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Quality of employment indicators: Country Profile Italy

Index

1. Introduction[1]

Before approaching 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 situation (table 1).

Firstly, in Italy the employment rate is still substantially lower than the Eu-27 average, especially for the female component. The labour market in the South of the country contributed to this result. Non standard jobs (part-time and/or temporary) are less common than in Eu-27.

Table 1 – Main labour market indicators. Year 2008

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

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

[1] Report prepared by Federica Pintaldi (coordinator), Francesca Della Ratta, Francesca Fiori, Silvia Loriga and Mauro Tibaldi of ISTAT.

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

1) the female component shows an employment rate and a percentage of employed persons lower than Eu-27 (about seven and five percentage point, respectively);
2) even if the total unemployment rate is lower than European average, the female rate is higher;
3) in the same way, women's percentage in temporary jobs is higher than both Italian men and European women;
4) the differences between geographical areas are wide, to an 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 lies behind.

2. Quality of Employment indicators

The indicators of quality of employment will be analyzed separately for each dimension. The only exception will regard the sub-dimension *Fair treatment in employment* which is transversal across all the others[2]. Therefore, insofar as possible, we will calculate and present each indicator separately by gender, citizenship and geographical area.

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

On the whole, as emerged at Joint ECE/ILO/Eurostat Seminar on the Quality of Work on 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 on the Italian LFS (year 2008) we also estimated

[2] The most recent recommendation of the Task Force suggested adopting a different approach for the sub-dimension *Fair treatment in employment*: rather than identify specific indicators, it should be better to produce as many quality of employment indicators as possible disaggregated by gender, race, ethnic minority and by every other groups for which society might have concerns about their fair treatment. UNECE Task Force on the Measurement of Quality of Employment "*Statistical Measurement of Quality of Employment: Conceptual framework and indicators*", September 2009.

the sampling errors (coefficients of variation). All the indicators display non significant sampling errors, showing that they could be properly estimated by the LFS (annex 1).
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 analysed and by sex, citizenship and territory.

2.1 Dimension 1. 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[3]. 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 are not available. However, the three indicators concerning young workers and child labour have not particular relevance within the Italian context, since child labour (for children aged under 16 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 in employment amounts to 2.3; considering the threshold of at least 40 hours worked per week, it is instead equal to 1.6.

Concerning the share of employees working in "hazardous" conditions, additional information comes from the LFS 2007 ad hoc module on accidents at work and work-related health problems[4]. From this module it is possible to obtain some information on the share of employees working in "hazardous" conditions: it 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 problem may also be obtained from this module.

[3] 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.

[4] Detailed information on module results are available to:
http://www.istat.it/salastampa/comunicati/non_calendario/20081229_01/ ; European results have been published in Eurostat, Statistic in Focus, n. 63 (2009),
http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-SF-09-063 .

Table 2 - Dimension 1: 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	n.a.	n.a.
Employment of persons who are below the minimum age specified for the kind of work performed	n.a.	n.a.	n.a.	n.a.	n.a.
Employment of persons below 18 years in designated hazardous industries and occupations	n.a.	n.a.	n.a.	n.a.	n.a.
Employment of persons 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 hoc	II 2007	Five-yearly	yes	yes

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).

Table 3 – Dimension 1 - Safety and ethics of employment: fatal injury cases. Years 2003 -2008

Years	Absolute values			Standardised 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	-
2008	744	715	29	-

*Source: ILO – Database Laborsta 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).

Table 4 – Dimension 1 - Safety and ethics of employment: Standardised incidence rate of accidents at work by sex (rate per 100 000 workers). Years 1996 -2006

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)

Additional information comes from the LFS 2007 ad hoc module on accidents at work and work-related health problems. The 45.6% of male workers and 27.3% of female workers are exposed to at least one risk factor (for all workers the share is 38.3%). Italian figures are hardly lower than Eu-27 one.

Industrial workers in buildings and agriculture are characterised by a greater exposure to hazardous conditions (respectively 63.4% and 54.3% of workers involved in this sector). Hazardous conditions concern also other sectors as transports (48.3%), health (45.5%) and manufacture (44.7%).

Furthermore the 18.2% of workers declare to be exposed to factors affecting mental wellbeing. The rate is lower than in the Eu-27.

Table 5 – Dimension 1 - Safety and ethics of employment: LFS ad hoc module 2007, main results

		Eu-27	Italy
% of workers who experienced one or more work-related health problem	Men %	8.6	7.4
	Women %	8.5	6.3
	Total %	8.6	6.9
% of 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
% of workers with work-related health problems resulting in sick leave	Sick leave	62.0	47.3
	Sick leave ≥ 1 month (%)	27.0	16.7
% of workers who are exposed to factors affecting mental wellbeing	Men %	28.1	18.2
	Women %	27.6	17.1
	Total %	27.9	17.7
% of 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

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%. The female share was 6.3%. Even in this respect, Italian results are better than Eu-27 average.

2.2 Dimension 2: Income and benefits from employment

With regard to dimension 2 *Income and benefits from employment,* some information (table 5) can be obtained from The Structure of Earnings Survey (SES), which is the main source of EU-wide harmonised structural data on gross earnings, hours paid and annual days of paid holiday leave[5]. Unfortunately, data include only employees in enterprises with at least 10 employees excluding some NACE branches (agriculture, fishing, public administration, private households and extra-territorial). On the other hand, since 2008 LFS disseminates data on monthly net salary of employees. In this case all employees are included and cross-tabulations with 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 (table 6).

Table 6 - Dimension 2: Income and benefits from employment indicators

Indicators	Source	Last data	Periodicity	Sex	citizenship
Average weekly earnings of employees	LFS	I 2009	quarter	yes	yes
	SES	2006	Four-yearly	yes	n.a.
Low pay (Share of employed with below 2/3 of median hourly earnings)	LFS	I 2009	quarter	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 days paid annual leave used in the previous year	SES	2006	Four-yearly	yes	n.a.

First at all we observe a growth of mean monthly gross earning: from 1,880 euro in 2002 to 2,099 four years later. Moreover, gender differences are evident on both years: on average females earn about 20% less then males; among other things, that may be related to the different incidence of part-time and to occupational segregation by gender. The difference between national and non

[5] SES are collected 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 as regards the definition and transmission of information on the structure of earnings.

national, instead, is mainly due to the higher incidence of non national workers in non-skilled occupations (table 8).

Table 7 - Dimension 2: Income and benefits from employment indicators. Years 2002, 2005-2008

Variable	year				
	2002	2005	2006	2007	2008
Average monthly gross earnings of employees*	1,880	-	2,099	-	-
Average monthly net salary of employees**	-	-	-	-	1,217
Share of employed with below 2/3 of median hourly net earnings**	-	-	-	-	10.0
Annual holiday*	26	-	25	-	-

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

With regard to the second indicator, 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 indicator no specific information is collected. However, in Italy 100% of the 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 average number of annual holiday comes from SES. There are no significant differences over time and by gender; on the other hand the number of annual holidays varies across occupations, being from 22 days for Isco7 and 30 for Isco2.

Table 8 - Dimension 2: Income and benefits from employment indicators by sex, geographic area and citizenship. Years 2006 and 2008

Variable	sex		geographic area			citizenship	
	Male	Female	North	Centre	South	National	Non national
Average monthly gross earnings of employees*	2,271	1,865	-	-	-	-	-
Average monthly net earnings of employees**	1,339	1,056	1,255	1,223	1,140	1,239	973
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	25	-	-	-	-	-

** SES, 2006; ** LFS, 2008*

2.3 Dimension 3. Working hours and balancing work and non-working life

Dimension 3 regards working time arrangement 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 Account and LFS; the two indicators 'Share of people with flexible work schedule' and 'Share of people receiving maternity/ paternity/family leave benefits' result

from the ad hoc modules on 2004 and 2005 respectively; the other five indicators can be calculated from the quarterly LFS.

Table 9 - Dimension 3: 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	I 2009	quarter	yes	yes
Share of employed persons working 49 hrs and more per week	LFS	I 2009	quarter	yes	yes
Share of employed persons working less than 30 hours per week involuntarily	LFS	I 2009	quarter	yes	yes
Percentage of employed people who usually work at night/evening	LFS	I 2009	quarter	yes	yes
Percentage of employed people who usually work on weekend or bank holiday	LFS	I 2009	quarter	yes	yes
Share of people with flexible work schedule	LFS hoc	II 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	I 2009	quarter	yes	n.a.
Share of people receiving maternity/ paternity/family leave benefits	LFS hoc	II 2005	Five-yearly	yes	n.a.

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: employees with children aged 0-7[6].

The majority of the indicators show constancy over time (table 10). The only exception is the incidence of involuntary part-time that increases for both variables.

The average annual and weekly hours worked per person show a similar trend, being substantially 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.

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.

[6] Law 53/2000 implemented into Italian law Council Directive 96/34/EC led to the introduction of significant changes in Italy: 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 under; the length of parental leave has been increased from six to 10 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% 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).

Table 10 - Dimension 3: Working hours and balancing work and non-working life indicators. Years 2004-2008

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 of employees	5.7	5.4	5.8	5.4	5.2
Excessive hours of work of self-employed	30.9	31.1	30.6	32.6	31.0
% involuntary part-time on part-time	35.7	38.4	36.8	38.5	40.3
% involuntary part-time on total employment	4.5	4.9	4.9	5.2	5.8
% Time-related underemployment	-	3.6	3.4	3.1	3.6
% Usually work on Saturday and Sunday	12.9	12.7	12.3	12.3	12.8
% Usually work at night	8.3	8.1	8.2	7.7	8.1
Share of people with flexible work schedule	33.7	-	-	-	-
Ratio of employment rate for women aged 20-49 with children 0_5 to the employment rate of women aged 20-49	0.92	0.92	0.92	0.93	0.93
Parental leave taken by employees aged 15-64 (per 100 employee aged 15-64 with children 0-7 years old	-	14.2	-	-	-

*Source: LFS; *National Account*

Others significant differences come out 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 men than women if calculated on the total number of persons in employment; conversely, it is lower when considering only persons employed part-time. That depends on the different incidence of part-time by gender. Anyway, for both variables the values are higher for non nationals compared to nationals.

Time-related underemployment is only partially overlapped with the involuntary part-time. In fact the criteria used in the definition of time-related underemployment is based on worked hours[7], while the distinction between part-time and full-time is based on the respondents' self-evaluation (especially for self-employed).

Table 11 - Dimension 3: Working hours and balancing work and non-working life indicators by sex, geographic area and citizenship. Years 2004, 2005 and 2008

[7] According to 16th ICLS resolution in 1998, time-related underemployment refers to insufficient hours of work in relation to an alternative employment situation that a person is willing and available to engage in. Operationally, it identifies employed persons who in the reference week were 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).

Variable	sex		geographic area			citizenship	
	Male	Female	North	Centre	South	National	Non national
Average weekly hours worked per person	37.8	29.8	34.6	34.2	34.8	34.6	34.9
Excessive hours of work	16.0	5.3	12.1	11.1	11.6	11.9	10.1
Excessive hours of work of employees	7.4	2.2	5.3	5.0	5.2	5.0	7.0
Excessive hours of work of self-employed	36.5	18.3	33.0	28.5	29.3	31.2	26.9
% involuntary part-time on part-time	49.8	37.6	30.0	42.6	60.9	37.9	62.9
% involuntary part-time on total employment	2.6	10.5	4.4	6.5	7.7	5.3	11.9
% Time-related underemployment	3.4	3.9	3.2	3.7	4.2	3.3	7.0
% Usually work on Saturday and Sunday	13.1	12.2	11.4	13.2	14.9	12.6	14.7
% Usually work at night	9.8	5.4	7.4	8.1	9.2	7.9	9.9
Share of people with flexible work schedule*	36.0	30.6	34.0	32.9	33.8	-	-
Ratio of employment rate for women aged 20-49 with children 0_5 to the employment rate of women aged 20-49	-	-	0.92	0.96	0.94	0.98	0.60
Parental leave taken by employees aged 15-64 (per 100 employee aged 15-64 with children 0-7 years old**	7.5	24.2	13.9	15.4	14.0	-	-

*Source: LFS, 2008; *LFS, ad hoc module II quarter 2004; ** LFS, ad hoc module II quarter 2005*

The variable "Ratio of employment rate for women aged 20-49 with children 0-5 to the employment rate of women aged 20-49" has significantly lower values for non national women compared to Italian women (0.60 and 0.98 respectively). However this indicator probably considers a too wide age class to highlight problem of conciliation between working and non-working life. In fact if limited to the age class 25-34, the rate decreases to 0.82.

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

2.4 Dimension 4. Security of employment and social protection

Dimension 4 includes two sub-dimension: a) security of employment; b) social protection. As regards the first sub-dimension the two indicators can be obtained by 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).

Table 12 - Dimension 4: Security of employment and social protection indicators

Indicators	Source	Last data	Periodicity	Sex	citizens hip
Percentage of employees 25 years and older with temporary jobs	LFS	I 2009	quarter	yes	yes
Percentage of employees 25 years and older with job tenure (< 1 yr, 1-3 yrs, 3-5 yrs, >= 5yrs)	LFS	I 2009	quarter	yes	yes
Public social security expenditure as share of GDP	NA	2007	year	-	-
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.

As to temporary employment, we calculated both the incidence of temporary wage employment on the 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 "parasubordinate" work) on total employment[8]. Moreover we limited the indicator only to employees 25 years and older, as suggested by the Task Force. All variables show a similar increasing trend over the five years considered (table 13).

Table 13 - Dimension 4: Security of employment and social protection indicators. Years 2004-2008

Variable	year				
	2004	2005	2006	2007	2008
% Temporary employment on employment	10.7	11.0	11.8	11.9	11.9
% Temporary employees on employees	11.8	12.3	13.1	13.2	13.3
% Temporary employees on employees 25 years old and older	9.7	10.1	10.8	10.9	10.9
% Employees on employees 25ys+ job tenure less 1 year	6.3	6.1	6.5	6.7	6.6
% Employees on employees 25ys+ job tenure 1-2 years	13.4	13.7	13.4	13.8	15.2
% Employees on employees 25ys+ job tenure 3-5 years	17.9	19.1	17.0	15.8	15.1
% Employees on employees 25ys+ job tenure >5 years	55.3	58.9	61.4	62.1	61.3
% Temporary employees with job tenure less 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	-

*Source: LFS, *National Accounts*

Classifying job tenure of the last job in four categories (less 12 months, 1-3 years, 3-5 years, more then 5 years) the results don't change considerably over time. However, understanding the relationships between job tenure and the quality of work 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 show a job tenure shorter then 1 year.

[8] The Italian survey collects data about atypical self-employed without employees, a temporary freelancer called "collaboratore", that represents one of the main issues of the last years in connection with the introduction of new employment typologies in Italy. In relation to the autonomy of the work, the "collaboratore" is often more similar to temporary employee rather self-employed.

Lastly, also the public social protection expenditure as 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% of social protection expenditure) while only a little part is assigned to family and children and to unemployment (about 6% and 3% respectively).

As to 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, non nationals - compared to Italian - show a lower incidence of employed persons with job tenure longer than 5 year. It is mainly due to the fact that the presence of foreigners in Italy is becoming increasingly significant over the last five years.

Table 14 - Dimension 4: Security of employment and social protection indicators by sex, geographic area and citizenship. Year 2008

	sex		geographic area			citizenship	
	Male	Female	North	Centre	South	National	Non national
% Temporary employment on employment	9.6	15.4	10.4	12.3	14.5	11.7	14.3
% Temporary employees on employees	11.6	15.6	11.2	13.0	17.5	13.1	15.6
% Temporary employees on employees 25 years old and older	9.0	13.4	8.7	10.4	15.7	10.7	13.4
% Employees 25ys+ job tenure less 1 year	6.4	6.7	5.7	6.5	8.2	6.1	11.4
% Employees on employees 25ys+ job tenure 1-2 years	14.1	16.6	15.2	15.0	15.3	14.1	26.9
% Employees on employees 25ys+ job tenure 3-5 years	14.6	15.8	15.5	15.8	13.9	13.9	29.1
% Employees on employees 25ys+ job tenure >5 years	62.7	59.6	62.2	61.7	59.4	64.1	31.4
% Temporary employees with job tenure less 1 year	49.5	50.8	47.7	48.3	54.2	50.0	50.9

Source: LFS

2.5 Dimension 5. 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: 'Average number of days not worked due to strikes and lockouts' and 'Share of employees covered by collective wage bargaining' (table 15).

Both indicators are collected by ISTAT, the first comes from the "Structure of earnings survey", the second from the "Wages according to collective agreements and labour disputes" survey (WACALD).

Table 15 - Dimension 5: Social dialogue indicators

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

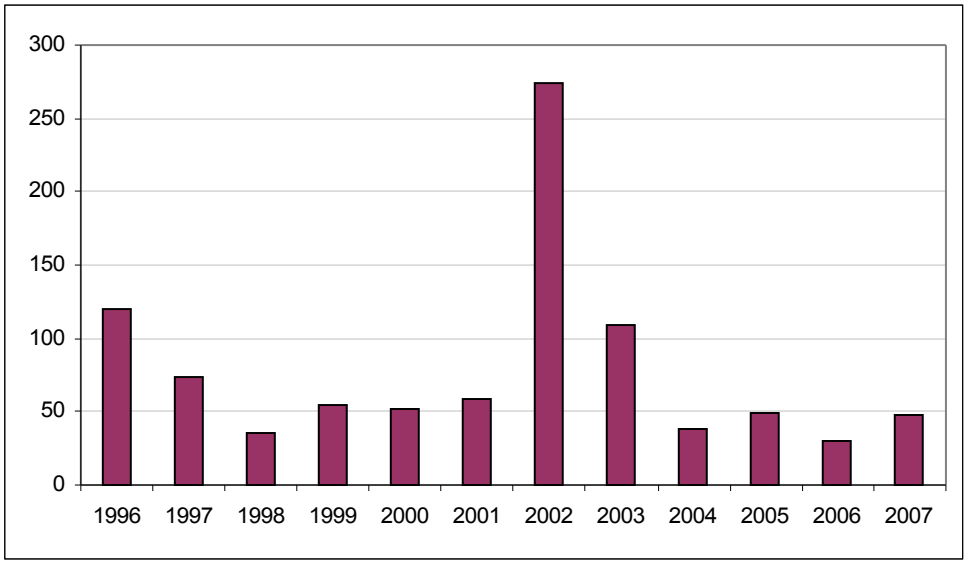
In SES the number of employees with national level or interconfederal agreement is referred to all NACE branches except agriculture, fishing, public administration, private households and extra-territorial organizations in enterprises with at least 10 employees. With respect to the 10.352 millions of employees in these economic branches, they were all covered by collective wage bargaining in 2006; women were 42% of total. LFS estimate for 2006, however refers to 16.915 millions of employee when all NACE branches are considered.

There are no official statistics on the coverage of collective bargaining, but the OECD estimated it as over 80% in 2000 (Employment Outlook, 2004).

Other information on collective bargaining is collected by the "Wages according to collective agreements and labour disputes" survey which provides monthly an index of wages according to collective agreements. This survey also provides information on delay in the renewal of collective agreement.

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. Years 1996-2007



Source: WACALD

Analysing data referred to last years we observe a peak in the number of d lost days in 2002. The reasons are twofold. First, 2002 was a year of heated disputes between one of the main trade unions (CGIL) and the Government which tried to reduce workers' guaranties in case of dismissal, even in companies with more than 15 employees[9] (the "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 data was referred to strikes and lockouts for all reasons, since 2003 only to labour disputes. In 2002 the incidence of strikes due to non-labour disputes was 82.2%.

Data on strike and lockouts referred to labour disputes are strictly related also to renewal of collective agreement. Therefore, we face many difficulties in analysing 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 participatory rates to the elections of union representatives, on the absences due to union activity, on the number of workers involved in strikes and lockouts.

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

2.6 Dimension 6. Skills development and life-long learning

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

Table 16 - Dimension 6: Skills development and life-long learning indicators

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

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 interval in time. The question

[9] In October 2002 there was a general strike for 8 hours which involved a large number of workers: in Rome there was a demonstration of about 3 millions of people.

posed by LFS, instead, is limited to the 4 weeks preceding the interview. Our variable is thus built on the basis of the LFS temporal reference.

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 a commonly shared operational definition of under-education, the indicator has been at this stage excluded from the analysis.

On the other hand the concept of over-education is more clearly defined and it presents less problems in variable building[10].

The picture is that of overall stability over time; only slightly increasing or decreasing trends are detectable for some variables (table 17).

Table 17 - Dimension 6: Skills development and life-long learning indicators. Years 2004-2008

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

Source: LFS

The percentage of employment in occupation classified as ISCO 1 to 3 increases, for instance, of less than one percent point. However, this trend is a result of a more remarkable increase – particularly up to 2007- of the share in occupations Isco3, of a moderate growth of the share of employment in occupations Isco2, and lastly of a decrease in the percentage of employed in occupations Isco1.

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, being the 2005 the only year registering a value below 4 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 in 2004 to 14.9 in

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

2008. This is attributable to the fact that the labour offer for high-skilled occupations is not adequate to meet the increase in the population educational level.

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 sensibly 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 4 weeks seems to point out. Over-education also regards a higher percentage of women than of men with tertiary education.

Table 18 - Dimension 6: Skills development and life-long learning indicators by sex, geographic area and citizenship. Year 2008

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

Source: LFS

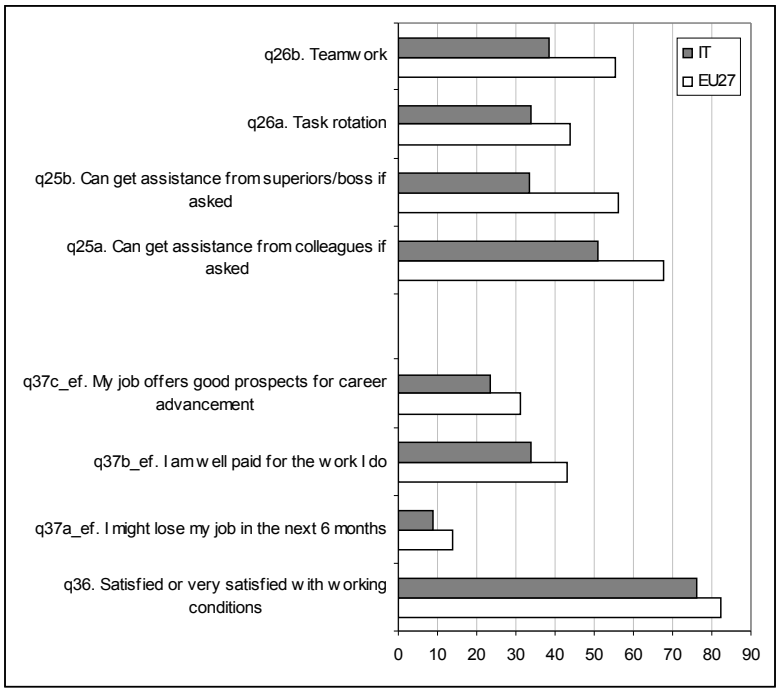
At geographical level, only the South presents a situation slightly diverging from the national picture. The proportion of employed in Occupation ISCO 1 is slightly higher compared to the other areas; that of employed in ISCO 3, conversely, is lower. The share of employed persons who received job training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

However, the most outstanding difference regards values registered for national and non-national citizens. Non nationals are under-represented in the first 3 major ISCO occupational groups: not even 10 percent of foreign workers are employed in occupations ISCO 1 to 3, versus a percentage of nearly 40 percent of Italian workers employed in the same occupational groups. The figure reported by the indicator of over-education is even more dramatic: more than half of the foreign population with tertiary education, in fact, has an inadequate employment situation.

2.7 Dimension 7. 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].

Figure 2 - Satisfaction with specific aspects of job (% of workers). Year 2005



Source: EWCS

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 in Italy job satisfaction is lower compared to Eu-27: 76% of respondents claim that they are 'satisfied or fairly satisfied' with their job, compared to 82% in

[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 been carried out four times: in 1990/91, 1995/96, 2000 (extended to cover the 10 new member states, 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 was conducted 1,005 interviews.

Eu-27. Also considering the specific aspects of job, the share of satisfied workers in Italy is inferior to Eu-27 (figure 2).

In addition to data from EWCS, information for Italy may be obtained from the second 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 drawn on the EWCS questionnaire. It contains several questions about specific aspect of job satisfaction (table 19). Unfortunately, also its sample's 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 effective changes rather than to sample errors.

Table 19 - Satisfaction with specific aspects of job by sex (% of workers). Years 2002, 2006

	2002			2006		
	Men	Women	Total	Men	Women	Total
Working time	77.3	81.1	78.7	75.6	81.4	77.9
Autonomy	91.3	89.2	90.5	83.2	82.9	83.1
Job security	84.3	85.9	84.9	79.9	77.6	79.0
Pay	65.4	61.8	64.0	59.9	50.8	56.3
Work atmosphere	88.3	91.3	89.4	90.8	90.7	90.8
Tasks and type of work	90.4	91.4	90.8	88.4	90.5	89.2
Career opportunities	60.8	54.4	58.4	48.9	40.1	45.5

Source: Quality of Work Survey

However, because of the wealth of information collected by their questionnaires, these surveys can be seen as the departure point for a more thorough reflection on how to collect information about this dimension.

3. 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 8 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'

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

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 high 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 measure. Rather, it would be more interesting to know how many workers are entitled to paid sick and holiday leave, and the number of days in one year they are entitled to.

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 the increase of unemployment rates. Unfortunately, we have not official information in Italy. This year, the Bank of Italy attempted an estimation of the number of employees not covered by unemployment insurance: in 2008 they represented about 1.600 workers, the 9.4% of employees. However the Government contested this result without providing further explanation. Besides unemployment insurance, however, another instrument to protect workers from unemployment is the so-called "Cassa Integrazione Guadagni", or Wages Guarantee Fund. In situations of dramatic decrease of economic production, the Fund, which is financed by companies and the state and administered by the National Institute of Social Insurance, makes up the pay of employees affected by lay offs or short-time working , up to 80 per cent of the lost pay. The "Cassa Integrazione Guadagni" permitted the reduction of the number of dismissals during the current deterioration of labour market.

With regard 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 commonly held 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 non significant 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. Non official data source are often based on sample of limited size, which may turn less reliable in terms of robustness of estimates. Moreover, differences between official and non official sources also exist with respect to standard definitions and to data's 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 a clear operational definition for the final list of indicators.

Then, with specific respect to our country, more attentive considerations on the figure of the self-employed will prove very useful. In fact this category is very heterogeneous as it includes also the so-called "collaboratori", which are atypical freelancers, whose features are closer to a temporary employee rather than a self-employed.

Another aspect that deserves particular attention is the relationship between the labour market general 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 with respect to the year 2009, which has witnessed a general deterioration of labour market conditions. In the first quarter of 2009, in fact, temporary employment has decreased in Italy; far from implying a transformation of temporary contracts in 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 work.

Lastly, the dimension regarding fair treatment in employment, proposed by the Task Force as a transversal dimension (thus presenting all indicators disaggregated by gender 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 proved 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, distinct "labour markets" and their specific traits.

Annex 1

Quality of employment: coefficient of variation of LFS indicators. Year 2008

	Total	sex		geographic 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 on part-time	1.05	1.67	1.21	1.95	2.32	1.17
% involuntary part-time on 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
% Time-related underemployment	1.70	2.19	2.41	2.59	4.18	2.58
% Usually work at night	1.12	1.23	2.21	1.76	2.63	1.64
% 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 on employees	0.94	1.28	1.20	1.47	2.12	1.44
% Temporary employees on employment	0.96	1.31	1.22	1.49	2.17	1.48
% Temporary employment	0.88	1.24	1.10	1.32	2.11	1.37
% job tenure less 1 year	1.13	1.57	1.29	1.93	2.44	1.59
% Temporary employees on employees 25 years old and older	1.20	1.10	1.20	1.50	1.20	1.50
% Employees 25ys+ job tenure less 1 year	1.10	1.70	1.90	1.60	1.10	1.90
% Employees on employees 25ys+ job tenure 1-2 years	1.90	1.00	1.10	2.80	1.90	1.50
% Employees on employees 25ys+ job tenure 3-5 years	1.90	0.90	1.10	2.80	1.90	1.50
% Employees on employees 25ys+ job tenure >5 years	0.20	0.70	0.70	0.20	0.20	1.20
Dimension 6. Skills development and life-long learning						
% employment in high-skilled occupations (ISCO 1-3)	0.47	0.57	0.56	0.66	1.12	0.81
% employment in high-skilled occupations (ISCO 2-3)	0.54	0.69	0.64	0.75	1.31	0.93
% employment in high-skilled occupations (ISCO 1)	1.19	1.35	1.77	1.77	2.81	1.86
% employment in high-skilled occupations (ISCO 2)	1.12	1.33	1.44	1.71	2.71	1.61
% employment in high-skilled occupations (ISCO 3)	0.66	0.88	0.81	0.88	1.72	1.15
% overeducated employment	1.90	3.06	2.37	2.76	3.69	3.36
% employed people job training last 4 weeks	1.32	1.80	1.77	1.77	3.02	2.46