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## Recession reports - Italian unemployment surges

*Thursday, 14 Jan, 2010*

Bloomberg reported that Italy's unemployment rate rose in November to the highest in more than 5 years as companies continued to shed jobs after the worst recession in 60 years.

The national statistics office Istat said that joblessness increased to a seasonally adjusted 8.3% from 8.2% in October. That was the highest since March 2004.

Mr Marco Valli chief Italian economist at UniCredit Research in Milan said that "It will take a long time before the slack in the labor market is re absorbed and firms start hiring again. Employment growth is a matter for 2011 at the earliest."

Italian economy expanded in the three months through September after five straight quarters of contraction. Recovery across the euro region boosted demand for Italian exports, and government incentives for car and appliance purchases helped manufacturers, helping limit the drag of rising joblessness on domestic demand.

Mr Maurizio Sacconi Italian labor minister said last month that the jobless rate will remain below 10% this year as the government subsidized temporary layoffs that kept some jobless workers from swelling the unemployment ranks.

(Sourced from [www.bloomberg.net](http://www.bloomberg.net))

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