

**ENGLISH ONLY**

**STATISTICAL COMMISSION and  
UN ECONOMIC COMMISSION FOR  
EUROPE (UNECE)**

**STATISTICAL OFFICE OF THE  
EUROPEAN COMMUNITIES  
(EUROSTAT)**

**CONFERENCE OF EUROPEAN  
STATISTICIANS**

**INTERNATIONAL LABOUR  
ORGANIZATION**

UNECE/ILO/Eurostat Seminar on the Quality of Work  
(Geneva, 11-13 May 2005)

**Session 6 – Invited paper**

**THE GROWTH OF ATYPICAL JOBS IN THE ITALIAN LABOUR MARKET**

Submitted by ISTAT, Italy\*

**I. The problem: the increasing share of atypical jobs and its measurement**

1. The recent diffusion of post-fordist paradigms to the production systems of advanced economies has been accompanied by a continuing and increasing creation of new labour contracts and employment arrangements, generally characterised by higher flexibility and reduced social rights. Up to a few years ago, the high degree of homogeneity in employment arrangements allowed experts and scholars to use the current definitions of enterprise, employment and self-employment without incurring in relevant conceptual and/or measurement mistakes. Nowadays, however, the increasing complexity in the organisation of production systems, and the continuously increasing number of legal employment arrangements impose upon official statistical agencies the need to reconsider the definitions adopted so far, as well as to propose new classification schemes, allowing for a more realistic and analytical approach to measurement.
2. The creation and diffusion of these new, non-standard arrangements has been so dramatic that the relevance of the classification and measurement for the analysis of labour market segmentation is self-evident. A new classification of atypical working arrangements has been

---

\* Paper prepared by Francesca Ceccato and Leonello Tronti. The content of the paper is the sole responsibility of the authors and does not (necessarily) reflect the official position of Istat.

already experimentally developed by Istat, the Italian Statistical Institute (Tronti L., Ceccato F., Cimino E., 2004), and this paper applies it to different purposes: i) classifying the very numerous atypical work arrangements regulated by the Italian labour law by 2003; ii) describing the diffusion of atypical jobs in the Italian labour market between 1996 and 2003.

3. The paper is organised as follows: paragraph 2 contains a first application of the conceptual scheme to the case of the Italian labour market: our classification allows for the identification of 22 different labour contracts that can cover 48 different atypical employment arrangements. In the third paragraph we present the growth of atypical jobs in the periods 2002-2003 and 1996-2003, according to the main available source (the Istat OROS survey, based on Italian Social Security administrative data). Finally, in Appendix we present the levels of atypical jobs in the year 2003.

## **II. A first application: Atypical employment arrangements in Italy**

4. The conceptual scheme, grouping the different employment arrangements according to three criteria (stability, working-time regime and entitlement to social rights), can be used to classify the atypical employment arrangements present in any labour market and in the Italian one as well<sup>1</sup> (Table 1). While attempting to apply the scheme, it immediately comes clear that it can be used to classify both employee and self-employed kind of work arrangements. This issue is particularly significant for the Italian labour market, where self-employment have long been the traditional regulator for adjusting labour volume to cyclical downturns and providing the appropriate degree of labour flexibility. Many jobs that elsewhere would have been regulated by wage-employment relationships, in Italy have been organised in a self-employment form, and this is often still the case<sup>2</sup>.

5. However, the application of our classification to self-employment work arrangements could be a disputable task as, for a self-employed worker, an unstable and/or part-time work arrangement could be the result of a (maybe temporary) personal preference, rather than the result of an agreement between an employee and an employer within the framework of a legal labour contract. For this reason, we limit our analysis to the special cases where a specific labour contract regulates the work arrangement: occasional or co-ordinated long-term freelancers (*collaboratori occasionali* or *collaboratori coordinati e continuativi*), partner workers (*associati in partecipazione*), project freelancers (*lavoro a progetto*) and secondary-workers (*lavoro accessorio*).

6. Furthermore, while classifying employment arrangements, we noticed that some of them could be considered as atypical only with respect to some peculiarities, like the work location, its duration or its novelty on the stage of the Italian labour market. For this reason we thought it could be useful to add to the main three dimensions a fourth criterion, i.e. the ‘degree of atypicalness’ (strictly atypical vs. partly atypical), that could further help to sketch the feature and the transformation through time of employment arrangements. We defined, therefore, an employment arrangement as ‘strictly atypical’ when the contract type is in itself very far from the standard one (open ended, full-time regular employment relationship); while, we defined as

---

<sup>1</sup> The Law no.30/2003 and the legislative decree no.276/2003 ruled and modified many atypical labour contracts; but their actual effects will be measurable only from 2005 onward.

<sup>2</sup> For this reason, some traditional forms of non-standard labour arrangements have developed only recently, and Italy is still lagging behind partner economies as to part-time and temporary employment.

‘partly atypical’ employment arrangements characterised by labour contracts very close to the standard one, but by peculiarities in the way the work is performed (location, duration, etc.)<sup>3</sup>.

7. We have, thus, included in the classification all employment arrangements that are characterised by at least some non-standard features. Table 1, presenting the results of our exercise with reference to the present situation of the Italian labour market (after legislative decree no. 276/2003), includes all four criteria, the fourth one being evidenced by grey areas indicating partly atypical arrangements. Our classification identifies, in the present regulation of the Italian labour market, 22 different non-standard labour contracts, that can be organised into 48 different atypical employment arrangements. Of these, 35 can be defined as strictly atypical, and the remaining 13 as partly atypical<sup>4</sup>.

8. If we compare this situation with the one previous to the introduction of the new law (see Istat, 2003a), we can conclude that the number of non-standard labour contracts has increased by 8 (from 14 to 22), and the number of atypical employment arrangements by 15 (from 33 to 48). The increase has been a consequence of the considerable growth in the number of strictly atypical arrangements (from 20 to 35), while the number of partially atypical ones has remained unchanged (13).

9. We can, then, look at the present possibilities allowed for in the Italian labour market through our classification (Table 1). For a synthetical presentation, we can discuss the results of our application with respect to the fourth dimension (the degree of atypicalness). In particular, if we consider the employment arrangements entitled with full rights to social security, Table 1 shows that:

- i. in case they enjoy a full-time permanent employee contract, homeworkers (traditionally, women who do low-skill work at home) and teleworkers (who work at home or on the road using computer and online connections), are classified as *partly atypical*, because of the non-standard way in which they perform their work; while the positions of agency (*lavoro interinale*) and staff-leasing workers (*lavoro in regime di somministrazione*), even when on a permanent basis (e.g. when their contracts assure them a wage or an allowance during non-working periods), are classified as *strictly atypical*, because of the non-standard nature of their labour contracts;
- ii. the jobs of part-time permanent employees are classified as *partly atypical*, above all, because of their recent diffusion in Italy; while External solidarity contracts (*Contratti di solidarietà esterna*, a reduced working time type of contract, used to ease job-creation), Intermittent-job contracts (*Contratti di lavoro intermittente*, a new type of arrangement ruling intermittent and discontinuous jobs) and Job-sharing contracts (*Contratti di lavoro ripartito*, a single contract signed by two or more workers, mutually responsible for the work performance), even when on a permanent basis, are classified as *strictly atypical*, because of their intrinsically non-standard nature;
- iii. also fixed-term employment (both with full-time or part-time contracts), Youth training-and-work schemes (*Contratti di formazione e lavoro*) and the usual, temporary agency contracts (*lavoro interinale*) are all classified as *strictly atypical* because of their non-standard nature.

---

<sup>3</sup> The most important case of partly atypical employment arrangements is open ended part-time work that, unlike in other European countries, was introduced in Italy only recently (by the law no. 463, passed in 1984) and began to have a significant diffusion only about ten years ago.

<sup>4</sup> Although our classification appears rather exhaustive, we are aware that the total number of non-standard employment arrangements may depend on the chosen classification criteria. For instance, Table 1 does not consider further aspects of non-standard working, like shift-working, night, weekend and holiday working (the so-called “unsocial hours”), as well as all the forms of undeclared work, which would add many new cases to our grid.

iv. Table 1. Non-standard employment arrangements in Italy – Year 2004

Job stability	Working-time regime	Social rights entitlement (a)		
		Full Employee	Partial or none (b)	
			Employee	Self-employed (c)
Permanent	Full-time	Agency working (d)		
		Staff-leasing		
		Homeworking		
		Teleworking		
	Reduced	Agency working (d)		
		External solidarity contracts		
		Staff-leasing		
		Intermittent working		
		Job sharing		
		Permanent employees working part-time		
		Homeworking		
		Teleworking		
	Full-time	Agency working	Unpaid internship (e)	Co-ordinated, long-term freelance contracts ( <i>Collaboratori coordinati e continuativi</i> )
		Staff-leasing	Summer paid training contract ( <i>Tirocinio estivo di orientamento</i> )	Occasional freelance contracts ( <i>Collaboratori occasionali</i> )
		Youth work-and-training contracts ( <i>Contratti di formazione e lavoro - CFL</i> )	Work insertion contract ( <i>Contratto di inserimento - CIL</i> )	Partner workers ( <i>Associati in partecipazione</i> )
		Fixed-term employees		Project freelance contracts ( <i>Lavoratori a progetto</i> )
		Homeworking		
		Seasonal working		
		Teleworking	Apprenticeship	
	Reduced	Agency working	Unpaid internship (e)	Co-ordinated, long-term freelance contracts ( <i>Collaboratori coordinati e continuativi</i> )
		Staff-leasing	Summer paid training contract ( <i>Tirocinio estivo di orientamento</i> )	Occasional freelance contracts ( <i>Collaboratori occasionali</i> )
		Intermittent working	Work insertion contracts ( <i>Contratto di inserimento - CIL</i> )	Partner workers ( <i>Associati in partecipazione</i> )
		Job sharing	Socially useful projects ( <i>Lavori socialmente utili - LSU</i> )	Project freelance contracts ( <i>Lavoratori a progetto</i> )
		Youth work-and-training contracts ( <i>Contratti di formazione e lavoro - CFL</i> )	Public utility projects ( <i>Lavori di pubblica utilità - LPU</i> )	Secondary jobs ( <i>Prestatori di lavoro accessorio</i> )
		Fixed-term employees working part-time	Working in Vocational insertion plans ( <i>Piani di inserimento professionale - PIP</i> )	
		Homeworking		
		Seasonal working		
Temporary		Teleworking	Apprenticeship	

'Partly atypical' employment arrangements on a grey background. These represent the arrangements characterised by at least some non-standard features (e.g. by the non-standard form in which are applied, the non-standard duration or work location, the recent introduction in the national labour market etc.).

(a) For the sake of simplicity here we are considering only social security rights.

(b) The rights to social security are none for the temporary worker in socially useful projects (LSU) and in public utility projects (LPU)

(c) For the self-employed, the distinction between permanent and fixed-term employment arrangements and between full-time and part-time, it is a practical choice and not a legal right.

(d) Workers having a permanent employment arrangement with an agency, which assures them an allowance during non-working periods.

(e) Also for unpaid internships in firms, the distinction between full-time and part-time is a practical choice and not a legal right.

10. If we consider, in contrast, the employment arrangements that have partial or no rights to social security, Table 1 shows that:
- i. the jobs of temporary employees hired under Apprenticeship contracts are classified as *partly atypical*, since apprentices are a long established component of the labour market. On the other hand, the jobs of temporary employees working in Socially useful projects and Public utility projects (*Lavori socialmente utili* and *Lavori di pubblica utilità*), those created by Vocational insertion plans (*Piani di inserimento professionale*, programmes aimed at increasing employment in the Southern regions or in the disadvantaged areas of the country), the new type of Work insertion contracts (*Contratti di inserimento*, a work arrangement aimed at introducing youth in employment and at replacing Training-and-work schemes) and Summer paid training contracts (*Tirocini estivi di orientamento*) are defined as *strictly atypical*, because of their non-standard nature. Finally, youth unpaid training jobs (*stage* etc.) have been included in (*strictly*) *atypical* employment arrangements because, even if unpaid, they are conventionally considered by official statistics as a type of working arrangement<sup>5</sup>;
  - ii. among the self-employment positions regulated by temporary contracts, those of freelancers who collaborate with a firm for long periods and in a co-ordinated way (*Collaborazione coordinata e continuativa*), the so-called *Lavoratori parasubordinati*, Quasi-subordinate workers), or just for a specific project (*Lavoro a progetto*), or else only for short periods (*Collaborazione occasionale*), are all defined as *strictly atypical*<sup>6</sup>. In addition, among self-employment jobs there are those of workers who enter into partnership in the firm. These kind of self-employed, called Partner-workers (*Associati in partecipazione*), live on the returns made by the business where they work, without accruing on the fixed costs of the firm. Their job can cover different kinds of work, but in any case it must be necessary to the economic activity of the firm. Although this type of work is not regulated by a standard contract, it is ruled by the Italian Civil Law Code (article 2549) and is relatively common, especially in the trading sector, where this type of workers receive a wage proportional to the good or bad returns of the business. This employment arrangement is classified as *strictly atypical*, because of the lack of a standard labour contract as well as of any social right entitlement.

### III. The growth of atypical jobs: 1996-2003

11. In this paragraph, we try to provide a picture of the different trends followed by a great bulk of the non-standard employee jobs quantified in Table 2. To this aim, we make use of the data produced by the OROS Survey, and we particularly focus on two periods: the long-term trend of the period 1996-2003.

12. The OROS survey<sup>7</sup>, based on administrative social security data, covers all Italian firms with at least one employee in the non-agricultural private sector<sup>8</sup> (roughly 10 million employees

---

<sup>5</sup> Youth unpaid training arrangements (*stage*) are not considered jobs by the Italian law (no. 451 of 1994, no. 196 of 1997 and no. 488 of 1999). Nevertheless, we have included them in dependent jobs according to the international statistical convention (e.g., the European System of National Accounts ESA95 includes them in goods production). The same can be said for Socially Useful Jobs and Public Utility Projects.

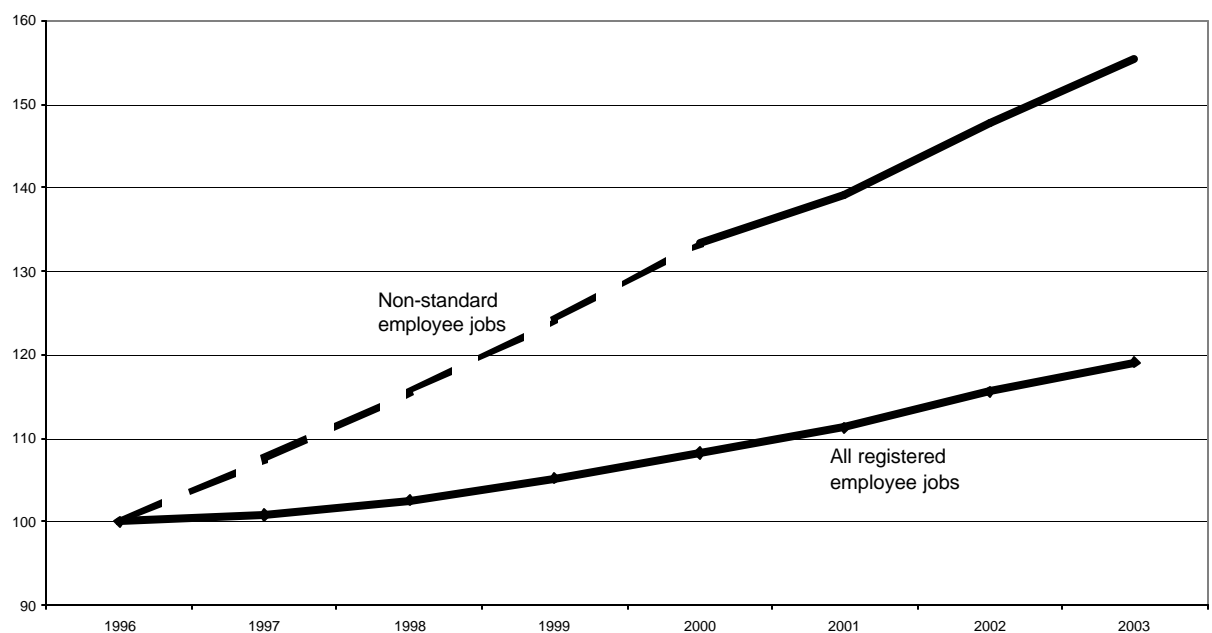
<sup>6</sup> Law no. 30/2003 and legislative decree no. 276/2003, having profoundly changed the rules of freelance work, could exert a considerable effect on the number of freelancers. Beforehand, co-ordinated long-term or short-term freelance contracts did not encounter evident constraints on their application. Consequently, they have been partly used by employers to create employment relationships practically very close to subordinate ones but far less costly. The new laws have thus tightened the requisites for using this kind of contracts: co-ordinated long-term freelance contracts can be offered only to members of professional associations and pensioners, while other kind of workers may be hired under a long-term freelance contracts only if the employer has defined a specific, extraordinary work project, lasting no more than 30 months (Project freelance contract). In addition, the new rules have defined the Secondary jobs, that rules occasional services done for 30 hours at most in a year and yielding no more than 3 thousand euro totally.

<sup>7</sup> The OROS survey data, dealing with wage and social contribution, has been officially released by Istat since December 2002 (Istat, 2002). But, Istat has not yet published the employment data that will be officially released during 2005, thus, the data presented in this paper have to be considered as provisional.

and 1.2 million employers per year)<sup>9</sup>. In order to evaluate the significance of our exercise, we note that the share of non-standard jobs monitored through the OROS survey in the benchmark year 2001 (employee jobs in sections C-K) is equal to 75.3% of total non-standard employee jobs (and to 58.3% of total non-standard jobs) (see: Tronti L., Ceccato F., Cimino E., 2004).

13. The analysis of absolute values in 2002 and 2003, and of yearly rates of change in the 1996-2003 and 2002-2003 periods, confirms the continuing increase of total wage employment in the considered economic sectors. At the same time, the increase concerns the non-standard wage employment, but with a deceleration in the last year 2003 in comparison with the annual average rate of growth of the period 1996-2003 (Figure 1 and Table 2).

**Figure 1 - The growth of non-standard employee jobs in the non-agricultural private sector (a) - Years 1996-2003 (indices, 1996=100; for the 1997-99 period, hypothetical values for non-standard jobs based on the average yearly percentage change between 1996 and 2000)**



Sources: Istat, National Accounts, OROS Survey and Labour Force Survey; Ministry of Labour and Social Policies, *Rapporto di monitoraggio sulle politiche occupazionali e del lavoro, Piano nazionale d'azione per l'occupazione 2004*.  
(a) Sections C to K of NACE rev.1 classification.

14. The 1996-2003 period, while wage employment grew by almost 1,7 million registered jobs, at an average annual rate of 2.5%, non-standard registered jobs increased by 870 thousands, at the rate of 6.4% per year. In other words, the growth of atypical work accounted for a 52% share of the additional jobs created in the period.

15. In 2001 this dramatic growth was hit by a considerable slowdown, as a consequence of the introduction by law of a very generous tax credit for firms hiring personnel through standard open-end labour contracts, particularly in the South<sup>10</sup>. After 2001, this scheme was made

<sup>8</sup> The enterprises belong to the following economic sections: Mining and quarrying, Manufacturing, Electricity, gas and water supply; Construction, Wholesale and retail trade; repair of motor vehicles, Hotels and restaurants, Transport, Storage and Communication, Financial intermediation, Real estate, renting and business activities.

<sup>9</sup> To reconcile OROS data with other traditional surveys, the OROS share of atypical employment arrangements with respect to the total number of working positions has been applied to the corresponding job population calculated in the framework of National Accounts.

<sup>10</sup> For a detailed discussion of the effects of the tax credit, see Cipollone and Guelfi, 2003.

substantially less generous to firms by the new Berlusconi government, and its effects rapidly ceased.

16. In 2003, wage employment in the non-agricultural private sector firms increased by 3%, a rate higher than the average one between 1996 and 2003 (2.5%). The main increase was still due to standard employment, which rose by 2.4% contributing to total growth with a 76.1% share. However, non-standard employment showed a new strong rise of 5.3%, though the above mentioned deceleration in comparison with the annual average rate of growth of the period 1996-2003 (6.4%).

17. The vigorous growth of atypical work in the whole period is largely to ascribe to the new contract types introduced or boosted by the so-called Treu Law Package (law no. 196, of 1997)<sup>11</sup>. In levels, the number of atypical employee jobs stabilised in 2003 over the value of 2.4 millions (23.9% of total wage employment registered jobs in the private non-agricultural sector).

**Table 2 - Employee jobs in the non-agricultural private sector (a) by non-standard categories - Years 2002 and 2003 (absolute values, shares and percentage changes)**

EMPLOYMENT ARRANGEMENTS	2002		2003		Percentage change 2002-2003	Annual average percentage change 1996-2003
	Absolute value	Share	Absolute value	Share		
Standard	7,661,518	76.6	7,842,504	76.1	2.4	1.5
Non standard	2,337,327	23.4	2,460,101	23.9	5.3	6.4
<i>Strictly atypical</i>	836,595	8.4	832,055	8.1	-0.5	2.3
<i>Partly atypical</i>	1,500,732	15.0	1,628,046	15.8	8.5	9.2
<b>Total</b>	<b>9,998,845</b>	<b>100.0</b>	<b>10,302,605</b>	<b>100.0</b>	<b>3.0</b>	<b>2.5</b>

Sources: Istat, National Accounts, OROS Survey and Labour Force Survey; Ministry of Labour and Social Policies, *Rapporto di monitoraggio sulle politiche occupazionali e del lavoro, Piano nazionale d'azione per l'occupazione 2004*.

(a) Sections C to K of NACE rev.1 classification.

18. As we noted before, this estimate of atypical work arrangements growth is partial, as it covers only a (majority) share of non-standard wage earners. Long-term freelancers, among the self-employed, constitute the other fundamental side to the story of the diffusion of atypical work in Italy, a side on which we still miss enough information<sup>12</sup>. This notwithstanding, if we turn our attention back to the trends of non-standard wage employment in the private non agricultural sector shown by Table 2, we can notice that in 2003 its share in total wage employment evidences a slight increase, from 23.4% of 2002 to 23.9%.

19. The 5.3% increase in non-standard jobs between 2002 and 2003 was due only to partly atypical employment arrangements, which rose by 8.5%, whereas strictly atypical ones decreased by 0.5%. The downturn in the demand for strictly atypical work relations is the main reason for this reduction: Youth work-and-training contracts, whose economic convenience for firms had been continuously reducing<sup>13</sup>, collapsed by 16.5% under the displacement effects of new

<sup>11</sup> The Treu Law Package regulated temporary employment arrangements and introduced Agency working into the Italian labour market. It also allowed for new incentives to some known arrangements such as Youth work-and-training schemes, Apprenticeship and Part-time.

<sup>12</sup> The 8th General Census of Industry and Services surveyed, on October 22, 2001, over 827 thousand long-term freelance jobs in the Italian economy, and 540 thousands were to be found in the CK sectors. This information was neither gathered in the 1996 Intermediate Census, nor before. From INPS archives we know that, between 1996 and 1999, the number of persons paying social contribution to the Long-Term Freelance Fund increased at a rate of 14.9% per year, passing from 839 thousands to 1,27 millions. Many contributors, however, were paying only little amounts, indicating short-term employment spells.

<sup>13</sup> Beforehand, between 1996 and 2003, this kind of contract had already issued strong signals of a continuing decrease (with an average reduction of -8.8% per year), as a consequence of subsequent reductions in the level of social contribution relief granted; but,

apprentice arrangements while, because of budget restraints, the jobs created through Vocational insertion plans fell by 74.8% as well (Table 3).

20. In 2003, pushed by a 12.3% increase in part-time jobs, permanent atypical jobs rose by 12%. This result accelerated the strong growth trend observed between 1996 and 2003 (9.5% per year change in permanent jobs). On the contrary, temporary jobs decreased (by 0.1%, against the 4.1% annual average change in 1996-2003), mainly because of the noted collapse in Youth work-and-training contracts and Vocational insertion plans, as well as of the fall in part-time Apprenticeship contracts (-8.1%) and in temporary homeworkers (-52.4%). However, while the fall of the first two schemes was in line with the trend of the previous period, part-time Apprenticeship jobs showed a halt of the one observed between 1996 and 2003, characterised by a substantial growth (23.6% per year).

**Table 3 - Non-standard working arrangements in the non-agricultural private sector (a) by job stability (permanent, temporary) and working-time regime (full-time, reduced-time) – Year 2003 and pe riod 1996-2003 (percentage changes)**

TYPE	Percentage change 2002-2003			Percentage change 1996-2003		
	Working time regime			Working time regime		
	Full-time	Reduced	Total	Full-time	Reduced	Total
TOTAL OF EMPLOYMENT ARRANGEMENTS			TOTAL OF EMPLOYMENT ARRANGEMENTS			
STRICTLY ATYPICAL						
Agency working	(b)	(b)	13.5	(c)	(c)	(c)
External solidarity contracts	(d)	104.6	104.6	(d)	57.1	57.1
Fixed-term employees	3.0	10.5	5.0	6.1	6.5	6.2
Youth work-and-training or CFL	-17.6	-8.4	-16.5	-9.4	-3.6	-8.8
Working in vocational insertion plans or PIP	(d)	-74.8	-74.8	(d)	(c)	(c)
PARTLY ATYPICAL						
Homeworking	-8.4	-22.8	-12.2	-6.5	-10.5	-7.6
Permanent employees working part time	-	12.3	12.3	-	10.1	10.1
Apprenticeship	6.1	-8.1	1.1	4.7	23.6	8.4
Total (e)			5.3			6.4
of which PERMANENT			of which PERMANENT			
STRICTLY ATYPICAL						
Agency working	(b)	(b)	(e)	(b)	(b)	(c)
External solidarity contracts	(d)	104.6	104.6	(c)	57.1	57.1
PARTLY ATYPICAL						
Homeworking	-0.4	-17.1	-4.6	-6.3	-9.2	-7.0
Permanent employees working part time	-	12.3	12.3	-	10.1	10.1
Total			12.0			9.5
of which TEMPORARY			of which TEMPORARY			
STRICTLY ATYPICAL						
Agency workers	(b)	(b)	13.5	(c)	(c)	(c)
Fixed-term employees	3.0	10.5	5.0	6.1	6.5	6.2
Youth work-and-training or CFL	-17.6	-8.4	-16.5	-9.4	-3.6	-8.8
Working in vocational insertion plans or PIP	(d)	-74.8	-74.8	(d)	(c)	(c)
PARTLY ATYPICAL						
Homeworking	-55.3	-47.9	-52.4	-9.7	-17.5	-13.7
Apprenticeship	6.1	-8.1	1.1	4.7	23.6	8.4
Total (e)			-0.1			4.1

in the group of strictly atypical arrangements, those signals had been covered by the quick increase of fixed-term jobs (6.2% per year).



Sources: Istat, National Account, OROS Survey and Labour Force Survey; Ministry of Labour and Social Policies, *Rapporto di monitoraggio sulle politiche occupazionali e del lavoro 1996, Piano nazionale d'azione per l'occupazione 2004*.

(a) It includes sections C to K of NACE rev.1 classification.

(b) Change not evaluated because jobs cannot be divided by working time choices.

(c) Change not evaluated because in 1996 the type of contract was not regulated yet.

(d) Working time choice not issued from the contract.

(e) Total change includes Temporary agency workers that cannot be divided by working time choices and that were not yet regulated in 1996.

21. Table 4, presenting the different trends of atypical jobs according to their working-time regimes, shows that reduced regime jobs had in 2003 a significant increase (8.7%), but lower than the average one in 1996-2003 (10.1%), which more than countered the decrease of non-standard full-time jobs in the same year (-0.9%)<sup>14</sup>.

**Table 4 - Non-standard working arrangements in the non -agricultural private sector (a) by degree of atypicalness (strictly atypical, partly atypical), job stability (permanent, fixed-term) and working-time regime (full-time, reduced-time) - Year 2003 and period 1996-2003 (percentage changes)**

DEGREE OF ATYPICALNESS	Working time		Duration of work relation		Total
	Full-time	Part-time	Permanent	Temporary	
Percentage change 2002-2003					
<b>Non-standard</b>	<b>-0.9</b>	<b>8.7</b>	<b>12.0</b>	<b>-0.1</b>	<b>5.3</b> <i>(b)</i>
<i>Strictly atypical</i>	-4.4	4.0	104.6	-0.6	-0.5 <i>(b)</i>
<i>Partly atypical</i>	5.3	9.3	12.0	0.8	8.5
Annual average percentage change 1996-2003					
<b>Non-standard</b>	<b>0.6</b>	<b>10.1</b>	<b>9.5</b>	<b>4.1</b>	<b>6.4</b> <i>(b)</i>
<i>Strictly atypical</i>	-1.0	4.8	57.1	2.3	2.3 <i>(b)</i>
<i>Partly atypical</i>	3.8	10.9	9.5	8.2	9.2

Sources: Istat, National Account, OROS Survey, Labour Force Survey; Ministry of Labour and Social Policies, *Piano nazionale d'azione per l'occupazione 2004*.

(a) It includes sections C to K of NACE rev.1 classification.

(b) Total change includes Temporary agency workers that cannot be divided by working time regime.

(c) Non-significant change because it is calculated on too little amounts.

22. However, the data show a major increase in the partly atypical jobs with reduced-time regimes (9.3% between 2002 and 2003), due to the increase in part-time jobs, and a decreased in the strictly ones with full-time regimes (-4.4% between 2002 and 2003), due to the collapse in Youth work-and-training and to the deceleration in fixed-term employees.

23. We observe a similar trend if we look at the table 4 in the perspective of the stability of work relationship: the comparison between the percentage changes in 2003 and those in the entire period 1996-2003, show that the major change has been the downturn of temporary jobs that, regardless of their degree of atypicalness, have passed from an increase in the period 1996-2003 (4.1%, particularly robust in the case of partly atypical jobs 8.2%), to a decrease in 2003 (-0.1%), due to the collapse in Youth work-and-training and to the deceleration in fixed-term employees. The increasing annual average rate of permanent jobs in the period 1996-2003 (9.5%) has been confirmed in 2003 (12.0%), due to the increase in part-time jobs.

24. We can synthesize the above evidences by concluding that the introduction in the Italian labour market of a wide variety of non-standard working arrangements has certainly favoured employment growth, contributing 53% to the 1.7 million jobs increase obtained from 1996 to 2003 in non-agricultural private sector wage employment. Among non-standard arrangements,

<sup>14</sup> Note that these results are influenced by the fact that it is impossible to take into account temporary agency workers (over 110 thousand jobs), which cannot be split between full-timers and reduced-timers.

reduced-time jobs have increased far more rapidly than full-time ones and permanent jobs more than temporary ones.

25. In other words, in the Italian case the recent, dramatic increase in non-standard employment arrangements has not been caused by the creation of completely new contracts, strongly different from the standard ones (the jobs regulated by 'strictly atypical' contracts increased from 1996 to 2003 only by 124 thousand units), but rather by the introduction of normative changes into the traditional ways or arrangements in which people were working (the ones regulated by 'partly atypical' contracts increased in the same period by 870 thousand units) (Table A1 in Appendix). This result has been mainly driven by the increase in permanent part-time jobs (561 thousand units).

## Appendix - The levels of atypical jobs in the year 2003

**Table A1 – Employee non-standard jobs in industry and private services (a) by job stability (permanent, temporary) and working-time regime (full-time, reduced) - Year 2003 (levels)**

TYPE	Working time regime		
	Full-time	Reduced	Total
TOTAL OF EMPLOYMENT ARRANGEMENTS			
STRICTLY ATYPICAL			
Agency working	(b)	(b)	113,547
External solidarity contracts	(c)	614	614
Fixed-term employees	376,392	149,330	525,722
Youth work-and-training or CFL	167,175	23,111	190,286
Working in vocational insertion plans or PIP	(c)	1,886	1,886
PARTLY ATYPICAL			
Homeworking	16,031	4,902	20,934
Permanent employees working part time	-	1,143,170	1,143,170
Apprenticeship	316,718	147,224	463,942
<b>Total (d)</b>			<b>2,460,101</b>
of which PERMANENT			
STRICTLY ATYPICAL			
Agency working	(b)	(b)	....
External solidarity contracts	(c)	614	614
PARTLY ATYPICAL			
Homeworking	15,258	4,336	19,594
Permanent employees working part time	-	1,143,170	1,143,170
<b>Total</b>			<b>1,163,378</b>
of which TEMPORARY			
STRICTLY ATYPICAL			
Agency workers	(b)	(b)	113,547
Fixed-term employees	376,392	149,330	525,722
Youth work-and-training or CFL	167,175	23,111	190,286
Working in vocational insertion plans or PIP	(c)	1,886	1,886
PARTLY ATYPICAL			
Homeworking	774	566	1,340
Apprenticeship	316,718	147,224	463,942
<b>Total (d)</b>			<b>1,296,723</b>

Sources: Istat, National Account, OROS Survey and Labour Force Survey; Ministry of Labour and Social Policies, *Piano nazionale d'azione per l'occupazione 2004*.

(a) It includes sections C to K of NACE rev.1 classification.

(b) Levels not evaluated because jobs couldn't be divided among working time choices.

(c) Working time choice not issued from the contract.

(d) Total level includes Temporary Agency workers that couldn't be divided among working time choices.

(....) Level non available, but of little amount.

## References

- Cipollone P., Guelfi A. (2003), "Tax Credit Policy and Firms' Behaviour: The Case of Subsidies to Open-End Labour Contracts in Italy", Bank of Italy, *Discussion paper* n. 471, and CSC *Working paper* n. 34.
- ISTAT (2002), "Indicatori trimestrali su retribuzioni lorde, oneri sociali e costo del lavoro nell'industria e nei servizi. I trimestre 2001-IV trimestre 2001", *Statistiche in breve*, 27 December 2002, downloadable from the website: <http://www.istat.it/Lavoro/Retribuzio/index.htm>
- ISTAT (2004a), *Forze di lavoro – Media 2003*, ISTAT, Rome, downloadable from the website: <http://www.istat.it/Lavoro/Lavoro-e-o/index.htm>
- ISTAT (2004b), *Rapporto annuale – La situazione del Paese nel 2003*, ISTAT, Rome.
- ISTAT (2004c), *La misura dell'occupazione non regolare nelle stime di contabilità nazionale: un'analisi a livello nazionale e regionale*, ISTAT, Rome, downloadable from the website: <http://www.istat.it/Economia/Conti-nazi/index.htm>
- Ministero del Lavoro e delle Politiche Sociali (2004), *Piano nazionale d'azione per l'occupazione 2004, Allegato statistico*, Rome, downloadable from the website: <http://www.welfare.gov.it>
- Tronti L., Ceccato F., Cimino E. (2004), Measuring atypical jobs: levels and changes, OECD, *Statistics working paper*, n. 1/2004, downloadable from the website: [http://www.oecd.org/LongAbstract/0,2546,fr\\_2649\\_201185\\_34087578\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/LongAbstract/0,2546,fr_2649_201185_34087578_1_1_1_1,00.html)

-----