Anticipating skill needs in challenging times

The Italian experience

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Information on employment and labour market

Labour force survey → sample survey on individuals
(ISTAT – Italian Statistics Office)

Key indicators of the Italian labour market (June 2009)

	Males	Females	Total
Activity rate (1)	73.7	51.4	62.5
Employment rate (1)	68.8	46.6	57.7
Unemployment rate	6.6	9.2	7.7

(1) Calculated on the population aged 15-64

Trends of unemployment

	Males	Females	Total
2005	6.2	10.1	7.7
2006	5.4	8.8	6.8
2007	4.9	7.9	6.1
2008	5.5	8.5	6.7
2009 (1)	6.6	9.2	7.7

(1) June

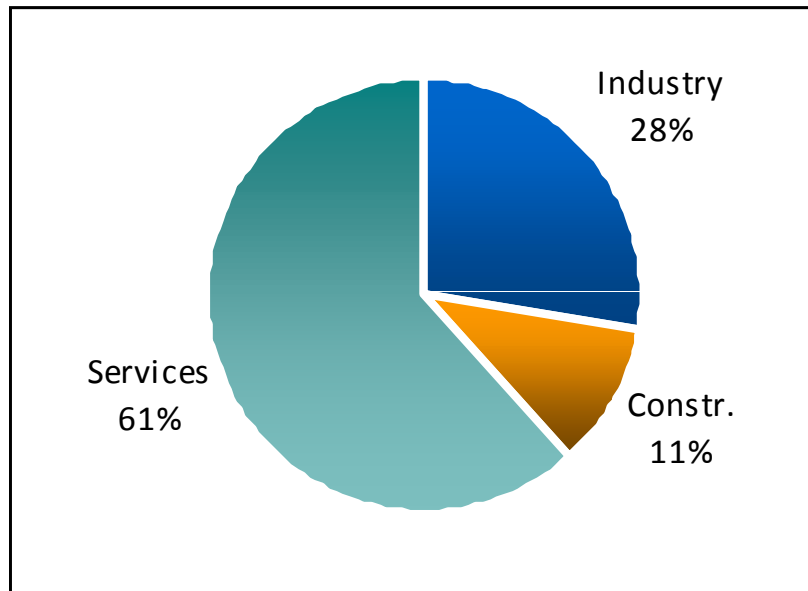# Information on employment and labour market

ASIA: Statistical Register of Enterprises (ISTAT – Italian Statistics Office)

➤ Data on employment in enterprises and establishments

➤ Information on establishments is obtained through a direct survey on establishments of large-sized enterprises and administrative sources

➤ Data cover all enterprises that carried out a productive activity for at least six months during the reference year

➤ The information available includes: location (municipality), economic activity (NACE), number of persons employed

➤ Updated on a yearly basis

➤ In compliance with Council Regulation N. 2186/93, amended by Regulation N. 177/2008 del 2° / 02 /2008, which sets-out a common structure for Business Registers to be used for statistical purposes
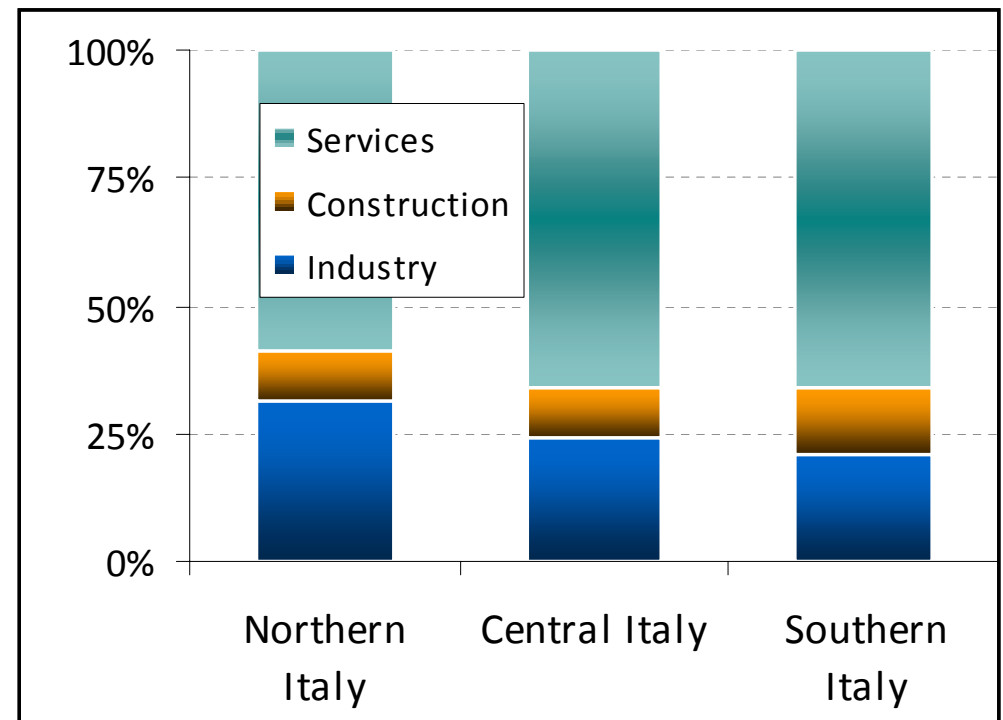
Information on employment and labour market

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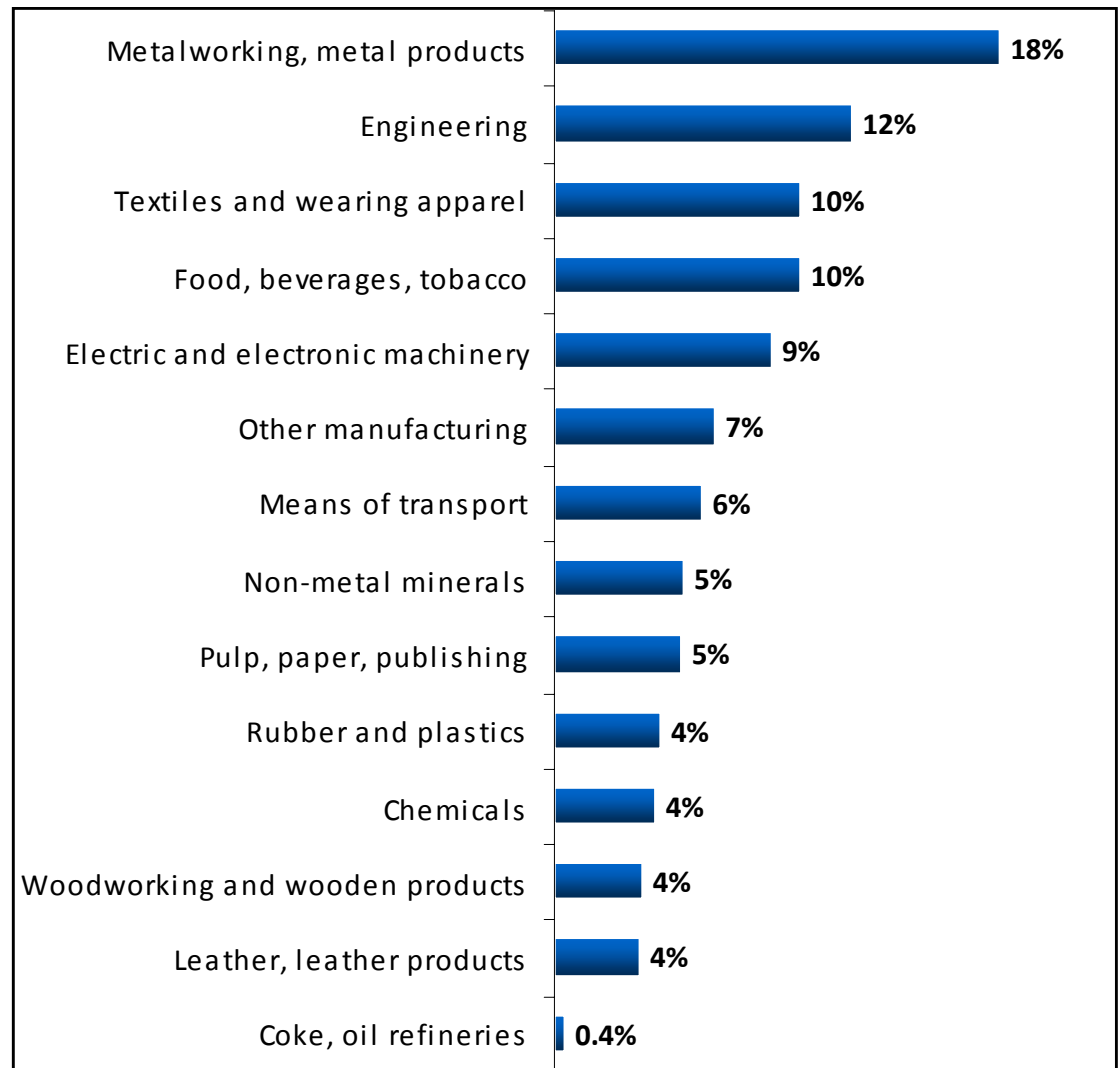
Structure of employment in Italy, 2006

Structure of employment in the Italian areas, 2006
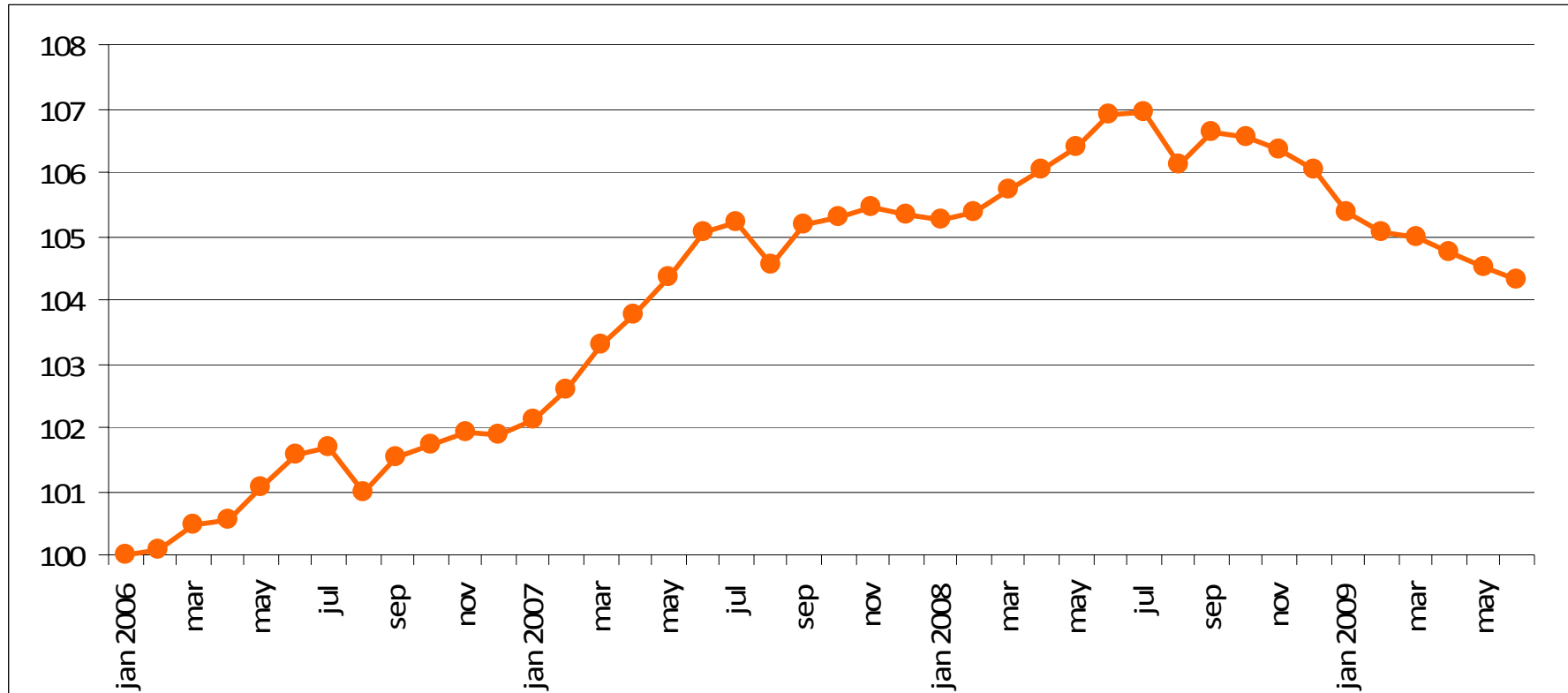
Information on employment and labour market

ASIA: Statistical Register of Enterprises (ISTAT – Italian Statistics Office)

Employment in the manufacturing industry in Italy, 2006

Industry	%
Metalworking, metal products	18%
Engineering	12%
Textiles and wearing apparel	10%
Food, beverages, tobacco	10%
Electric and electronic machinery	9%
Other manufacturing	7%
Means of transport	6%
Non-metal minerals	5%
Pulp, paper, publishing	5%
Rubber and plastics	4%
Chemicals	4%
Woodworking and wooden products	4%
Leather, leather products	4%
Coke, oil refineries	0.4%

Information on employment and labour market

Employees with a open-ended contract (2006 = 100)

Source: INPS, National Institute for Social Security

Information on employment and labour market

Administrative data:
linking the Business Registers with the Social Security (INPS) Registers

➢ Makes it possible to have timely information on employment (4 / 5 months delay)

➢ Information that can be obtained includes:

<table>
<tr><td>

Concerning the enterprise:
- Location
- Sector of economic activity
- Enterprise size
- Enterprise age
- Juridical form

</td><td>

Concerning employment:
- Employees and proprietors
- Level (managers, clerks, blue-collar workers
- Age
- Gender
- Nationality
- Type of contract

</td></tr>
</table>

Presently detailed data are available only in a few provinces (sponsored by the local Chambers of Commerce)

Forecasting labour demand: the Excelsior Information System

What is Excelsior?

Excelsior is a permanent information system based on a survey on about 100,000 enterprises with at least one employee, aimed at:

Providing employers forecast of the number of staff expected to join and leave the company

development of active labour policies

Outlining the main characteristics of the employees that enterprises expect to recruit

support to training and educational policies

What is Excelsior?

The Excelsior survey is conducted every year (since 1997) by the Italian Union of the Chambers of Commerce (Unioncamere).

It is funded by the Ministry of Labour (through the European Social Fund).

This survey is part of the official statistics produced on an annual basis within the Italian National Statistical System (SISTAN).

Forecasting labour demand: the Excelsior Information System

The main information provided

➢ Flows of employees in and out of enterprises: by level (managers, clerks….) and by contract (seasonal, non-seasonal).

➢ Expected recruitment: occupation, educational level and field of studies, age, gender, type of contract, work experience required, training needs, recruitment difficulties

Data broken down by province, company size and sector of economic activity

Organisation of the survey

The Excelsior survey is carried out using two separate data collection methods:

➢ CATI: used for companies with up to 250 employees; about 96,000 are inteviewed

➢Personal interviews: used for companies with more than 250 employees; direct interviews with assistance by the Chamber of Commerce statistics and studies unit in compiling the questionnaire; some 4,000 companies are interviewed

sample of enterprises up to 100 employees (1 out of 10) and total coverage of enterprises with more than 100 employees

Forecasting labour demand: the Excelsior Information System

The survey questionnaire

Section 1: *Occupational structure of the enterprise*

Quantification of persons employed at the beginning of the year (by level and type of contract)

Forecasting of recruitmet, job-leavers and employment at the beginning of the year

Section 2: *Expected recruitment and its characteristics*

For each occupation that the enterprise expects to recruit: type of contract, area of activity, duties, educational level, filed of studies, gender, age, experience, knowledge of languages and computing, recruitment difficulties (and reasons), post-entry training required, possibility to recruit foreign workers

The survey questionnaire

Section 3: *Reasons for not recruiting…*
internal (productive, organisational)
vs.
external (qualitative/quantitative difficulties, demand)

…..and recruitment strategies

Section 4: *Use of workers through "flexible" contracts*
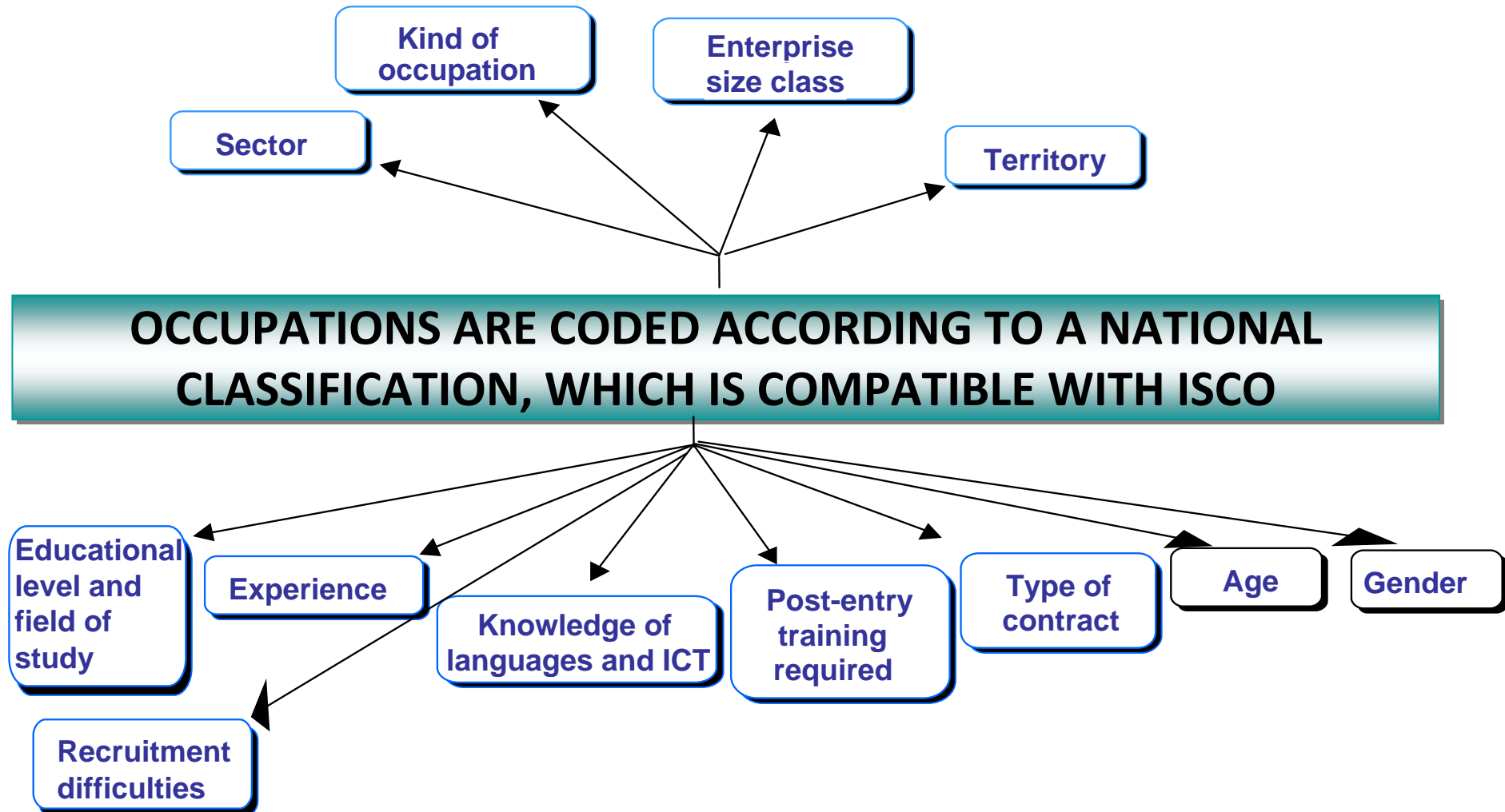
Section 5: *Life-long-learning training programmes*
Number of employees involved, methods, objectives and costs
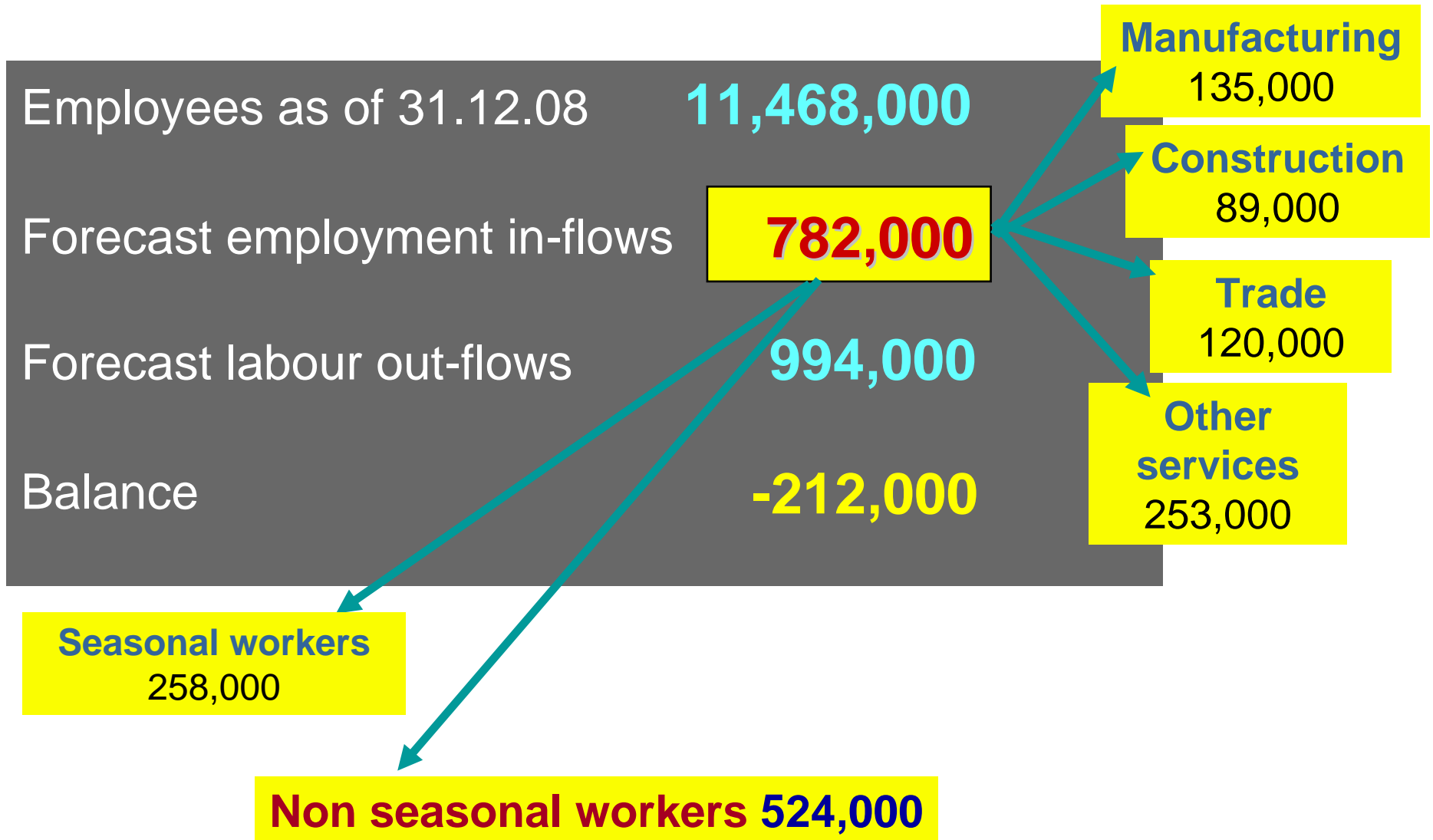Apprenticeship
Dual systems (school-job)

Forecasting labour demand: the Excelsior Information System

Information provided for each occupation

Kind of occupation

Enterprise size class

Sector

Territory

OCCUPATIONS ARE CODED ACCORDING TO A NATIONAL CLASSIFICATION, WHICH IS COMPATIBLE WITH ISCO

Educational level and field of study

Experience

Knowledge of languages and ICT

Post-entry training required

Type of contract

Age

Gender

Recruitment difficulties

Forecasting labour demand: the Excelsior Information System

Results: labour flows forecast for 2009

Employees as of 31.12.08 **11,468,000**

Forecast employment in-flows **782,000**

Forecast labour out-flows **994,000**

Balance **-212,000**

Manufacturing 135,000

Construction 89,000

Trade 120,000

Other services 253,000

Seasonal workers 258,000

Non seasonal workers 524,000

Forecasting labour demand: the Excelsior Information System

Results: recruitment forecast

Recruitment forecast in Italy, time series (non seasonal workers)
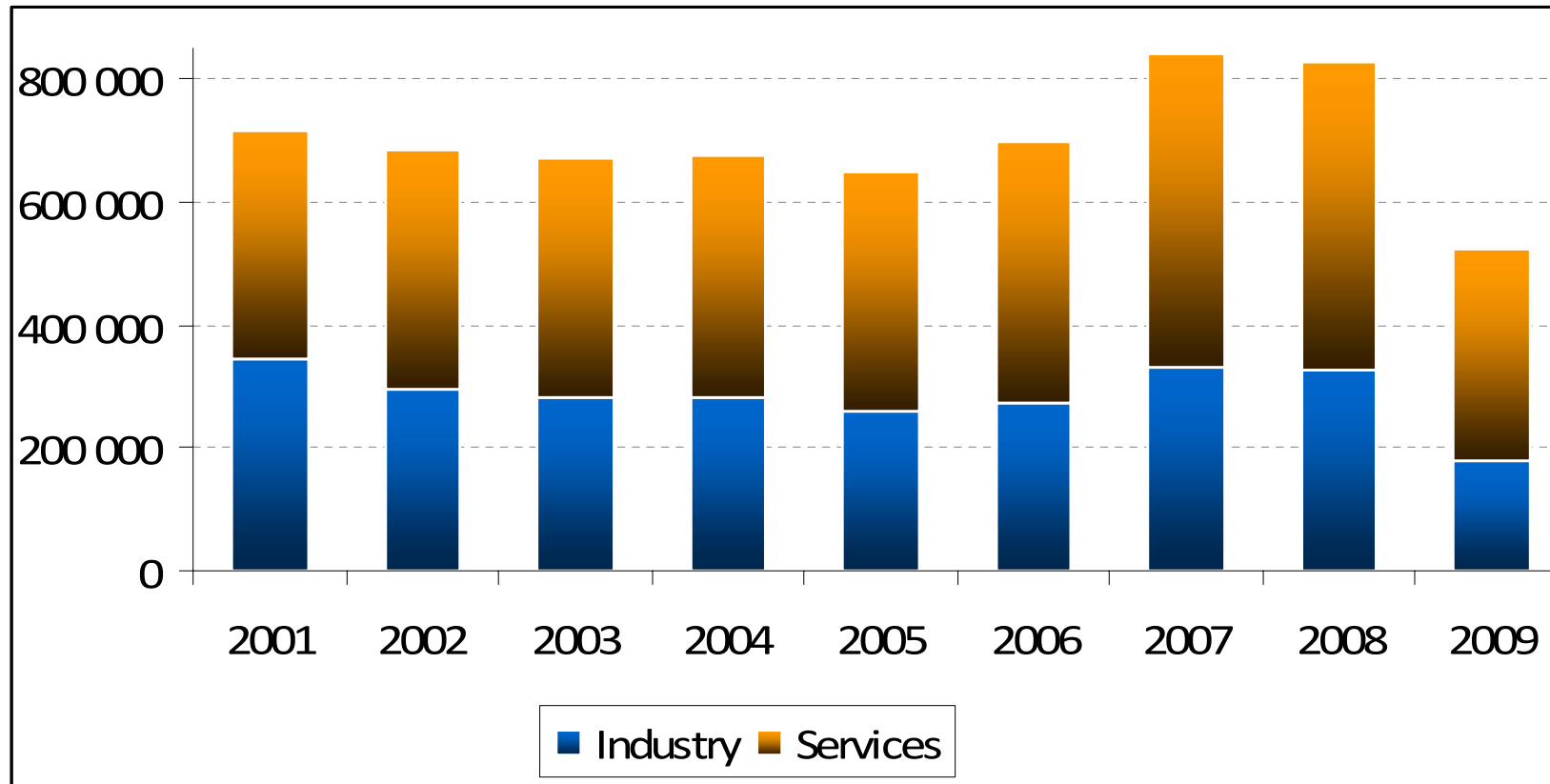
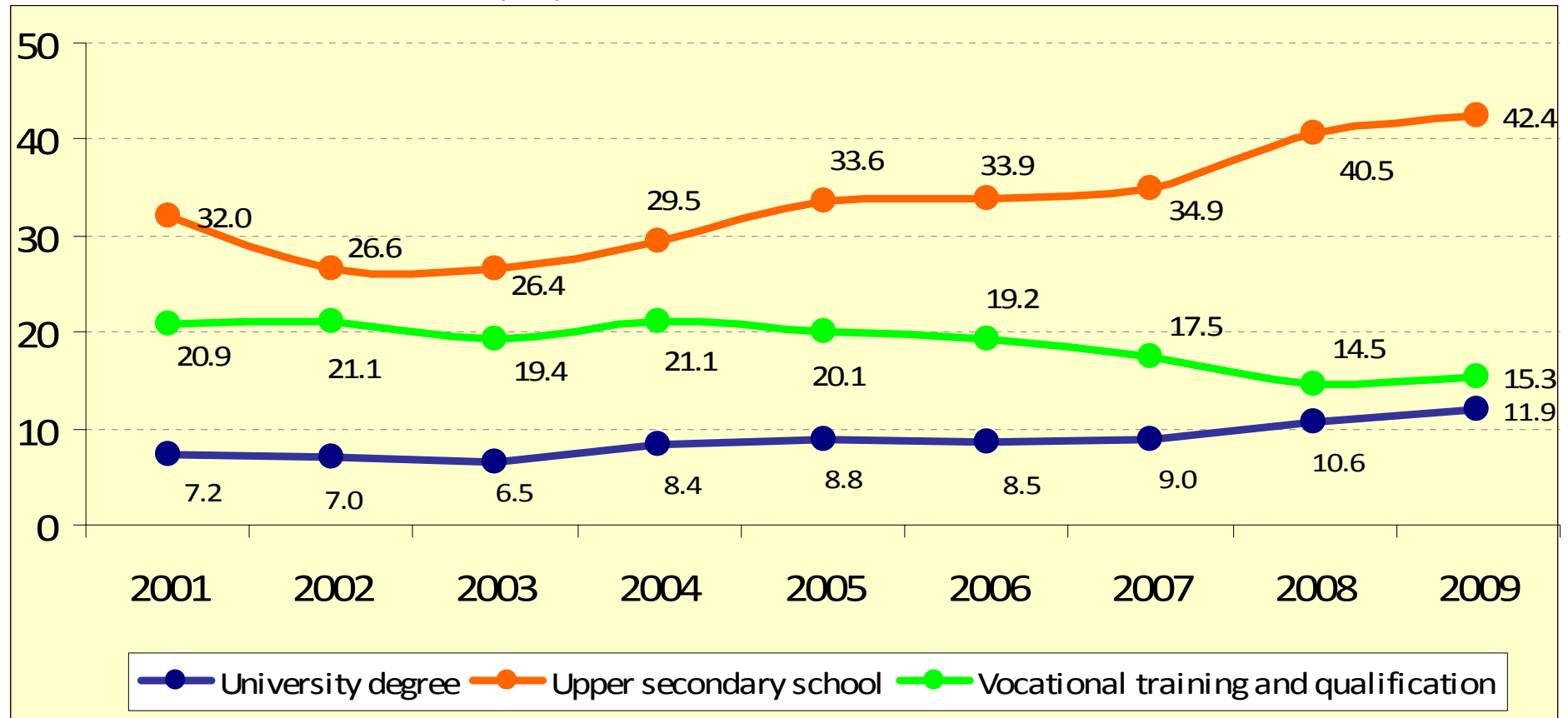# Forecasting labour demand: the Excelsior Information System

Results: recruitment forecast by occupational group
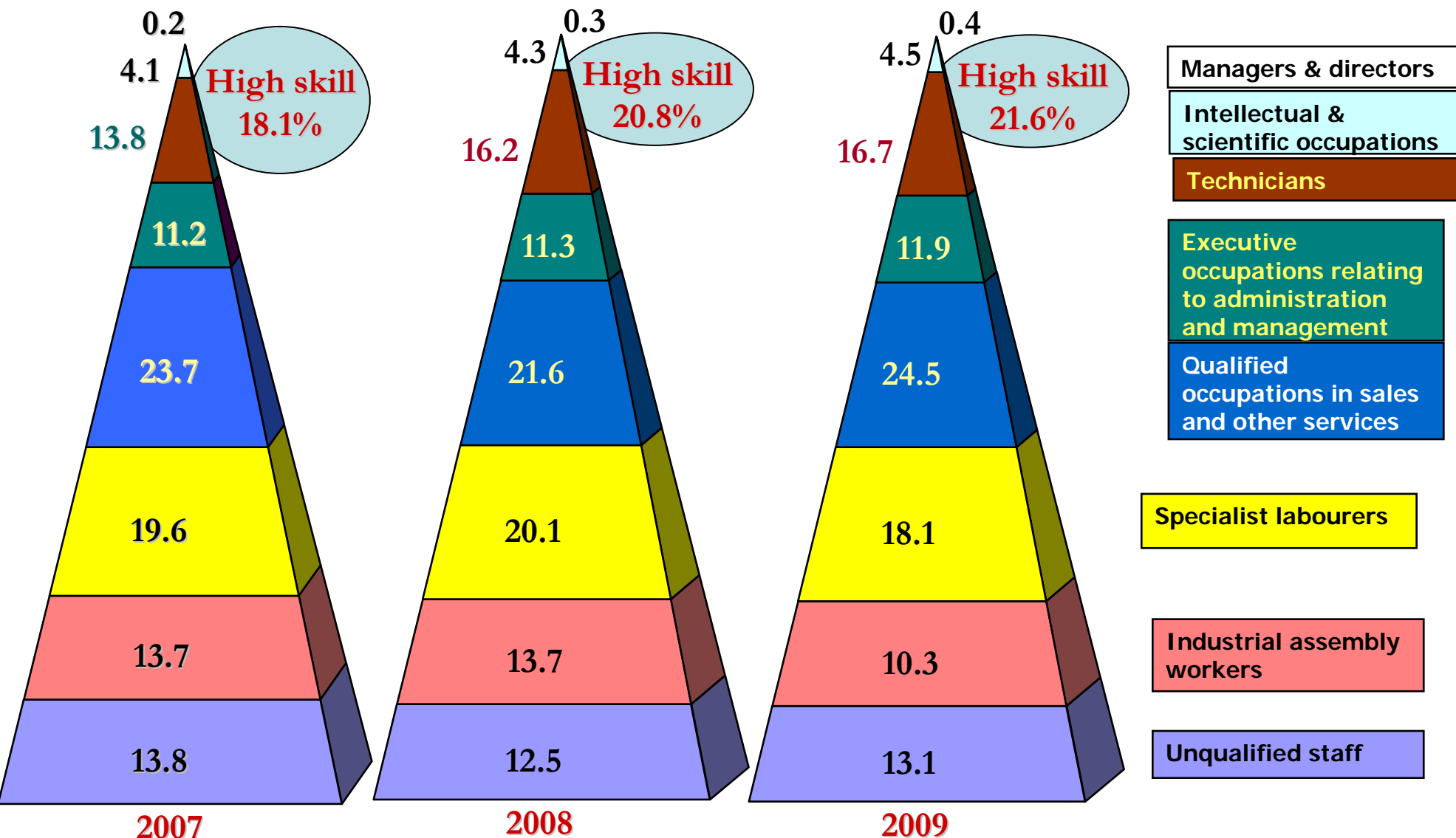
2007
- 0.2
- 4.1
- 13.8
- High skill 18.1%
- 11.2
- 23.7
- 19.6
- 13.7
- 13.8

2008
- 0.3
- 4.3
- 16.2
- High skill 20.8%
- 11.3
- 21.6
- 20.1
- 13.7
- 12.5

2009
- 0.4
- 4.5
- 16.7
- High skill 21.6%
- 11.9
- 24.5
- 18.1
- 10.3
- 13.1

Legend:
- Managers & directors
- Intellectual & scientific occupations
- Technicians
- Executive occupations relating to administration and management
- Qualified occupations in sales and other services
- Specialist labourers
- Industrial assembly workers
- Unqualified staff

Forecasting labour demand: the Excelsior Information System

Results: recruitment forecast by educational level

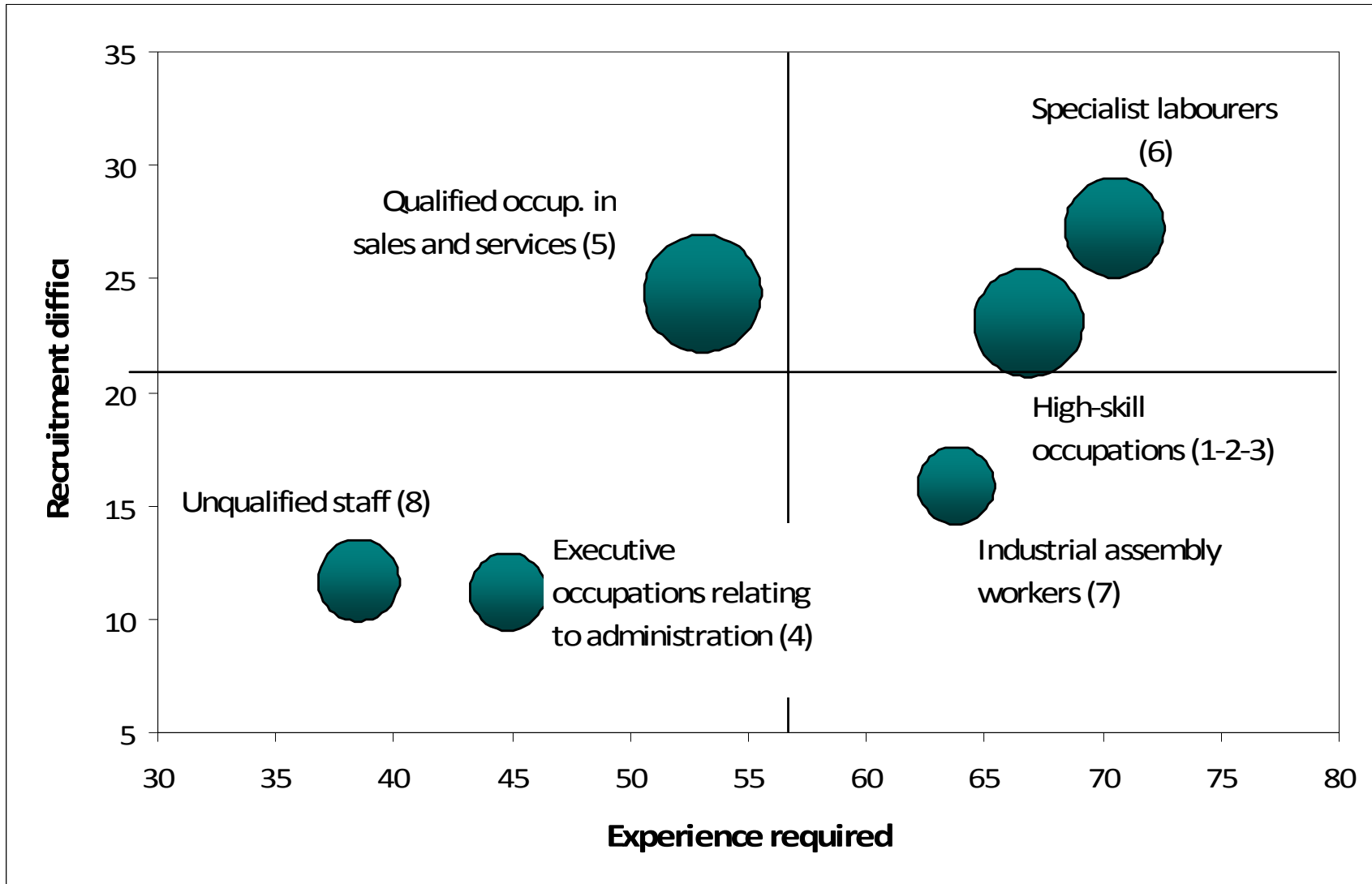Recruitment forecast in Italy by educational level (as % of total recruitment)

Results: experience required and recruitment difficulties

Work experience required and recruitment difficulties (as % of total recruitment)
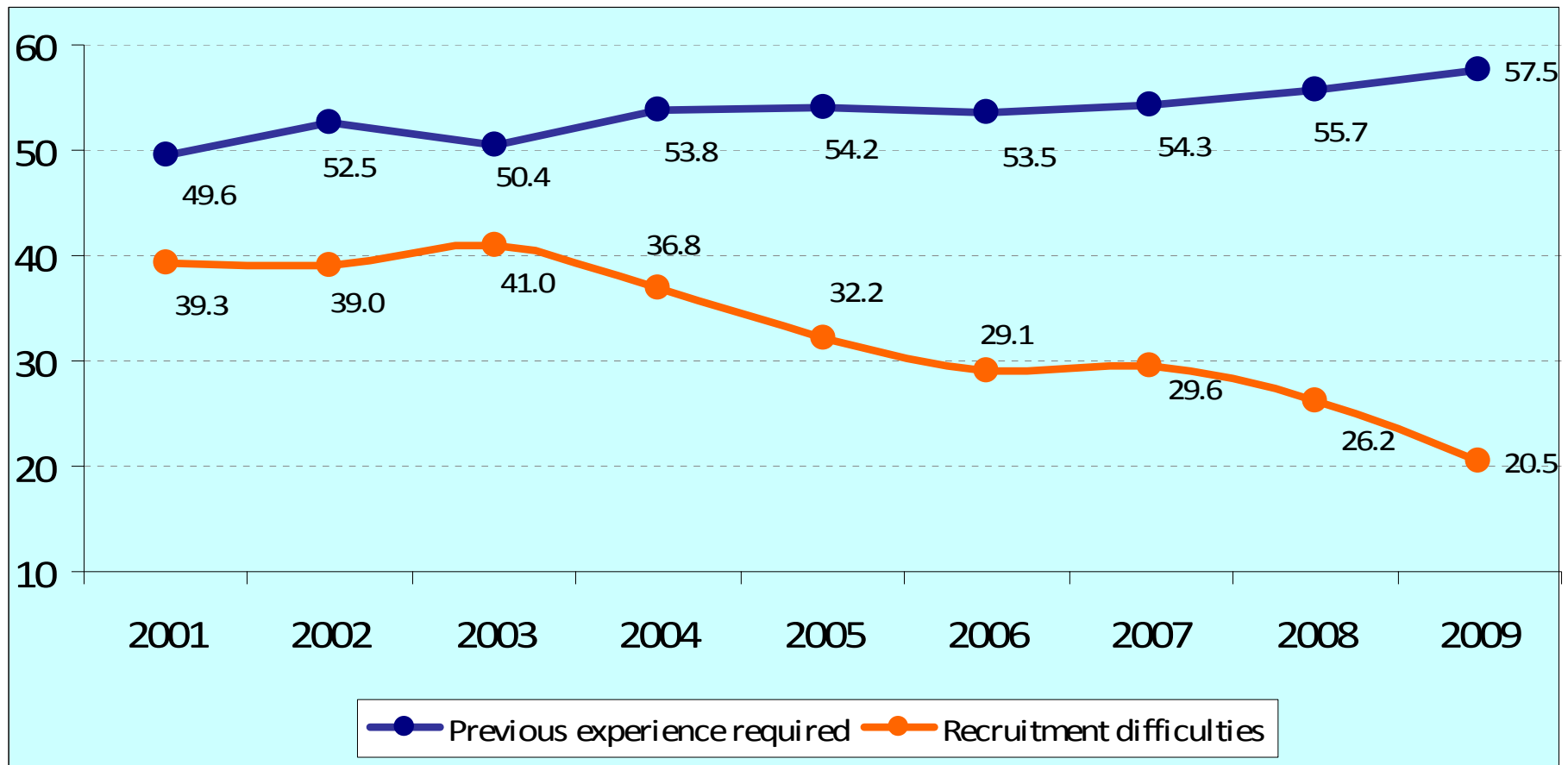
Forecasting labour demand: the Excelsior Information System

Results: experience required and recruitment difficulties, 2009

Forecasting labour demand: the Excelsior Information System

Results: training after recruitment

Employees that will participate in training courses after recruitment
(as % of total recruitment)

|	
High-skill occupations	37.1
Executive occupations relating to administration	28.6
Qualified occupations in sales and other services	33.5
Specialist labourers	21.0
Industrial assembly workers	20.4
Unqualified staff	26.7
TOTAL	**29.1**

Forecasting labour demand: the Excelsior Information System

Results: types of contract

Open ended contracts (as % of total recruitment)
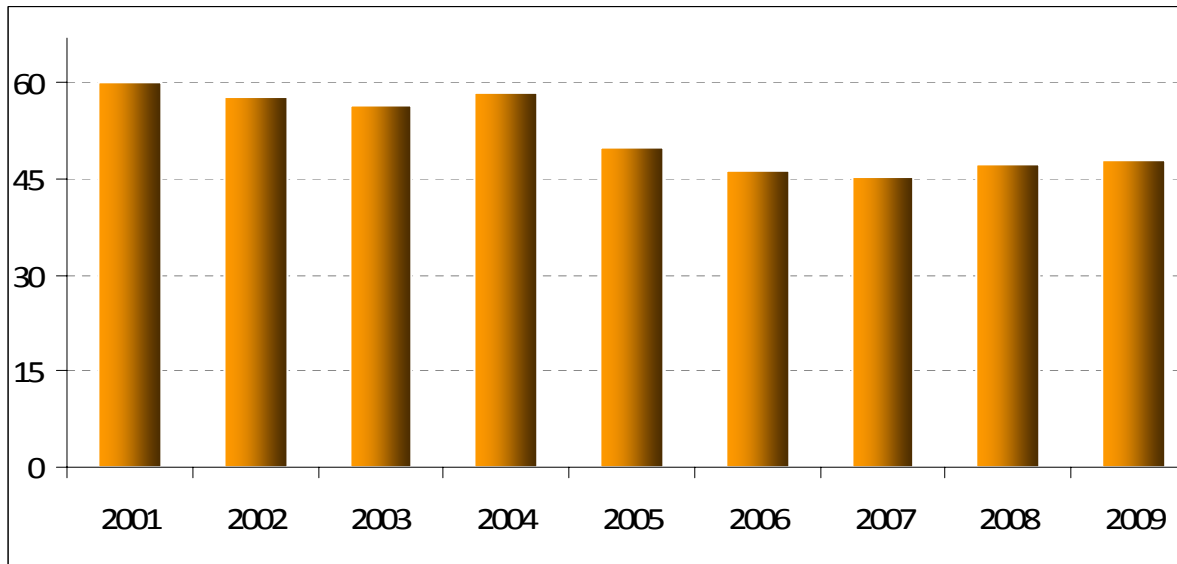

Recruitment by type of contract, 2009
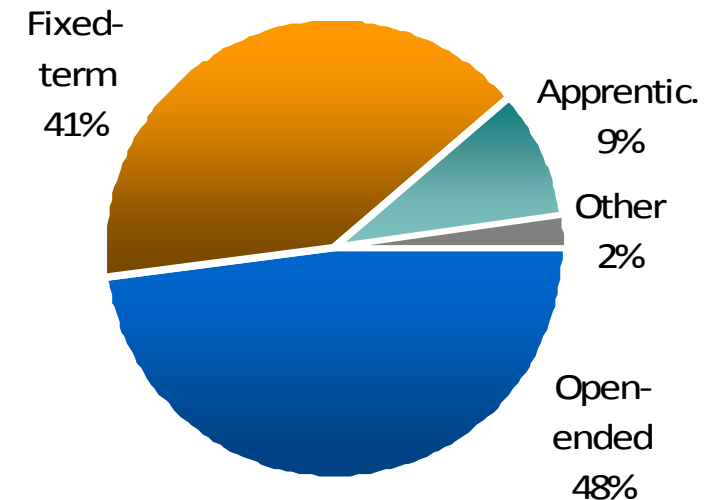
Forecasting labour demand: long term forecasts

An econometric model to forecast employment and labour demand

➢ Based on Excelsior, the econometric model allows to forecast employment (stocks) and labour demand (flows) up to 2020

➢ Data cover: employees in the private sector, employees in the Public Administration, self-employed workers

➢ Forecasts by sector, region, occupation and educational level

➢ Three possible scenarios: "benchmark" scenario, positive scenario, negative scenario

Forecasting labour demand: long term forecasts

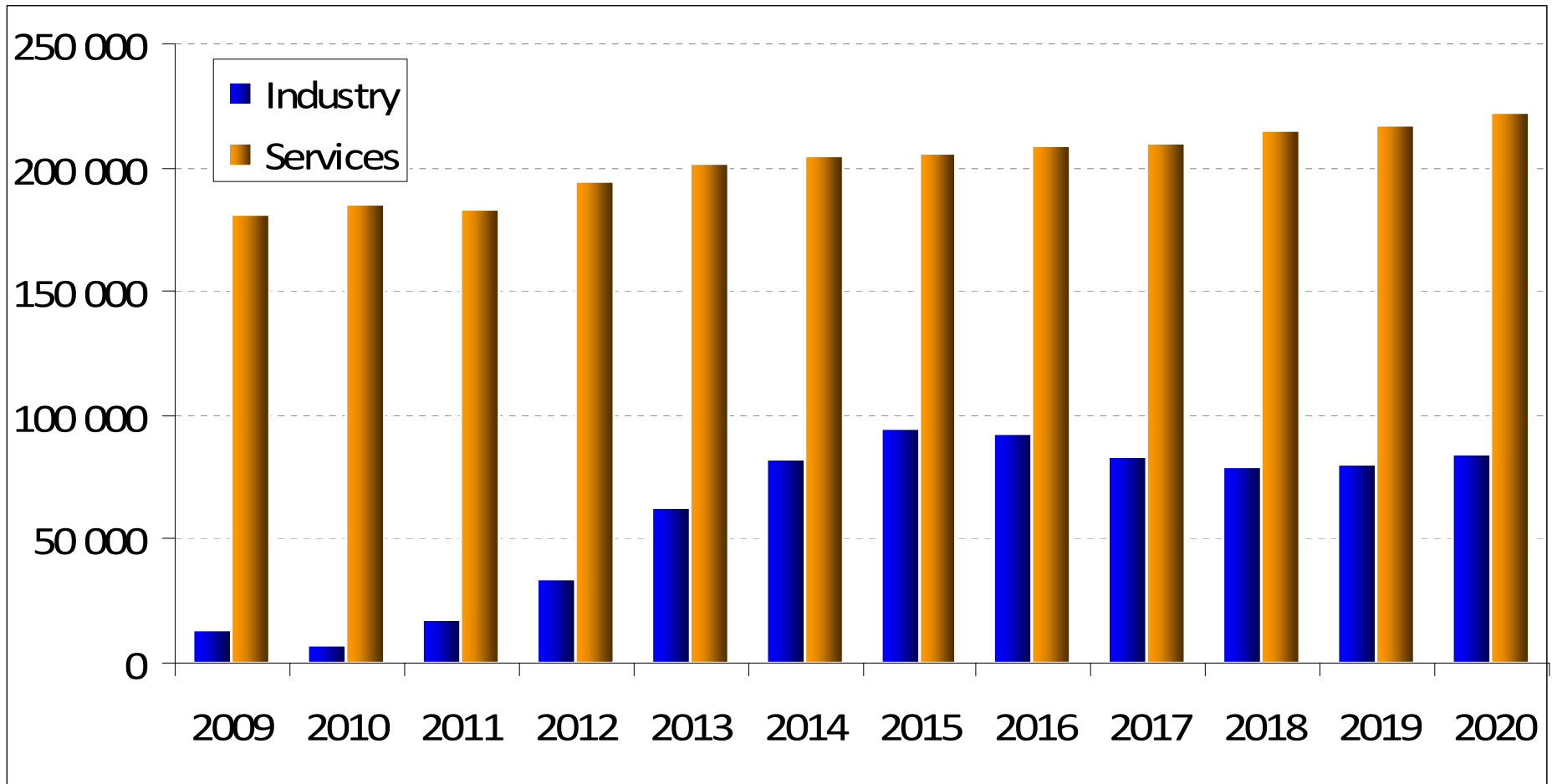## Forecasts of total employment according to three scenarios (2008 = 100)
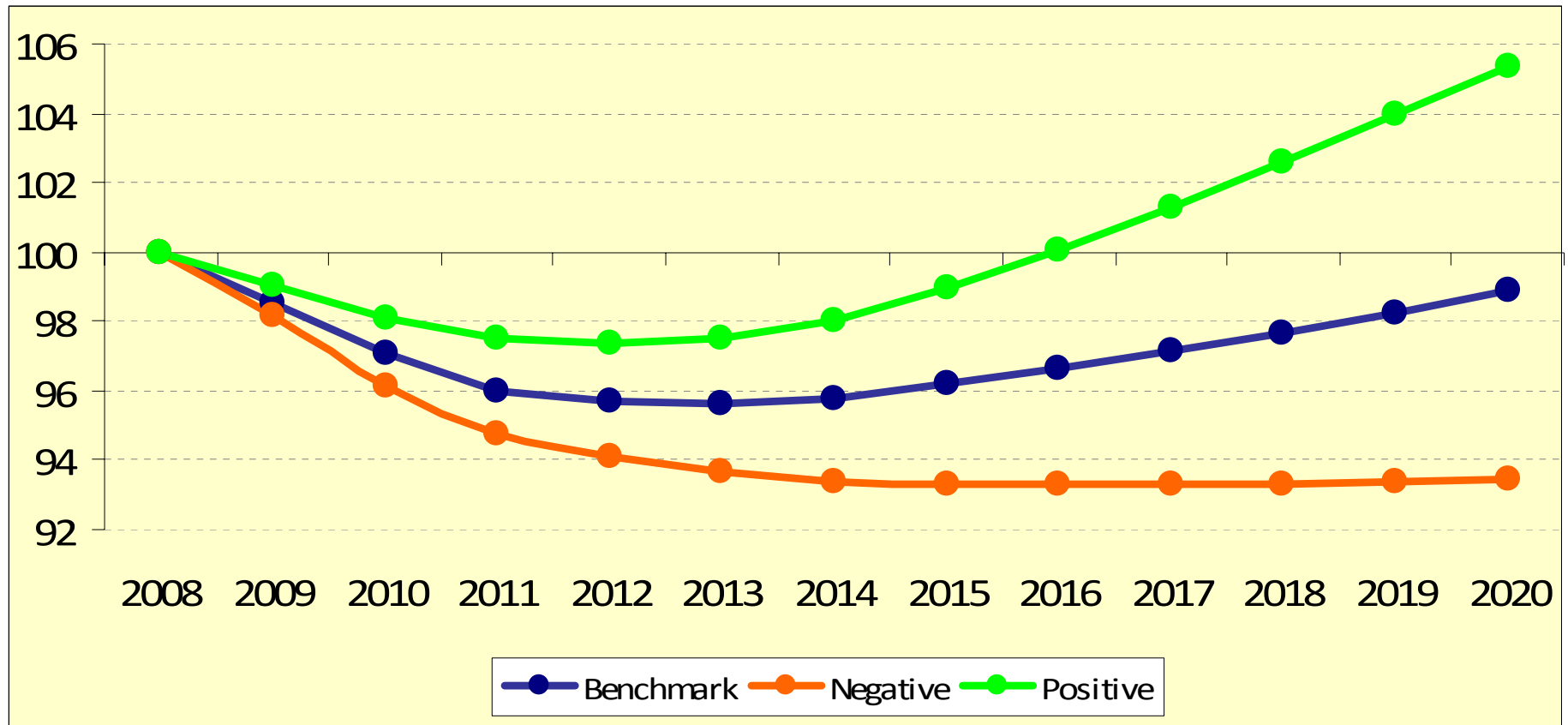
Forecasting labour demand: long term forecasts

Forecasts of total employment by type of employment (benchmark scenario, 2008 = 100)

Legend: Employees in the private sector — Employees in the public administration — Self-employed
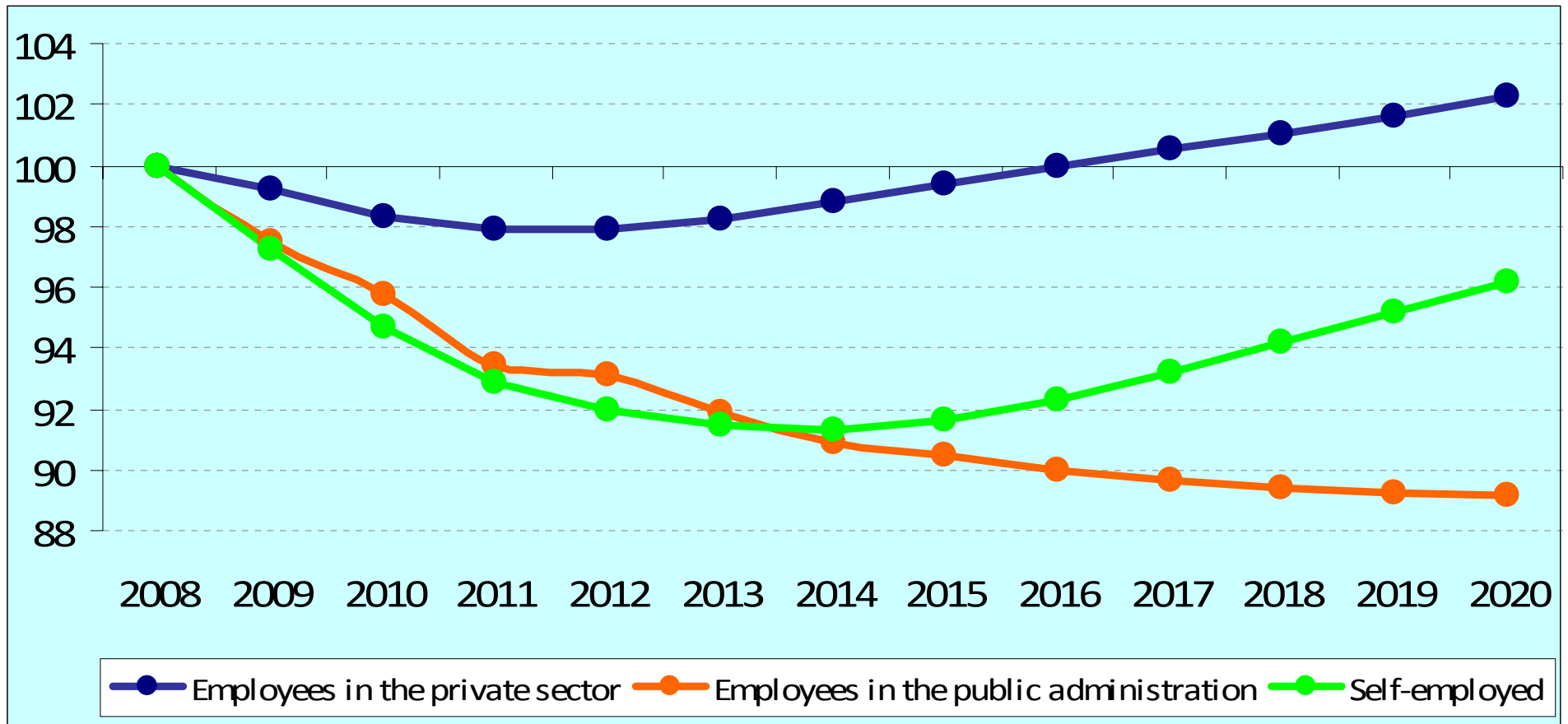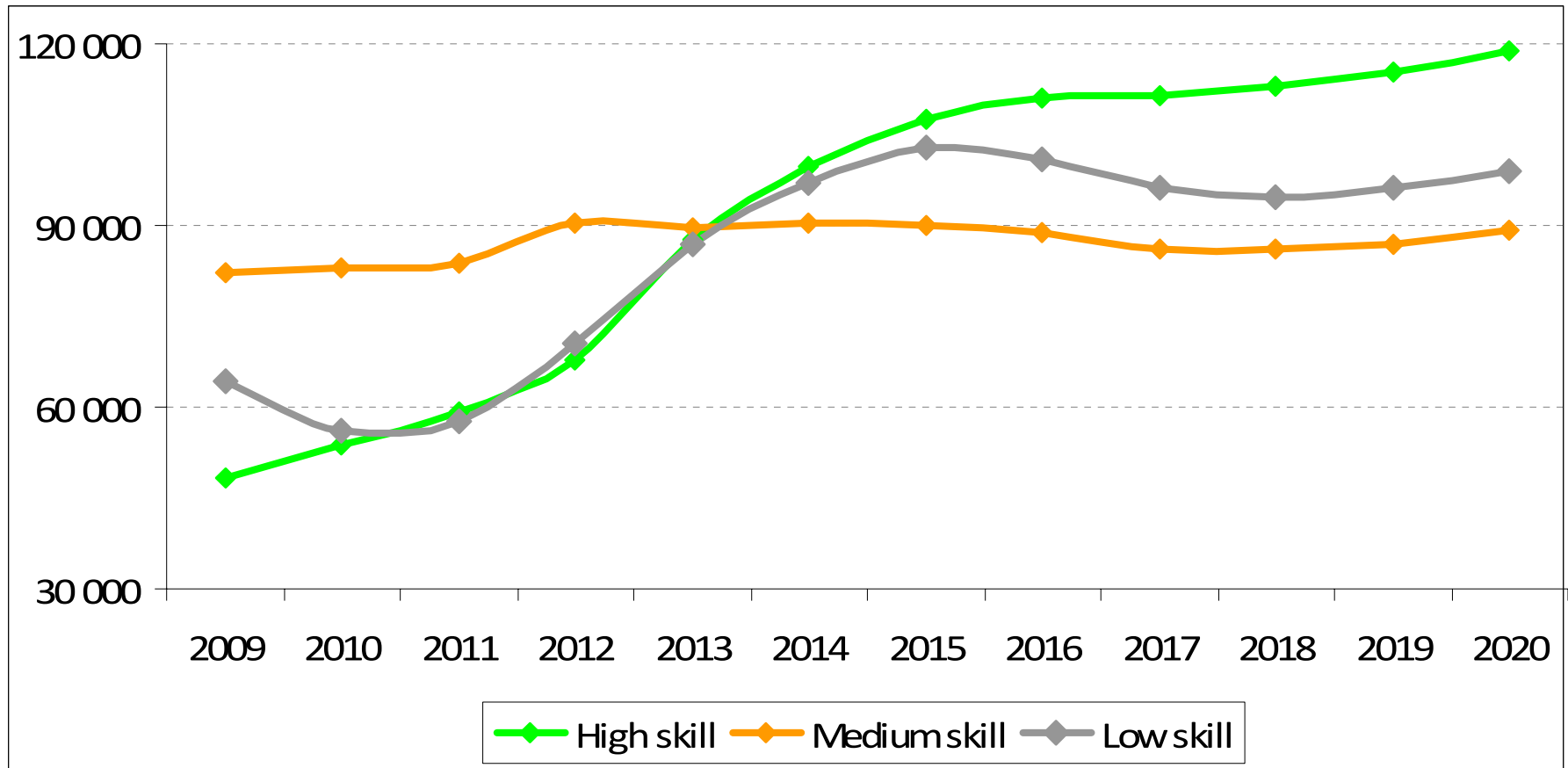
Forecasting labour demand: long term forecasts

Labour demand (employees) by sector (benchmark scenario, absolute values)

Forecasting labour demand: long term forecasts

Labour demand (employees) by educational level (benchmark scenario, absolute values)