

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 2007, along with a series of macro-economic Regional accounts up to the year 2006. 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 employed in elaboration and publication of estimates in order to provide indicators that have an adequate degree of reliability. However, the ISTAT data available, as regards the level of estimates attained, is more than adequate in order to draw a sufficiently accurate picture of the Regional economic trends in 2006. 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 seems that in 2006 the Italian economy went through a re-launching phase, which also spread to Sicily. This might have been due to an improved climate of faith on the part of local Sicilian producers regarding the short and medium-term growth in demand. On the contrary, family consumption does not seem to have fully recovered; the wavering purchasing power is due to the negligible increase in non-agricultural employment and the continuing increases in the number of mortgage loans for house purchases, something which has slowed down only slightly as a result of the upsurge in real estate prices. On the basis of assessments carried out by the Ministry for Economic Development, National Trade Observatory, retail sales in the Region in 2006 increased by 0.7% in monetary terms, which was slightly below the national figure (+1.2% compared to 2005). Up to December 31st, 2006, consumption-credit provided to clients in Sicily had reached 8,975 million Euros, 21.8% more than twelve months previously (+17.9% being the figure for the country as a whole).

With regard to trends in 2006 in the principal production sectors, the available statistics showed (with reference to the real-term dynamics) there was a further fall in the value added in agriculture, a decline in industry in the strict sense and in the building industry, and a continuing, moderately positive trend in the value added of the heterogeneous field of services intended for sale and non-sale.

According to estimates made by the Istituto Tagliacarne, the gross domestic product in Sicily in 2006 attained 83,706 million Euros, signifying a monetary increase of about 3.6%. Disregarding the inflation component, the growth-rate of the Regional economy in real terms amounted to 1.2%, which is about two thirds of the increase at the national level (+1.8% when compared to 2005). By sector, and with constant reference to data at current prices, value added showed a downturn in the sectors of agriculture (-3.4%) and industry (-4.2%) and upturns in the other sectors of production of goods and service activity. The contribution to production made by public and private services remained particularly high, reaching a figure of 79.3%, markedly higher than the average national figure (71.1%). On the other hand, value added for industry in the

strict sense maintained its relatively modest role with a figure of 10.7%, as against 21.6% for Italy as a whole.

The GDP per inhabitant is considered the indicator *par excellence* of unitary territorial productive capacity; in 2006 it reached a figure of 16,628 Euros, with an unfavourable gap of -33.6% when compared to Italy as a whole (25,032 Euros). In comparison with the previous year, the per capita GDP rose by 3.8% , (+605Euros), whereas compared to 2002 the increase was 13.4%, corresponding to 1,966 current Euros. The organisation of data (by the Tagliacarne Institute) at sub-Regional level confirmed the province of Siracusa at the head of the list with 20,167 Euros per head (+21.3% when compared to the average in Sicily); Agrigento found itself at the bottom of the list with 14,467 Euros per inhabitant and a negative differential of 13% when compared to the Regional average. The provinces of Siracusa, Trapani, Messina and Ragusa positioned themselves slightly above the average figure for Sicily.

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– 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 by Region – 2000-2006- ISTAT

Internet

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

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

