

# The Parliamentary Enquiry into Unemployment in Italy

by

GIORGIO RUFFOLO

The Enquiry into Unemployment, which arose out of a motion introduced in the Chamber by four Deputies (1) on 28th November, 1950, and adopted by the Chamber on 4th December, 1951, was set going on 30th May, 1952, when the Commission of Enquiry was appointed. The first stage of the Enquiry was completed at the end of March 1953.

The main purpose of the Enquiry was stated as follows by the Chamber: «to make a thorough and exhaustive enquiry into the present situation regarding unemployment and under-employment in Italy and into the condition and vocational status of the unemployed» (2).

In the few months during which it has been at work, and in spite of difficulties and obstacles, the Commission has collected a large and comprehensive mass of material which it has arranged to meet the purposes of four series of investigations: (a) a general survey aimed at «measuring» the quantity and appraising the quality of unemployment; (b) direct questioning of unemployed persons, experts, trade union leaders, administrative authorities; (c) special enquiries into certain selected aspects of the problem; (d) regional monographs. The material, brought together in 15 volumes of which 4 have already been published (3) will serve as a basis for the final Report which will sum up, in a first descriptive part, the results of the Enquiry and will

(1) The Hon. Tremelloni, Saragat, Bennani and Vigorelli (Doc. 1682 of the Chamber of Deputies).

(2) Parliamentary Commission of Enquiry into Unemployment: *L'inchiesta parlamentare sulla disoccupazione dalla « proposta » al programma di lavoro in corso*, Descriptive Monograph No. 1, Rome, 10th September, 1952.

(3) Part I of Vol. 1; Parts I and II of Vol. 2; Part I of Vol. 4.

present, in the second part, a diagnosis of the phenomenon, and a plan of action (4).

A summary statement of the results of the principal enquiries arranged by the Commission allows of some useful observations, even though they are still incomplete and approximate, on the magnitude, the limits, and the main characteristics of unemployment in Italy.

1. — Until now, as is known, the only means available for «measuring» unemployment in Italy was provided by the registrations at the Labour Exchanges. Attention has frequently been drawn to the reasons why these statistics are of doubtful validity (5). They are vitiated by their one-sided character, in that they are limited to the most superficial aspect of the phenomenon, *i.e.* to the number of persons seeking work through the official channels of the Labour Exchanges. The ten enquiries which the Commission arranged and which have been carried out by public and private organisations (6) were aimed at pro-

(4) The Report will consist of two parts: «The facts» and «The proposals».

(5) References to statistical data on unemployment and explanations thereof can be found in several articles that have been published in this Review. See in particular *Unemployment statistics in Italy, with special reference to Southern Italy*, by A. MOLINARI, No. 21, 1952; *Statistical Appendix, Explanatory Notes: Unemployment*, p. 71, No. 8, 1949; *Compulsory Unemployment Insurance in Italy*, by G. PAPA, No. 23, 1952.

(6) The following is the list of the enquiries: (a) a national statistical survey of the labour force, conducted by the Central Institute of Statistics; (b) a revision of the registration lists at the Labour Exchanges, conducted by the Ministry of Labor; (c) an enquiry into labor turnover, made by the Institute for Economic Studies; (d) an enquiry into the physical and psychological conditions of unemployed workers, made by the *Ente Nazionale Protezione Infortuni*; (e) a survey of pensioners of the National Institute of Social Insurance who are also gainfully employed by others; (f) an enquiry into the degree of employment of rural groups, conducted by the National Institute of Agrarian Economy; (g) an enquiry into the family budgets of

viding the basis for a less incomplete quantitative and qualitative evaluation of the *effective* amount of «idleness» (7) among the Italian population. The core of the study is constituted by two enquiries: (a) the enquiry regarding the *labour force*, made by the Central Institute of Statistics; and (b) the special revision of *the registration lists at the Labour Exchanges*, conducted by the Ministry of Labour. Two other enquiries throw light on some fundamental aspects: (c) the *degree of employment of rural groups* (made by the National Institute of Agrarian Economy) and (d) the *labour turnover in firms* (by the Institute for Economic Studies) (8).

## The Criteria Used in Collecting Data and the Purposes of the Four Enquiries.

2. — (a) The first enquiry, that of the ISTAT on the labour force *provides a general picture of the «active» population* (employed and unemployed labour) and of the «inactive» (*i.e.* those with no trade or profession) obtained by the use of «sample» investigations.

The «sample» used consists of 58,397 families, distributed over the several parts of the country in proportion to the population. The families were selected from 627 Communes, grouped: (a) according to population; (b) according to the degree of «ruralness» (ratio of the agricultural to the total active population); and (c) according to the type of agricultural area (mountain, hill or plain). The families in each Commune were selected from the population registers, by drawing lots. The total number of persons included in the «sample» numbers 233,131, representing 5 per mil of the total population. The process of collect-

the unemployed, conducted by the Central Institute of Statistics; (h) an enquiry into the demand for and available supply of labour, on *métayer* farms in Tuscany, made by a Working Group of the Commission; (i) an enquiry into the competitive examinations announced by Public Bodies; (j) an investigation of the registration lists of agricultural labourers drawn up for insurance purposes.

(7) The expression «idleness» (*disimpiego*) has been adopted by the Commission to define the total magnitude of the idle labour force. It covers both unemployment in the strict sense and the several forms of under-employment.

(8) For the sake of brevity we shall refer to these four enquiries in this paper respectively as: (a) ISTAT, (b) Ministry of Labour, (c) INEA, and (d) ISE.

ing information took the form of direct interviews with the families, made by a thousand investigators, and it lasted one week, from 14th to 20th September, 1952. The results, worked up by the ISTAT, refer to the previous week, from 7th to 13th September, 1952.

(b) The purpose of the second enquiry, made by the Ministry of Labour, was to improve the methods of registration at the Labour Exchanges, with a view to defining more accurately the size and composition of the «official» labour market.

Unlike the ISTAT enquiry, the revision of the registers made by the Ministry of Labour has taken the form of a real *census* of the persons registered, so planned as (a) to exclude any possible «infiltration» of employed persons into the lists, and (b) to obtain an adequate knowledge of the «qualitative» composition of the lists (with divisions by geographical area, economic sector, trade or profession, sex, age, civil condition, grade of education, etc.). The data refer to 30th September, 1952.

(c) The third enquiry (that of the INEA) was made with a special view to ascertaining the importance of latent under-employment in agriculture. It provides a general survey of the degree to which rural groups are employed, and two surveys of a special character. The first of these deals with the degree of agricultural employment in areas under extensive cultivation in Central and Southern Italy. Returns were obtained for 110,000 families, numbering some 600,000 persons. The second of the two surveys deals with the seasonal character of employment, and was carried out by examining the work calendars of «representative» peasant families taken from all parts of the country. Another enquiry into the degree of agricultural employment in the lower Valley of the Po had already been made by the INEA (9).

(d) The fourth report on the rigidity of the demand for labour in industry, has been made by the ISE which examined the labour turnover (hirings and dismissals) for a representative group of firms.

(9) See G. MEDICI and G. ORLANDO, *Agricoltura e Disoccupazione*, Bologna, 1951.

The enquiry covers 188 concerns, selected to represent all the leading branches of industry, employing 254,000 persons, equivalent to 8.6 per cent of the total number employed

comparison with similar enquiries made in France and the United States (10).

Table II points to the low ratio of the labour force (inclusive of the unemployed) in

TABLE I - COMPOSITION OF THE LABOUR FORCE

Population, classified according to employment status	Below 14		14 and above		Total	
	Thousands	%	Thousands	%	Thousands	%
1. Labour force . . . . .	202.7	1.8	19,155.5	53.5	19,358.2	41.1
Employed . . . . .	202.7	1.8	17,869.3	49.9	18,072.0	38.4
- workers self-employed or employed by others . . . . .	51.6	0.5	14,405.6	40.2	14,457.2	30.7
- assistants . . . . .	151.1	1.3	3,463.7	9.7	3,614.8	7.7
Unemployed . . . . .	—	—	1,286.2	3.6	1,286.2	1.3
- formerly employed . . . . .	—	—	608.5	1.7	608.5	1.3
- in search of first job . . . . .	—	—	677.7	1.9	677.7	1.4
2. « Inactive » . . . . .	11,100.7	98.2	16,679.3	46.5	27,780.0	58.9
- working in the home . . . . .	340.2	3.0	11,992.0	33.4	12,332.2	26.2
- students . . . . .	4,965.4	43.9	1,182.6	3.3	6,148.0	13.0
- others . . . . .	5,795.1	51.3	3,504.7	9.8	9,299.8	19.7
Total (1+2) . . . . .	11,303.4	100.0	35,834.8	100.0	47,138.2	100.0

in the branches considered. The concerns investigated were located in four areas centering on Milan, Turin, Genoa and Rome respectively.

Italy (53.5 per cent) as compared with the American figure (57.3 per cent) and the French (63.8 per cent).

### The ISTAT Enquiry into the Labour Force on 8 September, 1952.

#### 3. — The composition of the labour force in Italy.

Table I summarises the general results of the enquiry made by the Central Institute of Statistics.

Even if taken at their face value and without the qualifications which will be given further on, the ISTAT figures enable us to infer some significant facts and problems:

(a) First of all Table I show the high ratio of « inactive » to total populations: 58.9 per cent (some 28 millions people) are not employed or actively seeking employment. If we exclude from the calculation those who are under 14, and consider only those who are of working age, the proportion « inactives » falls to 46.5 per cent. Using the figures excluding the under-fourteens, we may make a summary

TABLE II - EMPLOYMENT STATUS OF CIVILIAN POPULATION OVER 14 (Percentages)

	Italy	France	U. S. A.
1 - Labour Force . . . . .	53.5	63.8	57.3
Employed . . . . .	49.4	62.9	56.2
Unemployed . . . . .	3.6	0.9	1.1
2 - Inactive . . . . .	46.5	36.2	42.7
Total (1+2) . . . . .	100.0	100.0	100.0

If we take the labour force exclusive of the unemployed, and consider only the employed, the comparison is still more unfavourable: 49.9 per cent in Italy as against 56.2 per cent in the U.S.A. and 62.9 per cent in France. But this is not all. Apart from considerations con-

(10) The French enquiry refers to December, 1951, and the American to October, 1952.

cerning differences of date and the different criteria used in making the returns, the figure for the employed as given by the ISTAT enquiry is an overestimate, for reasons that will be given in section 4.

(b) The occupational structure as depicted by the results of the enquiry classified by economic sectors, shows the « mixed » (agricultural-industrial) character of the Italian economy (see Table III).

TABLE III - OCCUPATIONAL STRUCTURE

	Employed	
	Thousands	%
Agriculture . . . . .	7,494.3	42.4
Industry . . . . .	5,609.8	31.7
Transport . . . . .	659.1	3.7
Commerce, banking, insurance . . . . .	1,882.1	10.6
Public administration . . . . .	1,044.0	5.9
Other activities . . . . .	998.7	5.7
Total employed population (1)	17,660.0	100.0

(1) Excluding the Armed Forces.

In spite of the marked industrial expansion of the last fifty years, agriculture is still the main activity in Italy, accounting for 42.4 per cent of all employed persons. The Italian economy may therefore still be described as « a mixed economy of a predominantly agricultural character ». As is shown by a summary comparison with the data for the distribution of the employed labour force in France and the U.S.A. (see Table IV), the number engaged in agricultural activities is definitely higher than in France (a mixed economy predominantly industrial in character), and is the

TABLE IV - COMPARATIVE FIGURES FOR RATIO OF AGRICULTURAL TO NON-AGRICULTURAL ACTIVITY

	Percentages		
	Italy	France	U.S.A.
Engaged in agricultural activities . . . . .	42.4	31.8	11.7
Engaged in non-agricultural activities . . . . .	57.6	68.2	88.3
Total employed . . . . .	100.0	100.0	100.0

reverse of the situation existing in the U.S. where 88 per cent of the employed population is engaged in non-agricultural activities.

The prevalence of agriculture in Italy is a powerful factor making for rigidity in the labour market. In particular, unemployment for the most part takes the forms which are typical of an agricultural economy: the forms, that is to say, of chronic and seasonal unemployment and of under-employment, as contrasted with the cyclical form which is characteristic of industrially advanced economies.

(c) The following table sums up the geographical distribution of Italian employment:

TABLE V - GEOGRAPHICAL DISTRIBUTION OF EMPLOYMENT

	Persons employed	
	Thousands	% of population
Northern Italy . . . . .	8,697.5	42.5
Central Italy . . . . .	3,313.8	39.1
Southern Italy . . . . .	4,014.0	34.6
Islands . . . . .	1,662.7	30.0
	17,688.0 (a)	38.3

(a) Excluding the Armed Forces.

The degree of employment in Italy falls gradually as we proceed from North to South: it falls from 42.5 per cent of the total population in Northern Italy, to 30 per cent in the Islands. Some two-thirds of the population in Southern Italy and the Islands are inactive, and are dependent on the other third. This is one of the most symptomatic indices of the « depression » in Southern Italy.

(d) The ISTAT enquiry assesses the number of unemployed at 1,286,000, i.e. at 7 per cent of the total population and at 6.6 per cent of the labour force. (If the groups under 14 are excluded, the ratio of unemployed to the population stands at 3.6 per cent in Italy, as against 1.1 per cent in the U.S. and 0.9 per cent in France). The analytical data published by the Institute of Statistics point to some interesting aspects of the structure and composition of this mass.

The unemployed fall into two distinct groups, of almost like size, but of diverse origin: that of workers formerly employed (608,000) and that of persons in search of their first job (678,000).

The first group consists mainly of adult males, and especially of industrial workers. More precisely, men account for 75 per cent, adults (from 20 to 40 years of age) for 70 per cent, and industrial workers for 60 per cent of the total number. They are, for the most part, workers who have been discharged (46.4 per cent) or who have lost their jobs because the firm has closed down (14.8 per cent). In this group, 16.9 per cent of the unemployed had been out of work at the date of the enquiry for less than a month; 27.25 per cent for from 1 to 3 months, 15.6 per cent for from 3 to 6 months, and 39.7 per cent for more than 6 months. The average duration of unemployment seems therefore to be high; and the fact that over one third of the unemployed had been out of work for more than 6 months is a confirmation of the *chronic character of a large part of the unemployment in Italy*.

The data relating to the second group point to the importance of unemployment among juveniles and among females: indeed 64 per cent of the unemployed in this group belong to the age groups between 14 and 20, and the percentage of women amounts to 39 per cent of the total. The group also includes a large number of *students* who form the kernel of *Italian white-collar unemployment*.

A notable fact also is the difference in the educational status of the two groups considered. In the first only 16 per cent have frequented schools above the elementary level; in the second, on the other hand, the proportion reaches 37 per cent. The low level of education in the first group calls attention to one of the most notable features of Italian unemployment: *the lack of training* which creates a barrier between the supply of and demand for labour that is difficult to overcome. The problem is, moreover, aggravated by the discrepancies between the skills required and those offered: the presence of a great number of university students and graduates (more than

2 per cent of the labour force), who weigh on the market, is typical of the situation.

(e) Another serious problem is that of *bureaucratic inflation*, shown by the very large number of persons employed in the offices of the Public Administration (5.9 per cent of the total number of employed). The 1,000,000 civil servants represent in large parte a body of workers of low efficiency and earning low wages, forming a large depressed sector of the employed population.

(f) As regards the *inactive population*, it consists for the most part of women working in the home (12.3 million) and of students (6.1 million). The other 9.3 million consist of the lowest age groups, the aged, invalids and persons incapable of working, etc. The composition of the inactive population thus calls attention to the grave problem of the lack of productive employment for a *large part of the female and juvenile population*.

4. — As we have already remarked, the above considerations based on the ISTAT enquiry take the figures and statistical groupings at their face value. Taken in isolation, however, they are apt to be misleading, and they should be supplemented by certain qualifications which make the final picture a much more serious one than that so far presented.

(a) The distinction between unemployed and employed persons adopted by the enquiry, tends to restrict the phenomenon of unemployment. Thus the ISTAT enquiry considers as unemployed *only those who at the date of the survey (September 1952) had no employment (even casual or temporary) and who were actively seeking work*. As the report of the Institute of Statistics itself states (11), this is a purely conventional distinction and has been adopted mainly in order to reduce to a minimum the amount of discretionary judgement left to the investigators. A large number of persons classified in the enquiry as being among the employed should really be included among the unemployed either (a) because their work is casual and temporary, or (b) because the number of hours they work per

(11) *Alcune osservazioni sui risultati della rilevazione*, Chap. VII, p. 27 of Vol. I, Part I.

week is very low. Another large class of workers rightly belongs to the category of the under-employed. Fortunately, the enquiry, by drawing a distinction between the several groups according to the number of hours worked, supplies the data for illustrating this point.

TABLE VI - EMPLOYED PERSONS CLASSIFIED BY THE NUMBER OF HOURS WORKED IN THE WEEK THE ENQUIRY WAS MADE

Employed Persons	Thousands	%
1 - Who did not work in the week the return was made	1,151.4	6.5
2 - Who worked . . . . .	16,536.6	93.5
of which:		
less than 15 hours . . . . .	258.6	1.5
from 15 to 39 hours . . . . .	2,878.1	16.3
more than 40 hours . . . . .	13,399.9	75.7
Total number employed (1 + 2) . . . . .	17,688.0	100.0

The 258,600 persons employed for less than 15 hours a week can, roughly speaking, be included in the class of the unemployed, and the 2,878,000 who worked less than the normal 40 hours a week may be considered as under-employed. We thus arrive at a new classification of the labour force which brings us a step nearer to the truth. We have:

Unemployed	1,544,800
Under-employed	2,878,000
Employed	13,400,000
Total labour force	17,822,800 (12)

The criterion of the number of hours of work is of course only a rough one, and the results obtained lend themselves to much sound criticism but, until further facts are ascertained, it is the only one which enables us to distinguish the several degrees of unemployment among the labour force.

(b) We should also take into account the date of the enquiry (7-13.9.52).

For agriculture and the building trade September is a month of high employment. Therefore the returns include among the employed

(12) Exclusive of the Armed Forces, and of the employed persons who were not at work during the week of the enquiry.

— including those working full time — a large number of agricultural workers, and of labourers who are idle during a large part of the year.

(c) Finally it should be observed that the enquiry, by the very fact that it was devised to give a « photograph » of the situation at a given moment, was not such as to bring into relief the phenomenon which is of great importance for the Italian economy, of under-employment in agriculture. The extent of this phenomenon can be ascertained only by calculating the total number of days lost *during the whole of the agricultural year*.

5. — Our conclusion is that the *general picture of the labour force* given by the ISTAT, shows first of all a mass of unemployed in the *strict sense* (i.e. persons without any kind of work) numbering over 1,286,000 persons, to whom must be added at least 258,000 others who are engaged in odd jobs for less than 15 hours a week. Thus we reach a total *one and a half million unemployed*. Next we have 2,800,000 workers on short time, who may be described as under-employed; and, lastly, come the large body of employed numbering 13,400,000. This classification, however, takes no account of *seasonal* unemployment. Nor does it make allowance for the phenomenon of *under-employment in agriculture*.

#### The Special Revision of the Registration Lists at the Labour Exchanges.

6. — The ISTAT census is supplemented by the special revision of the lists kept by the Labour Exchanges (the so-called « official » labour market) made on September 30th, 1952, by the Ministry of Labour. From this it appears that the persons registered at the Labour Exchanges numbered in all 1,715,710, classified as follows (13):

(13) In conformity with the Act of 29 April 1949, No. 264, the entries are classified under five heads, i.e.:

Class 1: persons who are unemployed by reason of having lost the job on which they were engaged immediately before they became unemployed;

Class 2: young people under 21, and others in search of a first job, or discharged from the army;

Class 1 . . . . .	1,033,673
» 2 . . . . .	501,368
» 3 . . . . .	107,547
» 4 . . . . .	34,399
» 5 . . . . .	38,723
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	1,715,710

The two first classes represent the *unemployed* proper, and should be considered apart from the other three classes, which include housewives, persons in receipt of pensions, and employed persons in search of another occupation (14).

(a) The group of the unemployed «proper» (the first 2 classes) accounts, with its 1,535,041 entries, for the great majority (89.47 per cent) of the persons registered. The group falls in its turn into two sub-groups: that «of workers formerly employed» numbering 1,033,673 (or 67.34 per cent of the group and 60.25 per cent of the total number registered), and that of «persons seeking a first job» numbering 501,368 (or 32.66 per cent of the group and 29.22 per cent of the total number registered). The total of the unemployed is equivalent to 3.28 per cent of the total population. It consists to the extent of 69 per cent of men (70.5 per cent for class 1 and 64.7 per cent for class 2). 42.77 per cent of the unemployed are in Northern Italy, 15.34 per cent in Central Italy, 31.27 per cent in Southern Italy, and 10.62 per cent are in the Islands. Young people under the age of 21 account for 24.18 per cent of the total. As regards the individual economic sectors, the data are not divided according to the five classes distinguished above; the available figures refer only to total number of registrations for all five. Given the great numerical superiority of the two first classes, however, we may take the total figures as being sufficiently indicative of the structure of unemployment proper. The percentages of the

Class 3: women engaged in domestic activities in the home and seeking occupation outside;

Class 4: persons in receipt of pensions, seeking occupation;

Class 5: employed persons seeking a different occupation.

(14) See the Report on the *Revisione straordinaria degli iscritti nelle liste di collocamento*, Chap. IV, p. 92, Vol. I, Part I, Proceedings of the Parliamentary Commission.

total attributable to the several sectors of the economy are as follows:

Agriculture . . . . .	21.4
Industry . . . . .	44.4
Transport and communications . . . . .	1.0
Banking and insurance . . . . .	1.5
Commerce . . . . .	2.3
Sundry occupations and services . . . . .	7.7
Labourers . . . . .	19.7
Clerical workers . . . . .	2.0
	<hr/>
	100.0

*It thus appears that the great mass of «registered» unemployment is represented, on the «official» labour market, by workers who were formerly employed in industry, and who have been dismissed or have left their jobs; and they are largely concentrated in Northern Italy.*

(b) Of the remaining 180,669 persons registered, about 60 per cent (107,549 persons) are women occupied in the home and seeking gainful employment. They come mostly from Emilia (22,833), Campania (11,338), Tuscany (9,971) and Lombardy (9,473). Another 19 per cent (34,399) consists of pensioners in search of work; of these largest number (11,342) are in Emilia. The remaining 21 per cent is accounted for by persons in search of other occupations (38,723); they are largely concentrated in Campania (9,838) and in the Abruzzi (5,934).

7. — Certain qualifications have to be kept in mind if we are to understand the real significance of these figures.

(a) The remark made above on the results of the ISTAT enquiry as to the *period* selected for the enquiry applies equally well to the Ministry of Labour survey. The September registrations leave out the considerable number of workers engaged in seasonal work (in agriculture and in building).

(b) Moreover, the registrations do not cover the very large number of persons who are practically unemployed but who do not register with the Labour Exchanges, either because

they do not know about them, or because they distrust their system of placing workers, or out of a misplaced sense of pride. This applies especially to the white-collar workers, and to Southern Italy, or more generally to all the «depressed» areas where the organization of the labour market is still in its infancy.

(c) Like the survey of the labour force made by the sample method, the enquiry into «registered» unemployment also, does not lend itself to the description and analysis of the complex and important phenomenon of *under-employment in agriculture*.

(d) On the other hand, a certain number of the persons registered, even in the case of the first two classes, cannot be considered as totally without work. Many register mainly with a view to receiving a dole, and supplementing by this means the scanty wages received for casual work or for steadily but badly paid work.

#### Comparison Between the ISTAT and Ministry of Labour Enquiries.

8. — While taking due account of the above qualifications, which stress the gaps and imperfections of the two fundamental enquiries, we may nevertheless attempt to compare their respective numerical results, taking the figures at their face value, and introducing some slight amendments in their classification.

To make the two enquiries roughly comparable we include as «unemployed» in the ISTAT figures those whom the ISTAT enquiry shows as «unemployed for less than 15 hours a week», and we exclude from the figures of the Ministry of Labour's enquiry, those registered as unemployed under the last three of its five classes.

As Table VII shows, the total volume of unemployment, defined in a very *restricted* manner, is estimated by both the enquiries at approximately *one and a half million persons*, of whom two thirds are men, and one third women. A direct comparison of the distribution between branches of economic activity is not possible, since the ISTAT makes the calculation only for the unemployed who were

formerly employed, while the Ministry of Labour makes it for all the five classes considered. Both enquiries however confirm the prevalence of unemployment in industry, which is nearly twice that in agriculture, and accounts for about half of the total figure. In agriculture, on the other hand, *the prevalent phenomenon is under-employment*, a phenomenon which neither of the two enquiries has been able to cover but which is dealt with specifically by the I.N.E.A. enquiry.

TABLE VII - NUMBER AND DISTRIBUTION OF THE UNEMPLOYED BY CATEGORY, SEX AND ECONOMIC SECTOR AS SHOWN BY THE TWO ENQUIRIES

	Istat (a)		Ministry of Labour (b)	
	Thousands	%	Thousands	%
Formerly occupied . . . . .	867.3	56.1	1,033.7	67.3
Seeking first occupation . . . . .	677.7	43.9	501.4	32.7
	1,545.0	100.0	1,535.1	100.0
Males . . . . .	1,029.0	66.6	1,039.3	67.7
Females . . . . .	516.0	33.4	495.8	32.3
	1,545.0	100.0	1,535.1	100.0
Agriculture . . . . .	242.4 (c)	27.9	366.8 (d)	21.4
Industry . . . . .	428.2 (c)	49.3	762.7 (d)	44.4
Other occupations . . . . .	186.5 (c)	22.8	586.2 (d)	34.2
	867.1 (c)	100.0	1,715.7 (d)	100.0

(a) In the case of the ISTAT enquiry, persons occupied less than 15 hours a week have been included in the figures for the formerly occupied.

(b) For the first two classes only, unless otherwise stated.

(c) The distribution refers only to the unemployed who were formerly employed.

(d) The distribution refers to all persons registered at the Labour Exchanges.

It should, however, be noted *that while the two enquiries agree as to quantity there is serious disagreement as to «quality»*. While the ISTAT survey stresses the unemployment of the lower age groups (75 per cent of the unemployed are shown as being under 30), the Ministry of Labour survey gives much more weight to «adult» unemployment (only 49 per cent of the persons registered at the Labour Exchanges are under 30). Like two

intersecting circles, the two enquiries have a zone in common at the centre, and two separate zones at the sides, each revealing a special aspect of the phenomenon: that of the failure to find work among young people in search of their first job (ISTAT), and the unemployment of adults who have already held jobs (Ministry of Labour). This points to a certain divergence — reflected in the two enquiries — between the « official » labour market and the real one. Thus the coincidence of the figures serves to indicate orders of magnitude rather than to give an exact description of the phenomenon in statistical terms.

### The I.N.E.A. Enquiry on Under-Employment in Agriculture.

9. — In agriculture « idleness » among workers has characteristics which are very different from those prevailing in other sectors of the economy, especially in industry. It rarely appears in the form of *unemployment* proper (complete lack of work for an indeterminate period); almost always it appears in the form of *under-employment*. « All agricultural workers find work during part of the agricultural year, for shorter or longer periods, and none remain completely idle ». The degree of idleness cannot therefore be ascertained by taking a census of agricultural workers « at a given moment »; it has to be deduced by calculating the number of days actually worked during the whole of the agricultural year, and comparing them with the total number of available working days. This latter figure has been calculated for each area as the minimum number of days needed to enable the worker to be fully occupied after making allowance for periods of forced inactivity due to weather conditions, holidays, etc. (15).

Total under-employment in agriculture may therefore be estimated at 641 million man-days, equal to 35 per cent of the available

(15) For more detailed information on the principles adopted in making the enquiry see G. MEDICI and G. ORLANDO, *Agricoltura e Disoccupazione: I braccianti della bassa pianura padana*; also G. ORLANDO, *Metodi di accertamento della disoccupazione agricola italiana*, in the « Rivista di Economia Agraria », March, 1952.

working days (amounting to approximately 1,842 million). Expressed in terms of income, this means a *net loss of some 750 million lire per annum*, equal to approximately 7 per cent of the gross national income and to 10 per cent of the net private product in 1952. And this does not « take account of that still larger amount that is lost by agriculture as a result of prevailing low rates of compensation resulting from the heavy demographic pressure, an amount which cannot be estimated ».

TABLE VIII - UNDER-EMPLOYMENT IN AGRICULTURE, 1951-52

	Man-days Worked Thousands	Total Man-days Available Thousands	Days of Under-Occupation	
			Total Thousands	Per man
Northern It. . .	556,815	729,317	172,502	63
Central It. . .	221,905	367,962	146,057	112
Southern It. and Islands . . .	423,062	745,156	322,094	117
Total All Italy .	1,201,782	1,842,435	640,653	94

On an average, as may be seen from the last column of Table VIII, agricultural workers appear to be idle for 94 man-days out of the 270-280 available each year. Therefore, if idleness in agriculture were expressed in terms of employment and unemployment, there would be 2.5 million permanently unemployed agricultural workers out of a total of 7.6 million.

Under-employment in agriculture is highest in the South, where it reaches 43.2 per cent of the total available working days, as compared to 39.7 per cent in Central Italy and 23.7 per cent in Northern Italy. The highest peaks are found in Calabria (55.9 per cent), the Abruzzi (55 per cent), Campania (50.5 per cent), Sardinia (48.8 per cent) and Sicily (47 per cent). If we classify agricultural workers in two main groups, consisting of day labourers on the one hand and farmers (*coltivatori diretti*) on the other, we find that among the first group (numbering 1,876,000 person) under-employment amounts to 54.3 per cent of the total number of available working days

and among the latter (4,930,000 persons) to 32.4 per cent.

TABLE IX - UNDER-EMPLOYED AMONG DAY LABOURERS AND FARMERS

	Days Worked	Total Number of Available Days	Under-employment	
			Thousands	% of available days
Day labourers . .	232.2	508.4	276.2	54.3
Farmers ( <i>coltivatori diretti</i> ) . . .	902.7	1,336.1	433.4	32.4

The effective employment may be divided into « ordinary » and « extraordinary » agricultural work, giving the following proportions:

TABLE X - EMPLOYMENT IN « ORDINARY » AND « EXTRAORDINARY » AGRICULTURAL ACTIVITY

	Man-days Actually Worked	
	Thousands	% of total
1. Ordinary agricultural activities .	1,120,634	93.2
2. Extraordinary agricultural activities	81,148	6.8
of which :		
- due to government intervention	71,842	5.9
(a) through the fixing of the number of men to be employed	18,958	1.5
(b) through work camps ( <i>cantieri di lavoro</i> ) and reforestation .	30,967	2.5
(c) through land-reclamation works	21,917	1.8
- due to seasonal emigration and non-agricultural activities . .	9,306	0.7
Total . . .	1,201,782	100.0

Government intervention through work camps (*cantieri di lavoro*), through land-reclamation, and through the fixing of the number of men to be employed on farms, has therefore accounted for about 6 per cent of total agricultural employment.

We may conclude that agricultural under-employment is of fundamental importance, affecting more than one third of the labour force in agriculture. Its principal causes are two. The first is in the demographic pressure which leads to an *exceptionally high den-*

sity of the agricultural population in Italy. Table XI (16) affords eloquent proof of this.

TABLE XI - PRODUCTIVE LAND AVAILABLE PER AGRICULTURAL WORKER IN SELECTED COUNTRIES

Countries	(Hectares)	Countries	(Hectares)
Belgium . . . .	2.78	Great Britain . .	15.34
Czechoslovakia . .	3.42	Spain . . . . .	4.10
Denmark . . . . .	5.64	Holland . . . . .	3.85
France . . . . .	4.46	United States . .	23.64
West Germany . .	2.53	Japan . . . . .	0.34
Italy . . . . .	1.76	Egypt . . . . .	0.57

The density of the population engaged in agriculture in Italy is exceeded only by that prevailing in Egypt and Japan. The second cause is the *extreme irregularity of the so-called « work diagrams »* which fluctuate between very high points in harvest times and very low points in the dead seasons.

There is therefore need, on the one hand, to lighten the pressure of population in the agricultural areas, and to absorb the « surplus » labour in other activities (17). On the other hand, there is need to rationalise the organisation of agriculture by introducing supplementary crops, and secondary industrial processes, by intensifying animal husbandry, etc., so as to secure greater regularity throughout the year in the demand for labour, and thus provide steady employment.

The reduction of the density of the rural population would not alone help to eliminate under-employment; sometimes, as in the typical case of mountain depopulation, it might even aggravate conditions in the poorer areas, and lower the income.

### The Enquiry of the I.S.E. on Labour Turnover in Industry.

10. — The enquiry made by the Institute for Economic Studies (I.S.E.) throws light on an important aspect of the problem of *labour mobility*, and especially on that of *mobility*

(16) Taken from G. MEDICI and G. ORLANDO, *op. cit.*, p. 54.

(17) On this point see A. MOLINARI, *Future responsibilities of Italian industry*, in No. 1 of this Review.

between firms on « labour turnover ». Labour turnover in the broad sense covers all the movements of employed workers; in a more limited sense it may be calculated for a single economic sector, e.g. for industry, or for a single concern through a statistical investigation of the rate of engagements and dismissals of workers over a given period (18).

The I.S.E. first of all established — on the basis of the Italian demographic situation — that the minimum level of « biological » turnover (i.e. the turnover that is brought about exclusively by the natural movement of the population) is 2 per cent of the total body of employed workers. It then attempted through its enquiry — made as we have said for a representative group of industrial firms — to ascertain the actual rate of turnover in Italian industry in 1950 and 1951. The results, given separately for workers and clerical employees in the several sectors considered, are summarised in Table XII. The data refer to 1951.

TABLE XII - RATES OF LABOUR TURNOVER

	Workers (a)		Clerical Employees (b)	
	Entering	Leaving	Entering	Leaving
Industry . . . . .	(2)	(2)	(2)	(2)
Mining and Quarrying . . . . .	14,07	12,15	7,04	5,99
Textile . . . . .	8,07	6,50	4,66	4,24
Metal . . . . .	4,23	7,18	5,71	6,42
Engineering . . . . .	4,19	6,20	3,42	4,74
Chemical . . . . .	12,79	10,11	23,64	18,21
Electric . . . . .	6,71	5,68	5,10	5,58
Sundry . . . . .	7,62	6,31	3,23	4,02
Total . . . . .	7,00	7,46	9,22	8,44

(a) The workers on the pay-rolls of the concerns considered by the enquiry are 221,806 and the clerical employees 32,155. The total of 253,961 represents 8.6 per cent of the total number of persons engaged in the branches considered (2,963,220 according to the census of 5/11/1951).

(b) Exclusive of those entering or leaving by reason of their being merely transferred from one plant to another.

(18) For the meaning of « labour turnover » and for an analysis of the methods of calculation used, see E. CARANTY, *Aspetti del Labour Turnover*, in « Rassegna di Statistica del Lavoro », 3, 1951, p. 150; L. URSELL, *Technical Note on Labour Turnover*, U.S. Bureau of Labor Statistics, Washington, 1948, pp. 496-504; F. VINCI, *La mobilità della mano d'opera durante la guerra*, in « Rivista delle Società Commerciali », 8, 1918, p. 685; P. F. BRISBUDEN - E. FRANKEL, *Labour Turnover in Industry, a Statistical Analysis*, New York 1922, p. 13.

The table shows that the total rate of turnover for workers fluctuated between 7 and 8 per cent. The highest percentages are found in mining and quarrying and in the chemical industry. In the case of clerical employees the average rate fluctuates between 8 and 9 per cent, and here again the percentages are highest in the chemical industry.

On the average for industry as a whole, then, the rate of turnover does not exceed 10 per cent and in some branches it closely approaches the « minimum » level of 2 per cent. A comparison of these figures with the data for labour turnover in 1951 in Great Britain and the United States, points to the low availability of employment opportunities in our country as compared with the high availability met with in countries which are more highly developed and which have approximately full employment, such as the Anglo-Saxon countries.

TABLE XIII - RATES OF LABOUR TURNOVER IN GREAT BRITAIN AND THE UNITED STATES

	Figures per 100 workers	
	Entering	Leaving
Great Britain . . . . .	36,2	37,1
United States . . . . .	53,1	52,4

Labour turnover in the United States reaches one half the total number of persons employed; this figure represents the highest degree of labour-mobility to be found anywhere in the world.

The low availability of employment opportunities leads of course to a high degree of seniority in the labour force employed in industry. Thus those with less than 5 years seniority account for only 18 per cent of the workers and 19 per cent of the clerical employees while those with 5 to 9 years seniority account for 35 per cent of the total number both of workers and of clerical employees, and those with 10 to 14 years seniority for 21 per cent of the workers and 24 per cent of the clerical employees.

Average seniority is therefore very high: 11 years and 3 months for workers, and 11 years and 9 months for clerical employees.

In consequence, the average age of the employees is also high: 40 years and 2 months for workers and 41 years and 3 months for clerical employees.

The low availability of employment opportunities and the high average seniority and age of the workers are factors of « inertia » in the structure of Italian industry and contribute towards accentuating its static and conservative features.

### Conclusions.

II. — The general results of the four enquiries, and the comparison between them, allow us to draw some summary conclusion about the « idle » labour force in Italy.

(a) Unemployment in Italy does not affect a single area of the labour supply but extends with varying intensity over the whole labour market, and is a feature of the whole Italian economic structure. The excess of population, arising from the inadequate rate of growth of production, either stagnates over wide areas (the areas of unemployment proper) or else vitiates the whole system of employment, giving rise to wide-spread under-employment, poor employment, and employment at low levels of remuneration.

(b) The first and preliminary results of the enquiries made by the ISTAT and the Ministry of Labour indicate that, roughly speaking, one and a half million workers are unemployed in the strict sense of the word, and that a condition of under-employment exists for over 2 million workers who are on short time.

(c) Under-employment in agriculture, which has been the subject of a special enquiry, apparently extends to more than one third of the total labour force engaged in agricultural activities: expressed in terms of full-time unemployment this would be equivalent to 2½ million unemployed workers.

(d) The data and estimates available on the length and intensity of unemployment, data which are also incomplete, point to the existence of a « chronic » mass of unemployed, accounting for more than half the total number of unemployed, and to another fluctuating mass whose unemployment is due to seasonal, cyclical, and technological factors, etc.

(e) The data on labour turnover point to the rigidity in the structure of Italian industry, and to static and conservative tendencies.

(f) The other analytical data obtained from the enquiries — above all those on « idleness » among the labour force in the several economic sectors and geographical regions — confirm the opinion that the cause of unemployment in Italy lies more especially in the excess agricultural population which is not absorbed by industrial development and by ancillary activities. The excess of the population in relation to available resources is especially noticeable in the mountain areas, in the depressed areas under extensive cultivation, belonging to the large estates (*latifondi*) of the South and Islands, and in the areas in the lower valley of the Po and in Apulia which are farmed by capitalistic undertakings and where extensive cultivation also prevails. This surplus population tends to migrate to the industrial areas of the North and Centre, where its presence gives rise to conditions of chronic unemployment.