

REGIONAL ACCOUNTS | YEARS 2017-2019

Weak growth in all areas of the country

In 2019, GDP in volume increased by 0.5% in the North-east, 0.4% in the North-west, 0.3% in the Centre and 0.2% in the South.

The North-west maintains first place in the ranking of per capita GDP, with a current value of around 37 thousand euros, almost double than that of the South, at just over 19 thousand euros per year.

Households residing in the North-west have the highest level of disposable income per inhabitant (22.6 thousand euros), almost 60% more than those in the South (14.2 thousand euros).

48.1 thousand euros

Bolzano-Bozen has the highest GDP per capita

Calabria has the lowest value (17.3 thousand euros)

+1.5%

Growth in household income in the South, driven by increased social benefits

At national level it is 1%.

18.8%

The share of value added generated by the underground and illegal economy in the South in 2018

At national level it is 13.1%

www.istat.it

UFFICIO STAMPA
tel. +39 06 4673.2243/44
ufficiostampa@istat.it

CONTACT CENTRE
tel. +39 06 4673.3102
contact.istat.it



This press release presents the final estimates of the regional economic accounts for 2017, the semi-final estimates for 2018 and the preliminary estimates for 2019. The regional accounts are produced in accordance with the 'European System of National and Regional Accounts' (ESA2010) manual and are consistent with the national data released in September 2020i).

The resident population data used in the calculation of per capita values are consistent with those published by Istat in July 2020 and do not yet incorporate the recently released (15 December 2020) results of the Permanent Census of Population and Housing for 2018-2019.

Data on GDP, value added, compensation of employees, employment, gross fixed capital formation, final consumption expenditure and household disposable income are published on the I.stat database.

Please note that the results for 2019 are grounded on an econometric estimation approach based on indicators and could therefore be subject to large revisions.

GDP more dynamic in the North-east, consumption better in the Centre

In 2019, GDP in volume at national level increased by 0.3% compared to the previous year. The North-east shows the best performance, with a GDP growth of 0.5%, driven by the positive trends in Construction (+3.1% compared to 2018) and Other Services (+1.7%). Agriculture, on the other hand, recorded the sharpest reduction in the whole country (-6.4%) due to poor results in viticulture and fruit.

In the North-west, GDP increased by 0.4%, slightly above the national average. In this distribution, growth was slowed down by the negative dynamics of Industry (-0.6%), Agriculture (-2.6%) and Other Services (-0.3%), while the value added of Construction increased by 2.3%. Growth in the Centre was +0.3%, in line with the national average, with the largest increases in Commerce (+1.9%) and Construction (+1.2%); contractions were recorded, however, for Agriculture (-2.5%), Industry (-1.1%) and Other services (-0.6%). The slowest growth is recorded in Southern Italy, where GDP increased by 0.2% compared to 2018.

The growth in production activity was accompanied by a volume increase in household final consumption of 0.6% at national level in 2019. Household final consumption expenditure showed the highest dynamic in the Centre (+0.8%) and the lowest in the South (+0.4%).

In 2019, household disposable income, which grew by 1% at the national level, was above average in the South (+1.5%), and slightly lower in the North-east (+0.9%), the North-west and the Centre (both +0.8%).

PERFORMANCE OF MAIN ECONOMIC AGGREGATES IN GEOGRAPHICAL DEPARTMENTS

Year 2019 - percentage changes

VALUE ADDED	CENTRE-NORTH					
	North-west	North-east	Centre	Total	South	Italy
Agriculture	-2.6	-6.4	-2.5	-4.2	2.5	-1.7
Industry	-0.6	-0.3	-1.1	-0.6	-1.2	-0.7
Construction	2.3	3.1	1.2	2.3	0.3	1.8
Trade, transport, accommodation and food, and telecommunications services	0.7	0.4	1.9	1.0	0.2	0.8
Financial, real estate and professional services	0.8	0.8	0.0	0.6	0.7	0.6
Centre-north/Other services	-0.3	1.7	-0.6	0.2	-0.4	0.0
Total value added (a)	0.3	0.5	0.2	0.3	0.1	0.3
Gross domestic product (a)	0.4	0.5	0.3	0.4	0.2	0.3
Household final consumption expenditure (a)	0.5	0.7	0.8	0.6	0.4	0.6
Household disposable income (b)	0.8	0.9	0.8	0.8	1.5	1.0

(a) Percentage year to year changes in chain-linked volumes. (b) Percentage year to year on current values

GDP growth: Bolzano in the lead. the worst performances for Marche and Abruzzo

At the regional level it is the Autonomous Province of Bolzano-Bozen that recorded the highest GDP growth in volume, with an increase of 1.5% compared to the previous year, followed by Sardegna, where GDP grew by 0.8%, compared to 0.3% in 2018, and Lombardia, Emilia Romagna and Puglia (+0.7%).

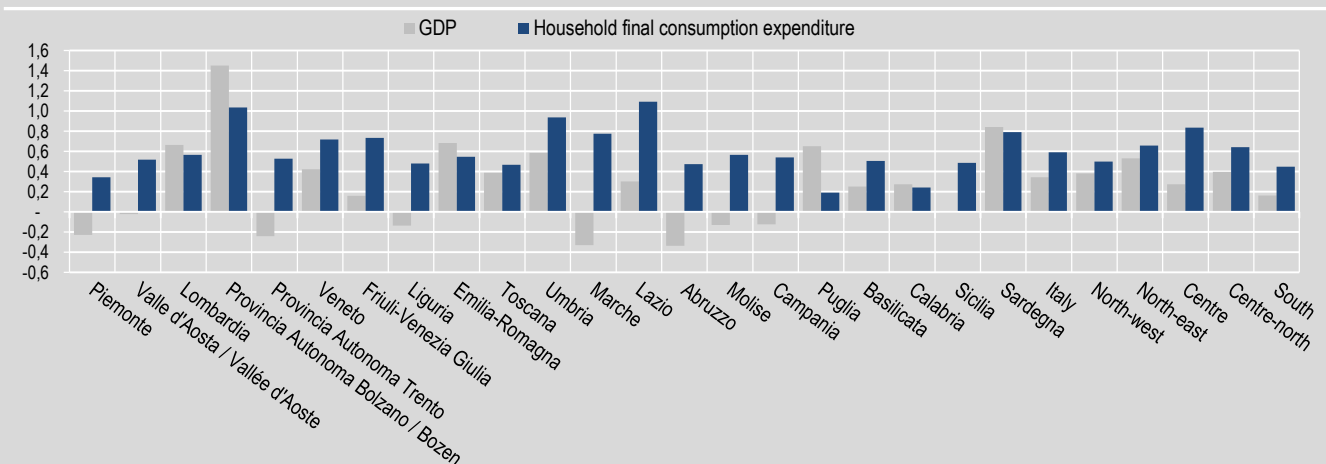
Umbria (+0.6%), Veneto and Toscana (both with a 0.4% increase) were also above the national average. In Basilicata, although in line with the national average, economic growth slows down significantly: in 2019, GDP increased by 0.3%, compared to 2.9% in the previous year.

GDP in volume in 2019 shows a decrease in Liguria, Campania, Molise (-0.1%), Piemonte and the Autonomous Province of Trento (-0.2%); the largest declines are recorded in Marche and Abruzzo (-0.3%).

As concerns household final consumption expenditure, the most significant increases were recorded in Lazio (+1.1%) and the Autonomous Province of Bolzano-Bozen (+1%), followed by Umbria (+0.9%). Marche and Sardegna (+0.8%). The lowest growth is instead recorded for Puglia and Calabria (+0.2%), slowing down significantly compared to 2018.

FIGURE 1. GDP AND HOUSEHOLD FINAL CONSUMPTION EXPENDITURE

Year 2019. percentage changes in chain-linked volumes



GDP per inhabitant: Bolzano-Bozen in first place and Calabria in last place

With 36.8 thousand euros in 2019 (36.5 thousand in 2018), the North-West remains the geographical area with the highest GDP per inhabitant (measured in nominal terms). It is followed by the North-East, with 35.5 thousand euros (35.1 thousand in 2018) and the Centre, with 32.1 thousand euros (31.7 thousand in 2018). The South, with 19.2 thousand euros (just over half that of the North-west), slightly exceeds the 2018 level (19 thousand euros).

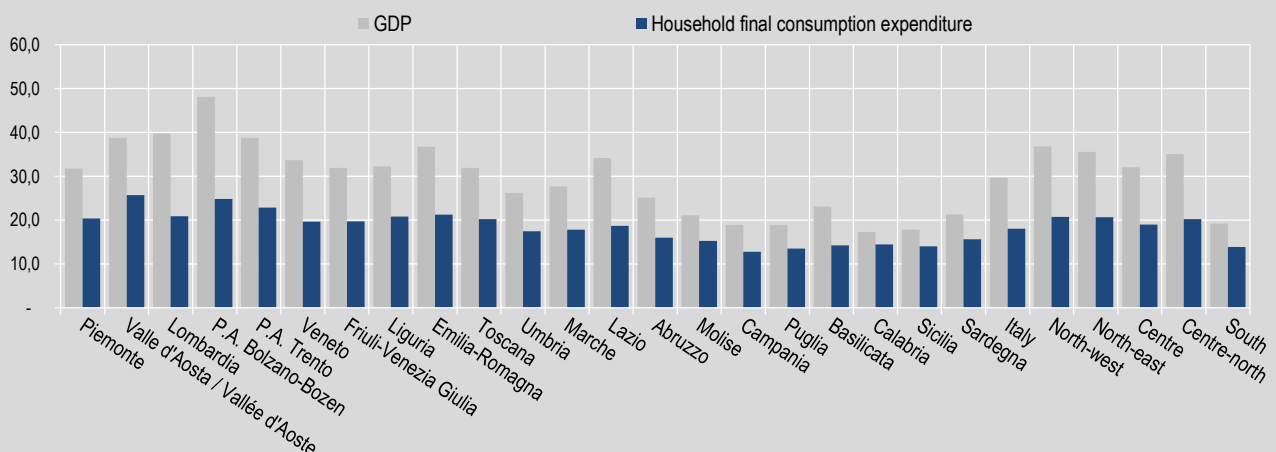
The regional ranking sees the Autonomous Province of Bolzano-Bozen at the top, with a GDP per inhabitant of 48.1 thousand euros, followed by Lombardia (39.7 thousand euros) and Valle d'Aosta/Vallée d'Aoste (38.8 thousand euros).

At 34.2 thousand euros, Lazio is the leading central region in terms of GDP per inhabitant. In the South, the first region is Abruzzo with 25.1 thousand euros, while the last place in the ranking is occupied by Calabria, with 17.3 thousand euros.

In 2019 in Italy households final consumption expenditure per inhabitant at current prices was 18.1 thousand euros. The highest values of per capita expenditure are recorded in the North-West (20.8 thousand euros) and the North-East (20.6 thousand euros); the South, on the other hand, confirms itself as the area where the level of expenditure is lowest (13.9 thousand euros).

On a more detailed territorial basis, the highest level of per capita final consumption is recorded in Valle d'Aosta/Vallée d'Aoste and in the Autonomous Province of Bolzano-Bozen (respectively 25.7 thousand and 24.8 thousand euros), while the lowest level is recorded in Campania (12.8 thousand euros).

FIGURE 2. GDP AND HOUSEHOLD FINAL CONSUMPTION EXPENDITURE PER INHABITANT. Year 2019.
thousands of current euros



Employment grows in the North-East, stagnates in the South

At the national level, total labour input, measured in terms of the number of employed persons, increased by 0.5% in 2019. Growth was not homogeneous in all the areas of the country.

More in detail, the traditional dichotomy between North and South is confirmed by employment growth significantly above the national average in the North, mainly thanks to the contribution of the North-East. In contrast, the Centre and, above all, the South recorded lower increases.

In the North-east employment is up by 1.2% compared to 2018, mainly due to a 1.4% increase in Services and a 0.9% increase in Construction, offset by a slight decrease of -0.2% in Agriculture.

In the North-West growth in labour input (+0.6%) is slightly higher than the national average, due to a substantial increase in the number of people employed in Agriculture (+3.4%) and smaller increases in Industry (+0.8%) and Services (+0.5%), while Construction contracted by 0.4%.

In the Centre employment in 2019 grew by 0.3%, reflecting an increase in the number of people employed in Services (+0.5%) and generalised declines in all other productive sectors.

Finally, total employment in the South increased by only 0.1%, with positive dynamics only for the Services sector (+0.3%); Construction recorded a drop of almost two percentage points and Industry (-0.3%) and Agriculture (-0.1%) limited reductions.

FIGURE 3. EMPLOYMENT BY SECTOR AND GEOGRAPHICAL AREA.

Year 2019. percentage changes from previous year



Still in the South the highest incidence of the non-observed economy

In 2018, the latest year for which information is available, the non observed economy (the sum of the submerged and illegal components) represents 13.1% of total value added in Italy (the incidence on GDP is 11.9%): the most relevant components are the revaluation of the under-reporting of the value added of enterprises (5.9%) and the use of irregular labour input (4.9%). The illegal economy and other minor components (tips, undeclared rents and supply-demand integration) account for the remaining 2.3%.

The incidence of the non observed economy is very high in the South, where it represents 18.8% of the total value added, followed by the Centre (13.8%). The incidence in the North-East (10.9%) and the North-West (10.3%) is considerably lower and below the national average.

The relative weight of the three different components of the non observed economy is also confirmed at the divisional level; the revaluation from under-reporting is the most important, reaching a peak in the South (8% of the value added) while it has the lowest incidence in the North-west (4.7%).

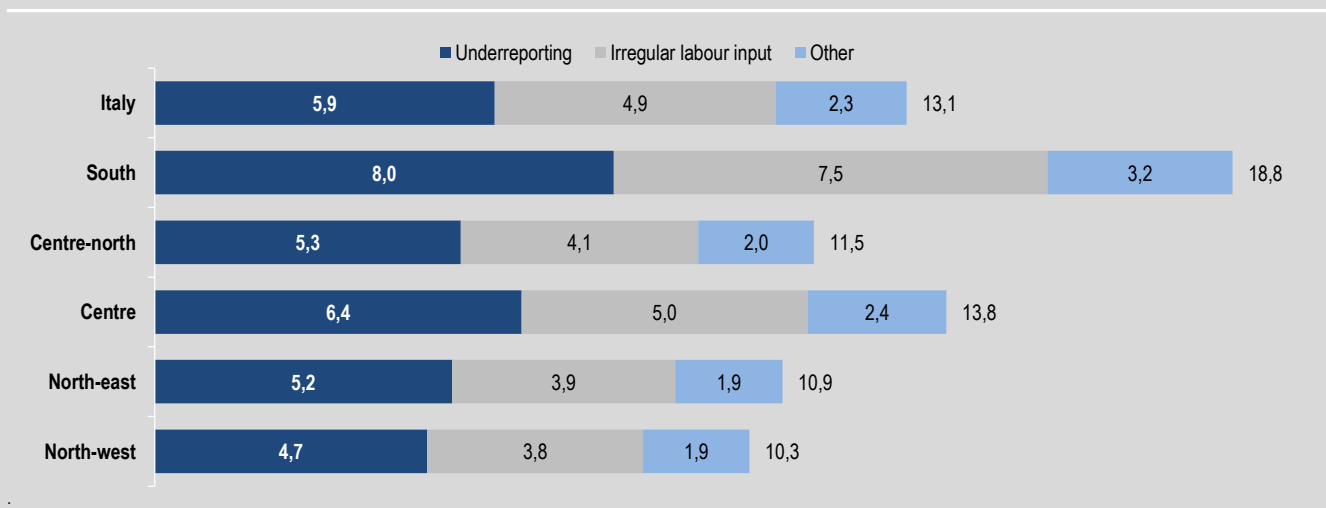
The share of value added generated by the use of irregular labour input is also significant in the South, where it stands at 7.5%. The incidence is slightly higher than the national average (4.9%) in the Centre (5%), while it is lower in the other two regions (3.8% in the North-west and 3.9% in the North-east).

Calabria is the region where the weight of the non observed economy is highest, with 21.3% of the total value added; the lowest incidence is in the Autonomous Province of Bolzano-Bozen (8.4%).

Puglia (8.9%), Molise and Marche have the highest share of under-declared value added (both 8.2%); the lowest shares are recorded in the Autonomous Province of Bolzano-Bozen (2.8%) and the Autonomous Province of Trento (3.7%).

The weight of undeclared work due to the use of irregular labour input is particularly high in Calabria (9.8% of value added) and Campania (8.5%), the lowest shares being observed in Lombardia (3.6%) and Veneto (3.7%).

FIGURE 4. INCIDENCE OF THE COMPONENTS OF THE NON OBSERVED ECONOMY ON VALUE ADDED. Year 2018. percentage values



Milan, Bolzano and Bologna are the provinces with the highest value added per capita

The provincial data published here refer to the territorial structure as defined following the regional law of 4/2/2016 no. 2, which imposed a reorganisation of the provinces of the region of Sardegna.

In 2018 Milan is the province with the highest value added per inhabitant, at 50.1 thousand euros, almost double the national average (26.3 thousand euros). It is followed by the Autonomous Province of Bolzano-Bozen, with over 42 thousand euros, and Bologna with 37.3 thousand.

With 13.5 thousand euros Agrigento and Caltanissetta have the lowest value added per inhabitant; only marginally better off is South Sardegna, with about 13.7 thousand euros.

From the point of view of the importance of the production segments, the greatest contribution in absolute terms is provided almost everywhere by business, financial and real estate services (which nationally account for 28.3%), with 18.7 thousand euros per inhabitant in Milan and about 11 thousand in Rome; the sector's value added per inhabitant is instead the lowest in Crotone (3.3 thousand euros).

Trade, transportation, accommodation and food, and telecommunications services also make a higher contribution in the province of Milan (15.9 thousand euros per inhabitant), followed by Bolzano (12 thousand euros) and Rome and Genova (approximately 10 thousand euros). The lowest value is recorded in Enna, Caltanissetta and South Sardegna, all with 2.8 thousand euros per inhabitant.

The contribution of public services and other private services to households is significant in the provinces of Aosta (9.4 thousand Euros value added per inhabitant), Bolzano-Bozen (9 thousand), Rome (8.7 thousand) and Cagliari (8.3 thousand). The lowest value is recorded in Barletta-Andria-Trani (3.7 thousand euros).

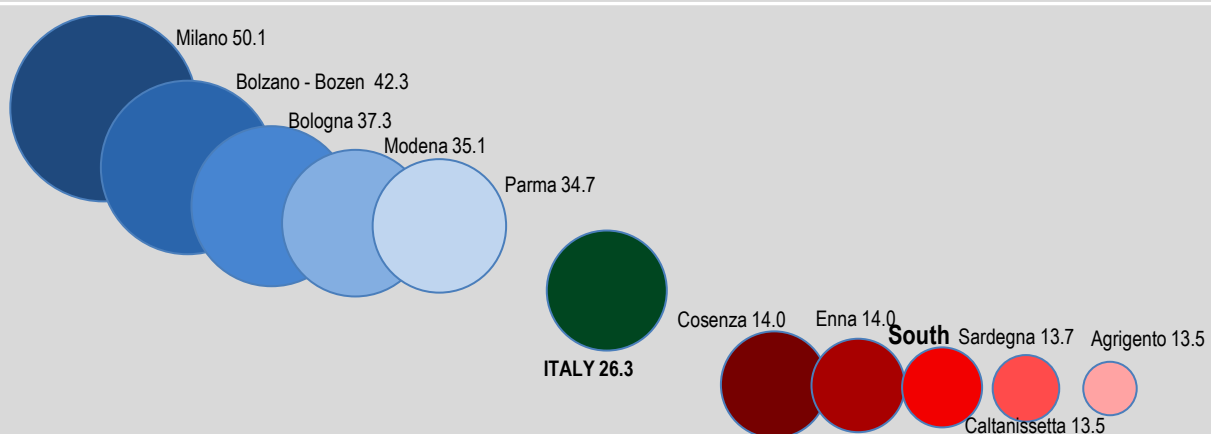
The weight of industry is particularly significant in many provinces of the North-East, especially in Modena (12.6 thousand), Vicenza (12.2 thousand euro) and Reggio nell'Emilia (11.8 thousand). The value added per inhabitant of industry is, on the other hand, around 800 euros in Caltanissetta and Reggio Calabria.

The value added per inhabitant in the Construction sector exceeds 2 thousand euros only in Bolzano.

Finally, Agriculture makes the most significant contribution in the provinces of Bolzano and Pistoia (with approximately 2 thousand euros of value added per inhabitant) and, in the South, in those of Foggia and Oristano (approximately 1.6 thousand euros).

FIGURE 5. VALUE ADDED PER CAPITA: THE 10 PROVINCES FURTHEST FROM THE NATIONAL AVERAGE

Year 2018. thousands of current euros



In the South the strongest growth in disposable income in 2019, but the gap remains

In 2019 consumer households disposable income at current prices increased by 1% for the national economy as a whole compared to 2018. Growth was stronger than the national average in the South (+1.5%), where income was supported by increases in social benefits, in particular the 'citizenship income'. The highest changes were recorded in Sicily and Campania (+1.7%), followed by Abruzzo and Basilicata (+1.5%). The income growth in Calabria, Puglia and Sardegna is also higher than the national average.

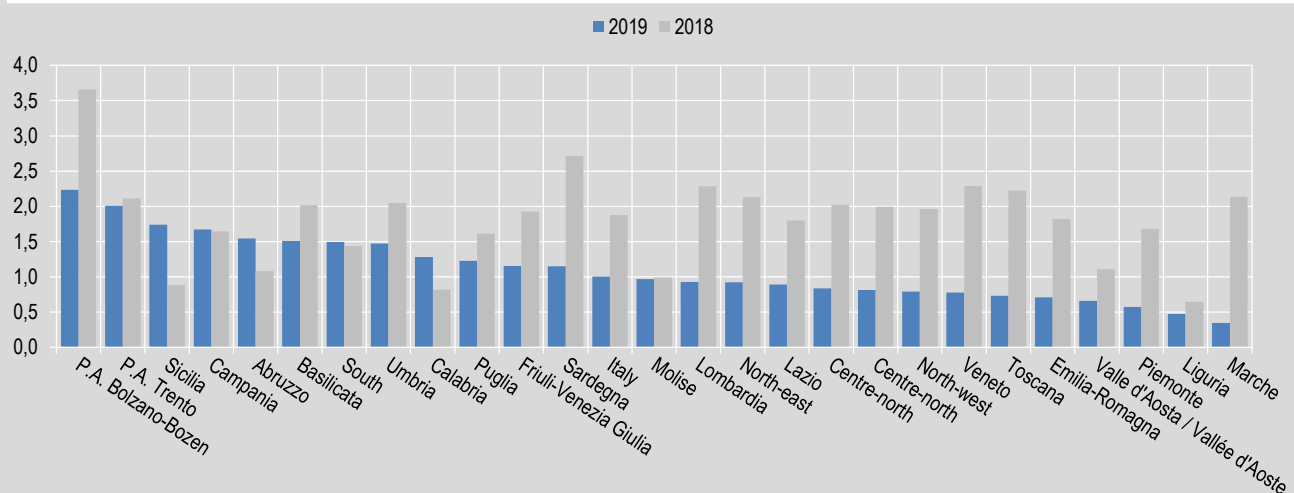
In the North-East disposable income increased by 0.9% compared to 2018: this area includes the two regions where the dynamic was highest, namely Bolzano-Bozen (+2.2%) and Trento (+2%).

In the North-west the increase was 0.8%, with the best result in Lombardia (+0.9%), followed by Valle d'Aosta (+0.7%) and Piemonte (+0.6%); in Liguria the growth in disposable income was the second lowest in the country (+0.5%). In Central Italy resident households experienced an increase in disposable income of 0.8%; the most marked growth was recorded in Umbria (+1.5%), while it was around the average in Lazio (+0.9%) and Toscana (+0.7%). The result recorded by Marche was unfavourable (+0.3%) and, of all the Italian regions, it. was the one with the lowest growth rate.

In 2019 households residing in the North-West have the highest level of income per inhabitant (22.6 thousand euros), followed by those residing in the North-East (22 thousand euros) and the Centre (20 thousand euros). In the South per capita income rose from 13.9 to 14.2 thousand euros, an increase of 2%, higher than in the other districts; however it maintains a negative differential of 26% compared to the national average.

The ranking of disposable income per inhabitant essentially confirms the situation of 2018: the Autonomous Province of Bolzano-Bozen is at the top, with 26.9 thousand current euros (26.3 thousand in 2018), followed by Lombardia (23.3 thousand euros) and Emilia-Romagna (23 thousand euros). Calabria closes the ranking with 13.2 thousand euros (12.9 in 2018), preceded by Campania and Sicily (13.7 thousand euros and 13.8 thousand euros respectively).

FIGURE 6. DISPOSABLE INCOME OF CONSUMER HOUSEHOLDS. Years 2018 and 2019, percentage changes



Further information is available in the tables attached to the Italian version of the report (<https://www.istat.it/it/archivio/251960>)

For technical and methodological information

Alessandra Agostinelli

tel. 06 4673.3130
agostine@istat.it

Carmela Squarcio

tel. 06 4673.3135
squarcio@istat.it