

6 – REGIONAL ECONOMIC ACCOUNTS

At the time the present yearbook went into print, access was available to the official historical series of Italy's complete economic accounts up to the year 2008, along with a series of macro-economic Regional accounts up to the year 2007. The time-difference between the two sets of data, similar to that of other European Union countries, stems from the complexity of the methods of calculation and also, above all, from the need to use statistical data conforming to the quality standards demanded at the international level. Considering the importance that Regional accounts have with regard to European policy for structural funds, the national statistical institutes prefer to prolong the time devoted to elaboration and publication of estimates in order to provide indicators that have an adequate degree of reliability. The available ISTAT data regarding the level of estimates, is more than adequate for a sufficiently accurate picture of the Regional economic trends in 2007. Wherever necessary this data can be integrated with elaborations made by various research bodies, including the Istituto Guglielmo Tagliacarne.

On the basis of the prevailing indications, it seemed that in 2007 that there were signs of a re-launching of the Italian economy, something which also extended to Sicily. The main aggregates assessed in the sphere of national accounting, as in regional accounting, are summarised in the accounts for resources and investment, which present, as part of the revenue, the gross domestic product and the importation of goods and services, and as part of the outlay, expenditure for final consumption, gross investments and exportation of goods and services. This sums up the economic situation in Sicily, highlighting the balance between supply and final demand.

The gross domestic product (GDP) represents the final result of production activity of resident producers. According to estimates made by the Statistical Institute, the gross domestic product in Sicily in 2007 reached a figure of 86,179 million Euros, signifying a monetary increase of about 2.7%. The GDP as a percentage of total resources in 2007 amounted to 78.4%, as against 78.7% the previous year. In the same year imports of goods and services increased by 4.2% at current values, showing a slowing-down when compared to 2006 (7.2%). Overall in 2007, available resources increased by 3% (in 2006 the overall increase was 4.6%). As regards investments in the same year, there were increases in both final domestic consumption (+3.1%) and in fixed gross investments (+3.3%), although in this case too there was a deceleration in the growth-rate recorded in 2006.

Value added measures the increase in value attained by residents (taken as a whole) carrying out a productive activity. The figure represents 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). In Sicily, the value added at base prices (or at prices to the producer) reached in 2007 amounted to 74,541 million (current) Euros, with a growth of 2.5% over 2006.

Taking each sector individually, and with constant reference to data at current prices, value added only showed a downturn in the sector of agriculture (-2.7%) and increases in the other branches of production of goods and services. The contribution to production made by public and private services remained particularly high, reaching a figure of 78.4%, markedly higher than the average national figure (70.4%). On the other hand, value added for industry in the strict sense maintained a relatively modest role with a figure of 11.4%, as against 21.4% for the industrial sector in Italy as a whole.

The GDP per inhabitant is considered the indicator *par excellence* of unitary territorial productive capacity; in 2008 it reached a figure of 17,374 Euros, with an unfavourable gap of -33.9% when compared to Italy as a whole (26,278 Euros). In comparison with the previous year, the per capita GDP rose by 1.5% , (+264 Euros), whereas compared to 2004 the increase was 12.5%, corresponding to 1,934 current Euros. The organisation of data (by the Tagliacarne Institute) at sub-Regional level, for 2007 (last data available), confirmed the province of Ragusa at the head of the table with 19,615 Euros per capita (+14.6% when compared to the average in Sicily); Agrigento found itself at the bottom of the table with 14,592 Euros per inhabitant and a negative differential of 14.7% when compared to the Regional average.

Glossary

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

Full-time 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.

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– 2009 – ISTAT

National accounting - National Economic Accounts – years 1970-2008 – ISTAT

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

Value added at base prices for agriculture by Region – 2000-2007- ISTAT

Internet

www.istat.it

Productivity factor measures - Years 1980-2007

Production of Regional indicators for evaluating development policies

Regional Economic Accounts– years 2000-2007

Preliminary estimate of GDP - quarterly

ConIstat data-bank

System of territorial indicators – *National Accounting* section

www.bancaditalia.it

Notes on the trends of the economy in Sicily

www.starnet.unioncamere.it

Thematic area– Economic accounts– Analysis and data

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