002 was a year of heated disputes between one of the main trade unions Confederazione Generale Italiana del Lavoro (CGIL) and the government, which tried to reduce workers' guarantees in case of dismissal, even in companies with more than 15 employees[9] (Article 18 of Workers' Statute, law 300 of 1970). However, the high registered value is also ascribable to a technical change in data collection. Until 2002, the data covered strikes and lockouts for all reasons while since 2003 only labour disputes are taken into account. In 2002, the incidence of strikes due to non-labour disputes was 82.2 per cent.

Data on strike and lockouts based on labour disputes are strictly related to the renewal of collective agreement. Therefore, we face many difficulties in analyzing the data trend. It may be that the two proposed indicators are not adequate to describe the Italian context. It could be interesting to have information on the number of trade unionists, on participation rates to the elections of union representatives, on absences due to union activity, on

[9] In October 2002, there was a general strike for eight hours, which involved a large number of workers. In Rome there was a demonstration of about three million people.

Table 16. Skills development and life-long learning indicators

Indicators	Source	Last data	Periodicity	Sex	Citizenship
Share of employed persons in high-skilled occupations	LFS	QI 2009	Quarterly	Yes	Yes
Share of employees who received job training within the last 12 months	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed who have more education than is normally required in their occupation	LFS	QI 2009	Quarterly	Yes	Yes
Share of employed who have less education than is normally required in their occupation	LFS	QI 2009	Quarterly	Yes	Yes

the number of workers involved in strikes and lockouts, etc.

Concerning collective bargaining, it should be noted that in Italy it takes place at two levels: at the industry level – the most important – and at the company or, sometimes, district level. It could be interesting to have some information on the share of workers covered by collective bargaining at the company or district level.

F. Skills development and life-long learning

Dimension 6 measures workers' qualification and skill development and in particular focuses on over- or under-qualification. All indicators proposed by the Task Force can be derived from LFS, which allows analyses by sex and citizenship (Table 16).

With regards to job training the Task Force proposes to measure it with reference to the last 12 months, with the undoubted advantage of considering a large time interval. The question posed by LFS, instead, is limited to the four weeks preceding the interview. Our variable is thus built on the LFS reference period.

A second problematic aspect concerns under-education, since a clear definition is still lacking at the international level. What is under-education? Which are the characteristics to be considered as under-educated? How should the indicators be computed? Therefore, while the efforts should be directed towards establishing a commonly shared operational definition of under-education, the indicator is excluded from the analysis at this stage. On the other hand the concept of over-education is more clearly defined and it presents fewer problems in variable building.[10]

The picture of skills development and life-long learning is that of overall stability over time; only slightly increasing or decreasing trends are detectable for some variables (Table 17).

The percentage of employment in occupation classified as ISCO 1 to 3 increases, for instance, by less than one percentage point. However, this trend is a result of a more remarkable increase – particularly up to 2007- of the share in ISCO 3 occupations, of a moderate growth of the share of employment in ISCO 2 occupations, and lastly of a decrease in the percentage of employed in ISCO 1 occupations.

The percentage of employed persons, who received some form of job training in the four weeks preceding the interview, is substantially stable over the time period considered, 2005 being the only year registering a value below four percent.

A gradual increase is observed with respect to the proportion of over-educated workers. Among the persons in employment with educational level Isced 5-6, the percentage of those with more education than is normally required in their occupation grew from 11.7 per cent in 2004 to 14.9 per cent in 2008. This is attributable to the fact that the labour offer for high-skilled occupations is not adequate to meet the improvement of the population's education level.

[10] We used a simple definition of over-education, identifying the overqualified people according to the level of education on the basis of ISCO guidelines for major groups of occupations. We classify as over-educated any person with an Isced level 5-6 in major occupational groups 4 to 9.

Table 17. Skills development and life-long learning indicators (per cent)

Variable	Year				
	2004	2005	2006	2007	2008
Share of employment in high-skilled occupations (ISCO 1)	9.1	8.9	8.6	8.3	8.2
Share of employment in high-skilled occupations (ISCO 2)	10.1	9.9	9.6	10.0	10.4
Share of employment in high-skilled occupations (ISCO 3)	19.6	19.6	21.4	22.0	21.1
Share of employment in high-skilled occupations (ISCO 2-3)	29.7	29.5	31.1	32.0	31.5
Share of employment in high-skilled occupations (ISCO 1-3)	38.8	38.4	39.7	40.2	39.6
Share of employed people job training last 4 weeks	4.5	3.9	4.2	4.2	4.6
Share of overeducated employment	11.7	13.4	13.8	13.9	14.9

Source: LFS.

Gender differences do exist also in relation to workers' qualification and skill development, although they are less remarkable compared to other aspects of employment (Table 18). The percentage of women in occupations of the first major ISCO occupational group is lower than that of men; however, the female share of employed in ISCO 2 and 3 significantly exceeds the figures for men. Women are involved in life-long learning to a higher extent than men, as the indicator on job training received in the last four weeks highlights. Also a bigger share of women are over-educated than men with tertiary education.

At geographical level, only the South presents a situation slightly diverging from the national picture. The proportion of employed in ISCO 1 occupations is slightly higher compared to the other areas; that of employed in ISCO 3, conversely, is lower. The share of employed persons, who received job training decreases from 5.2 to 3.3 percent as we move from north to south. Over-education seems to affect the employed population of the Centre to a greater extent than in the other areas of the country.

Table 18. Skills development and life-long learning indicators by socio-demographic characteristics (per cent)

	Sex		**Geographic area**			**Citizenship**	
	Male	**Female**	**North**	**Centre**	**South**	**National**	**Non national**
Share of employment in high-skilled occupations (ISCO 1)	9.1	6.8	7.8	7.9	9.0	8.6	3.3
Share of employment in high-skilled occupations (ISCO 2)	9.4	11.8	9.6	11.3	11.1	11.0	1.9
Share of employment in high-skilled occupations (ISCO 3)	18.3	25.4	23.0	21.2	17.5	22.4	4.7
Share of employment in high-skilled occupations (ISCO 1-3)	36.8	44.0	40.4	40.3	37.7	42.1	9.9
Share of employment in high-skilled occupations (ISCO 2-3)	27.7	37.2	32.6	32.5	28.6	33.5	6.6
Share of employed people job training last 4 weeks	4.0	5.6	5.2	4.9	3.3	4.8	1.7
Share of overeducated employment	12.1	17.6	15.6	17.5	11.3	12.3	61.3

Source: LFS, 2008.

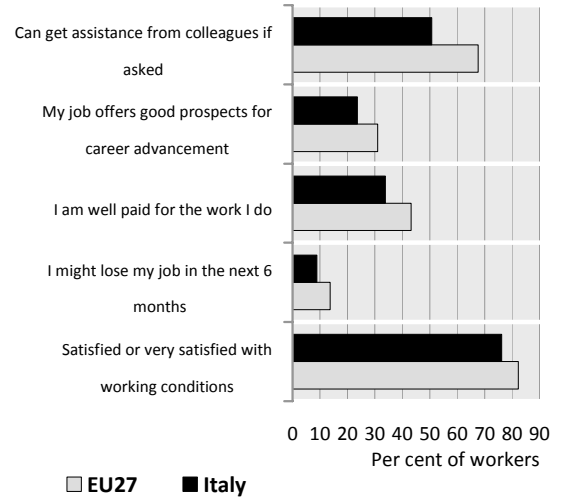
However, the most outstanding difference is in the values registered for national and non-national citizens. Non-nationals are under-represented in the first 3 major ISCO occupational groups. Not even ten percent of foreign workers are employed in occupations classified in ISCO 1 to 3, versus nearly 40 percent of Italian workers employed in the same occupational groups. The figure reported by the indicator of over-education is even more striking: more than half of the foreign population with tertiary education has an inadequate employment situation.

G. Workplace relationships and intrinsic nature of work

With regard to dimension 7 "Workplace relationships and intrinsic nature of work" there are not indicators fully accepted by the Task Force. As a matter of fact, this dimension is the hardest to measure, as it involves subjective evaluations of one's own job. Some of the indicators suggested by members of the Task Force can be calculated from The European Working Conditions Survey (EWCS), carried out by the European Foundation for the Improvement of Living and Working Conditions.[11]

The recurring nature of the survey gives a picture of working conditions throughout Europe over the last period. However, with a sample of only 1,000 respondents in each country, the survey does not allow detailed analyses of working conditions referred to particular groups within specific European countries.[12] As a whole, in 2005 job satisfaction is lower in Italy compared to that in EU-27: 76 per cent of respondents claim that they are satisfied or fairly satisfied with their job, compared to 82 per cent in EU-27. Also considering the specific aspects of job, the share of satisfied workers in Italy is inferior to that in EU-27 (Figure 2).

Figure 2. Satisfaction with specific aspects of job, percentage 2005



Source: EWCS.

In Italy, there is also a Quality of Work Survey carried out by the Institute for the Development of Vocational Training (Istituto per lo Sviluppo della Formazione Professionale dei Lavoratori, Isfol) in 2006. The survey questionnaire is based on the EWCS questionnaire. It contains several questions about specific aspect of job satisfaction. Unfortunately, also its sample size is low.[13] Therefore, it is difficult to understand if observed differences in the values over time and/or by some socio-demographic characteristics are due to real changes rather than to sample errors.

In addition to data from EWCS, information for Italy may be obtained from the Multipurpose Survey which annually collects information on different aspect of daily life. The sample consists of 24,000 households, living in 900 Italian municipal areas. The questionnaire has a question on satisfaction at work. Even if based on only one question, it is interesting to analyze how the level of satisfaction varies on the basis of interviewees' characteristics. For instance, Table 19 shows that level of satisfaction is higher for managers and professionals and is lower for workman and apprentices.

[11] European Foundation for the Improvement of Living and Working Conditions is an autonomous EU agency with a tripartite Governing Board based in Dublin. Every five years, the Foundation conducts a survey to study working conditions in Europe. The survey has so far been carried out four times: in 1990/91, 1995/96, 2000 (extended to cover the ten new member states and Bulgaria, Romania and Turkey in 2001/02) and 2005 (31 countries). http://www.eurofound.europa.eu/docs/ewco/4EWCS/ef0698/annexes.pdf

[12] In Italy 1,005 interviews were conducted.

[13] The survey featured multi-stage random sampling, based on computer-assisted telephone interviews (CATI) with a sample of 2,000 workers, including employees and self-employed persons.

Table 19. Satisfaction at work by sex and position in the profession, 2009 (per cent)

Position in the profession	Employed people									
	Males					Females				
	Very satisfied	Quite satisfied	Not very satisfied	Not at all satisfied	Don't know	Very satisfied	Quite satisfied	Not very satisfied	Not at all satisfied	Don't know
Managers, professionals, entrepreneurs	23.7	57.1	13.3	2.0	3.9	24.0	56.3	13.3	3.5	2.9
Executive, clerks	18.3	61.4	13.1	3.3	3.9	17.6	62.8	14.0	2.3	3.3
Workman/woman, apprentices	12.2	57.3	21.9	4.0	4.6	13.7	54.7	23.0	5.1	3.5
Self-employed, collaborator in the family business	14.1	56.2	20.8	4.0	5.0	12.2	62	16.7	5.1	4.1
Total	16.2	58.2	17.8	3.5	4.4	16.6	59.8	16.7	3.5	3.4

Source: Istat, Multipurpose Survey, 2009.

Another important aspect related to this dimension could be the number of workers, who in their job have been victims of any kind of harassment. Istat has conducted for the first time in 2008-2009 a specific ad-hoc module focused on mobbing (harassment at work or bullying at work), inserted in the Multipurpose Survey on Citizens' Security to be carried out every five years. The sample consists of 60,000 households. Through this module information on the frequency and the intensity of any kind of harassment at work or contempt suffered by the interviewees (people aged 15-74 years, who work or have worked with other people) is collected. Victims were asked about causes, consequences and results of their experience. An indicator that could be built from this source is the ratio of people who have been harassed or humiliated to the total of the interviewed. Indicators could refer to three different periods: the whole work experience, the last three years or the last 12 months previous the interview.

H. Conclusions

The empirical analysis of Quality of Employment in Italy highlights that in the majority of cases the indicators proposed by the Task Force are available: only eight of the 30 fully accepted indicators are not computable. Specifically, the following were not available:

1) Employment of persons who are below the minimum age specified for the kind of work performed;
2) Employment of persons below 18 years in designated hazardous industries and occupations;
3) Employment of persons below 18 years for hours exceeding a specified threshold;
4) Share of employees using paid annual leave in the previous year;
5) Share of employees using sick leave;
6) Share of employees covered by unemployment insurance;
7) Share of economically active population contributing to a pension fund;
8) Share of employed who have less education than is normally required in their occupation.

The first three indicators, however, have only a modest relevance within the Italian context since child labour is forbidden by law. On the other hand, youth inactivity rate in Italy has been increasing in the recent years, as pointed out by the considerably big share of people in their thirties that have never worked.

With respect to the two indicators concerning non-income benefits, share of employees using paid annual leave in the previous year and share of

employees using sick leave, we believe that they are not exactly the most adequate measures. Rather, it would be more interesting to know how many workers are entitled to paid annual and sick leave, and the number of leave days they are entitled to in one year.

The sixth indicator, share of employees covered by unemployment insurance is of great relevance, above all in a period of general deterioration of labour market characterized by rising unemployment rates. Unfortunately, we do not have official information on this in Italy. This year, the Bank of Italy attempted to estimate the number of employees not covered by unemployment insurance. In 2008, they were about 1,600 workers, i.e. 9.4 per cent of employees. However, the government contested this result without providing further explanation. Besides unemployment insurance, another instrument to protect workers from unemployment is the Cassa Integrazione Guadagni, or Wages Guarantee Fund (financed by companies and the state and administered by the National Institute of Social Insurance). In situations of dramatic decrease of economic production, this fund compensates up to 80 per cent of the pay of employees lost due to lay offs or short-term work. The Cassa Integrazione Guadagni enabled the reduction of the number of dismissals during the current deterioration of labour market.

With regards to the seventh indicator, share of economically active population contributing to a pension fund, both its operational definition and its relationship with the quality of employment are not clear.

Lastly, for the indicator share of employed who have less education than is normally required in their occupation, the main problem is the lack of a common operational definition rather than data availability. Furthermore, a more attentive discussion on its actual relevance and on its meaning would be necessary.

Considering the available indicators, LFS is confirmed as the main source of data: 16 indicators can be obtained from this survey. Moreover, the insignificant sample error of the variables from LFS confirms the robustness of its estimates. In this respect, we should always pay attention to the source we use. Unofficial data sources are often based on samples of a limited size, which may be less reliable in terms of the robustness of estimates. Moreover, differences between official and unofficial sources also exist with respect to standard definitions and to the data collection methodology.

On the whole, the seven proposed dimensions are sufficient to describe the different aspects of quality of employment in Italy. However, further work remains to be done. Firstly we should produce clear operational definitions for the final list of indicators. Then, with specific respect to Italy, more attentive considerations on the figures for the self-employed will prove very useful. In fact, this category is very heterogeneous as it includes also the *collaboratori*, who are atypical freelancers and whose attributes are more similar to those of temporary employees rather than of the self-employed.

Another aspect that deserves particular attention is the relationship between the general labour market situation and the quality of employment. In this respect time series may provide significant results, as they may highlight the trends in the quality of employment associated to improvement or the worsening of labour market conditions. Besides past trends, it will be particularly interesting to analyse the quality of employment indicators in 2009, which has witnessed a general deterioration of labour market conditions. In the first quarter of 2009, for instance, temporary employment has decreased in Italy. Far from implying a transformation of temporary contracts into permanent contracts, this is rather attributable to an overall reduction of employment levels. Therefore the decrease of temporary employment cannot be interpreted as an improvement of the quality of employment.

Lastly, the dimension regarding fair treatment in employment, proposed by the Task Force as a transversal dimension (thus presenting all indicators disaggregated by sex and citizenship) proved to be very effective to describe the Italian context. Age also may be added to address the issue of fair treatment in employment. In addition, as well known and further proven by our study, a country like Italy, characterized by a marked north-south divide, requires an analysis disaggregated by geographical areas to highlight the existence of several and distinct “labour markets” with their

ANNEX

Quality of employment: coefficient of variation of LFS indicators, 2008

	Total	Sex		Geographic al area		
		Male	Female	North	Centre	South
Dimension 2. Income and benefits from employment						
Inadequate pay rate	2.10	2.81	2.53	4.13	5.18	2.61
Dimension 3. Working hours and balancing work and non-working life						
Excessive hours of work	0.91	0.94	2.11	1.20	2.37	1.62
Excessive hours of work of employees	1.71	1.79	3.93	2.29	4.09	3.22
Excessive hours of work of self-employed	0.92	0.96	2.37	1.22	2.53	1.54
Involuntary part-time as a share of part-time	1.05	1.67	1.21	1.95	2.32	1.17
Involuntary part-time as a share of total employment	1.32	2.37	1.47	2.25	2.91	1.85
Average weekly hours worked per person	0.13	0.13	0.23	0.16	0.27	0.30
Share of time-related underemployment	1.70	2.19	2.41	2.59	4.18	2.58
Share of those who usually work at night	1.12	1.23	2.21	1.76	2.63	1.64
Share of those who usually work on Saturday and Sunday	0.98	1.12	1.37	1.49	2.14	1.57
Dimension 4. Security of employment and social protection						
Temporary employees as a share of employees	0.94	1.28	1.20	1.47	2.12	1.44
Temporary employees as a share of employment	0.96	1.31	1.22	1.49	2.17	1.48
Share of temporary employment	0.88	1.24	1.10	1.32	2.11	1.37
Share of those with job tenure <1 year	1.13	1.57	1.29	1.93	2.44	1.59
Temporary employees as a share of employees aged 25 years and older	1.20	1.10	1.20	1.50	1.20	1.50
Share of employees aged 25 years and older and with job tenure less 1 year	1.10	1.70	1.90	1.60	1.10	1.90
Share of employees aged 25 years and older and with job tenure 1-2 years	1.90	1.00	1.10	2.80	1.90	1.50
Share of employees aged 25 years and older and with job tenure 3-five years	1.90	0.90	1.10	2.80	1.90	1.50
Share of employees aged 25 years and older with job tenure >five years	0.20	0.70	0.70	0.20	0.20	1.20
Dimension 6. Skills development and life-long learning						
Share of employment in high-skilled occupations (ISCO 1-3)	0.47	0.57	0.56	0.66	1.12	0.81
Share of employment in high-skilled occupations (ISCO 2-3)	0.54	0.69	0.64	0.75	1.31	0.93
Share of employment in high-skilled occupations (ISCO 1)	1.19	1.35	1.77	1.77	2.81	1.86
Share of employment in high-skilled occupations (ISCO 2)	1.12	1.33	1.44	1.71	2.71	1.61
Share of employment in high-skilled occupations (ISCO 3)	0.66	0.88	0.81	0.88	1.72	1.15
Share of overeducated employment	1.90	3.06	2.37	2.76	3.69	3.36
Share of employed people job training last 4 weeks	1.32	1.80	1.77	1.77	3.02	2.46