

## 6 – REGIONAL ECONOMIC ACCOUNTS

With regard to the economic accounts issued by Istat, the official data refers to the year 2009 for Italy as a whole and the year 2007 for the macro-economic aggregates at the Regional level. The time lapse between the two series of data, similar to that of other countries in the European Union, derives not only from the complexity of calculation methodology, but also, and especially, from the need to utilize statistical information conforming to the standards of quality demanded at the international level. All the same, the considerable importance that Regional accounts have for European policy on structural funding, means that national statistical institutes prefer to extend the time for processing and publishing of the estimates so that they can provide indicators boasting an adequate degree of reliability. The data available from Istat sources, for the levels of estimate reached, is however more than suitable for delineating an accurate picture with regard to the trends in the Regional economic situation over the year 2007.

The principal aggregates estimated in the sphere of Regional and national accounting, are summarized in resource and investment accounts; in the income account this presents gross domestic product and import of goods and services and in the expenditure account final consumption outlay, gross investments and export of goods and services. Highlighting the equilibrium between final supply and demand these aggregates sum up the economic situation with reference to Sicily.

On the basis of available data, it can be seen that in 2009 there was a fall in the value of goods and services produced, both for Sicily and for Italy as a whole, probably as a result of a worsening level of faith on the part of resident producers in Sicily with regard to demand in short and medium-term developments. There were also lower figures for family consumption, probably because of the reflectivity of purchasing power and the enduring security of investing heavily in real estate and mortgages linked to this purchase of property.

As regards trends for 2009 of the main branches of production, on the basis of the latest ISTAT data available, with reference to dynamics in real terms, Sicily shows a further decrease when compared to the previous year, as regards both industry in the strict sense and the building sector.

According to estimates provided by the Statistical Institute, the gross domestic product in Sicily in 2009 amounted to a figure of 86,015 million Euros, signifying a decrease of about 1.4% when compared to 2008. The rate of

development in real terms (net of the inflation component) of the Regional economy shows a loss of 2.7%, the equivalent of almost 2,000 million Euros. Similar trends were recorded throughout Italy.

Taking each sector individually, and excluding the sectors of agriculture, industry in the strict sense and the building sector, which are mentioned above and for which data is available for the year 2009, for the other sectors the last available data refers to 2007. For the latter, with constant reference to data at current prices, value added showed an upturn in the remaining branches of production of goods and in services. The contribution to production provided by public and private services remained particularly high, reaching a figure of 78.5%, markedly higher than the average national figure (about 70%). At the same time, value added for industry in the strict sense maintained a relatively modest role, with a figure of 11.3% against 21.4% registered for the industrial sector in Italy as a whole, whilst the value added of the heterogeneous branch of marketable and non-marketable services, maintained moderately positive level of growth.

The GDP per inhabitant is considered the indicator *par excellence* of unitary territorial productive capacity; in 2009 it reached a figure of about 17,045 Euros, with an unfavourable gap of 32.5% when compared to Italy as a whole (25,237 Euros). In comparison with the previous year, the per capita GDP fell by 1.7% , (-293 Euros), whereas compared to 2005 the increase was +5.7% (corresponding to 925 current Euros).

The organisation of data at sub-Regional level, for 2007 (last data available), confirmed the three metropolitan areas of the Region at the head of the table in descending order, with levels of value added at base prices ranging from the 19,102,000 Euros of the Province of Palermo (+25.4% when compared to the average in Sicily), followed by Catania (15,621,000, equal to 20.1%) and the 10,259,000 Euros of Messina. The Province of Enna registered the lowest figure, with an overall value added of 2,383,000 Euros.

## **Glossary**

**Dependent employee income:** cost to employer of work (both manual and intellectual) carried out by his employees; the figure is made up of gross income and effective and/or notional social security contributions.

**Final consumption:** total value of goods and services used to satisfy human, individual and/or collective needs directly.

**Gross fixed investments:** include purchase of fixed capital by resident producers, to which is added the increase in value of the goods (material and non-material) produced and destined to be used in production processes for a

period of over one year. Gross investments are made up of the aggregate of gross fixed investments, variations in stock and purchase of objects of value.

**Gross Domestic Product (GDP) at market prices:** is the result of production on the part of resident production units. It amounts to the total production of the economy's goods and services, minus intermediate consumption, increased by the addition of VAT and indirect taxes on imports. It is also equal to the sum of value added at market prices of the various sectors of economic activity, increased by the addition of VAT and indirect taxes on imports, disregarding indirectly-measured services of financial inter-mediation (SIFIM). The latter represents the production figure arising from financial inter-mediation provided by credit institutions, which is not detracted at the level of single sectors of production.

**Net imports:** difference between imports and exports of goods and services.

**Stock variation:** difference between the value on entering or leaving the warehouse. It includes: raw materials, intermediate products, half-finished products and finished products.

**Value added:** aggregate that allows one to appreciate the growth of the economic system in terms of new goods and services placed at the disposal of the community for final consumption. The figure is the difference between the production-value of the goods and services produced by the individual sectors of production and the value of the intermediate goods and services consumed (raw materials and services).

**Value added at base prices:** balance between production, calculated net of tax on products, and inclusive of contributions on products (base prices), and intermediate consumption.

**Value added at market prices:** value added at basic prices plus tax on products, excluding VAT, and net of contributions on products.

**Work-unit:** represents the quantity of work carried out in one year by a full-time worker, or the quantity of equivalent work carried out by part-time workers or by workers carrying out two jobs. The units of work are employed as units of measure for the work carried out in producing the goods and services that are part of the estimate of the GDP in a given period.

### ***Further reading***

Publications

Italian Statistical Yearbook– 2008 – ISTAT

National accounting - National Economic Accounts – years 1970-2005 – ISTAT

National Economic Accounts per institutional sector: new estimates in accordance with Sec95 - 1990-2002

Value added at base prices for agriculture per Region - 2000-2006 - ISTAT

#### Internet

[www.istat.it](http://www.istat.it)

Productivity factor measures - Years 1980-2006

Production of Regional indicators for evaluating development policies

Regional Economic Accounts– years 2000-2005

Preliminary estimate of GDP - quarterly

ConIstat data-bank

System of territorial indicators – National Accounting section

[www.bancaditalia.it](http://www.bancaditalia.it)

Notes on the trends of the economy in Sicily

[www.starnet.unioncamere.it](http://www.starnet.unioncamere.it)

Thematic area– Economic accounts– Analysis and data

Focus on – General Economics – Scenarios of development of local economies