Work Quality: comparing 6 European regions

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With its precise goals for member states, in recent years the European Employment Strategy has concentrated the attention of academics and politicians on convergence between overall national employment figures.

In the case of Italy, it is misleading to look at the national employment figures. The rates of employment are lower in the regions of central-northern Italy than in the northern European regions, but not by much. On the other hand, southern regions like Sicily and Calabria have the lowest rates of employment in Europe. The difference between northern and southern Italy is bigger than the difference between the Centre-North of Italy and the northern European regions.

But an in-depth analysis of employment structure and quality reveals a lot of similarities among the Italian regions resulting from their shared institutional history.
In this paper we will use detailed data from the LFS in order to analyse 6 European regions: Lombardy, Tuscany, Sicily, Rhone-Alps (the Lyon region), South-East England (the Oxford region) and Stockholm.

Comparisons were made using the 25-49 age group. The people in this age group have finished their schooling and are in the midst of their working lives, and it does exclude persons more connected with past models.

In order to keep to a slim presentation, we will not show gender differences.

The result is an interesting scenario which compares regions located in different institutional contexts and discredits some clichés in the Italian debate. Here is a quick taste of some of the points:
Italian workers in the industrial and private services sectors are poorly qualified due to the companies’ small size and low technological standard. However, in comparison, workers in public social services have low qualifications too.

Working hours give little consideration to workers’ needs: in contrast with most European regions where trends reflect the theories of Gary Becker, in Italy’s regions women with medium-high levels of education are concentrated in the public sector and have shorter working hours. On the other hand, women with fewer qualifications are faced with the alternative of working long hours in the private sector or leaving work when they have children.

In all European regions, short-term contracts are used in agriculture and the social services in particular. But concealed beneath these apparent similarities are higher percentages of Italians who declare that they have to accept such working conditions against their will.

Let us look at the analysis.
The rates of employment in regions such as Lombardy and Tuscany are a few points lower than the Lisbon objectives for 2010, but much higher than the figures in a southern region like Sicily. There is a remarkable difference within Italy.

But in terms of quality and structure, some systemic similarities emerge across the board.
In general, the lack of schooling among Italians has been put down to the low demand for qualified workers (Nardozzi 2004, Gallino 2007), due to a scattered production pattern and an increasingly low technological profile.

Our analysis confirms these hypotheses. Compared to the regions of northern Europe, there are few areas in our regions offering attractive employment prospects for people with high levels of schooling (in finance, planning, research, hi-tech industries); instead, what they have in common is a high number of people employed in small businesses in fashion, furniture, tourism and the retail trade.

But some trends emerge across the system: the tendency for workers to have a low level of education can also be seen in other sectors. The educational level curve for the Italian regions is constantly lower than in the other regions. In Tuscany, but also in Lombardy, there is a negative trend towards low levels of education in industry and the services sector.

In fact, the level of qualifications of people employed in the social services, which are mainly public in Italy, is also low.

The same goes for the analysis relating to company size. There is a gap separating us from the other European regions whatever the company size.

So we are talking about low educational standards throughout the system. This calls into question both Italy’s production and institutional history.
Percentage of highly qualified people (ages 25-49) employed in the NACE sectors of economic activity.

2007

<table>
<thead>
<tr>
<th>Sector</th>
<th>Toscana</th>
<th>Lombardia</th>
<th>Sicilia</th>
<th>Cataluña</th>
<th>Stockholm</th>
<th>South East</th>
<th>Rhone-Alpes</th>
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<td>Agriculture</td>
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</tbody>
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IRPET Istituto Regionale Programmazione Economica Toscana
Percentage of highly qualified people (ages 25-49) employed in companies per number of workers. 2007

<table>
<thead>
<tr>
<th>Region</th>
<th>Up to 19</th>
<th>20-49</th>
<th>50 and over</th>
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<tbody>
<tr>
<td>Toscana</td>
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<td>Sicilia</td>
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<td>18</td>
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<td>Cataluña</td>
<td>26</td>
<td>29</td>
<td>44</td>
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<tr>
<td>Stockholm</td>
<td>30</td>
<td>41</td>
<td>53</td>
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<tr>
<td>Rhone-Alpes</td>
<td>31</td>
<td>33</td>
<td>38</td>
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</tbody>
</table>

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In order to analyse working hours, we did not make the conventional separation between part-time and full-time work. Instead, we used the effective distribution of workers according to the actual number of hours worked.

Against a background in which the breadwinner model persists, discouraging part-time work for women, on average the working hours in Tuscany and Lombardy are high. There are high percentages of workers who work 40 hours or more.

Short part-time hours are less widespread everywhere compared to medium-length weeks. These are most common in France with the 35-hour working week law.
% DISTRIBUTION OF WORKERS (AGED 25-49) PER NUMBER OF HOURS WORKED, 2007

- Up to 29
- 30-39
- 40 and over
- Varies

Rhone-Alpes: 0%
Sicilia: 4%
South East (Oxfordshire): 2%
Stockholm: -%
Toscana: 3%
Lombardia: 2%
Cataluña: 1%

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In Italy, mid-length working weeks are concentrated in the public sector. This is why there are two extremes of working hours in the Mediterranean regions: part-time or mid-length in the public sector, and long hours in the private sectors (industry or private service sector).

In the northern European regions, the working hours are more similar across the sectors, although they do differ from one region to another. In the case of Stockholm, the peak is low and there is a high level of standardisation. In France, the law on the 35-hour week has even managed to transform the rigid structure of industrial work.
Percentage of workers (aged 25-49) who work 40 hours or more per week in the sectors of economic activity (NACE). 2007
The inverse relationship between working hours and qualifications reveals a paradox.

- Since short working weeks are concentrated in the public sector, which is more attractive for people with high levels of education, in the Mediterranean regions people with a university education have shorter working hours.

- The opposite is the case for northern Europe where more qualified people work longer hours or hours are more similar. So, in Italy and elsewhere, while according to Becker’s hypotheses a high level of qualifications may incite people (especially women) to work, in the Mediterranean regions workers with lower qualifications work longer hours.

- Even though we are not dealing with this topic now, this is a problem for women with low levels of education. They are forced to choose between working long hours or leaving work if they have children.
Percentage of workers (aged 25-49) working 40 hours or more according to levels of qualification. 2007

The graph shows the percentage of workers (aged 25-49) working 40 hours or more according to levels of qualification (Low, Medium, High) in different regions. The regions include Toscana, Lombardia, Sicilia, Cataluña, Stockholm, South East (Oxfordshire), and Rhone-Alpes. The data is presented in a bar chart with the percentage on the y-axis and the regions on the x-axis.
In the Mediterranean regions, workers often have part-time contracts against their will. They do not choose to work part-time due to family requirements, but have to due to the lack of full-time work in the private sector.

% DISTRIBUTION OF PART-TIME WORKERS (AGED 25-49) AND REASONS WHY. 2007

- South East (Oxfordshire)
  - Other reasons: 66%
  - In order to take care of children or other non self-sufficient persons: 50%
  - Not able to find a full-time job: 37%
  - Student or following training courses: 11%

- Rhone-Alpes
  - Other reasons: 21%
  - In order to take care of children or other non self-sufficient persons: 22%
  - Not able to find a full-time job: 28%
  - Student or following training courses: 25%

- Stockholm
  - Other reasons: 30%
  - In order to take care of children or other non self-sufficient persons: 22%
  - Not able to find a full-time job: 28%
  - Student or following training courses: 25%

- Cataluña
  - Other reasons: 39%
  - In order to take care of children or other non self-sufficient persons: 29%
  - Not able to find a full-time job: 40%
  - Student or following training courses: 8%

- Lombardia
  - Other reasons: 27%
  - In order to take care of children or other non self-sufficient persons: 33%
  - Not able to find a full-time job: 34%
  - Student or following training courses: 4%

- Toscana
  - Other reasons: 29%
  - In order to take care of children or other non self-sufficient persons: 33%
  - Not able to find a full-time job: 34%
  - Student or following training courses: 4%

- Sicilia
  - Other reasons: 14%
  - In order to take care of children or other non self-sufficient persons: 70%
  - Not able to find a full-time job: 2%
  - Student or following training courses: 2%

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Lastly, let us consider the temporary work issue.

- Despite the high level of alarm in Italy over the amount of temporary work, in Tuscany and Lombardy the percentages are quite low.

- It is impossible to trace a linear relationship between modern economies and temporary work. In addition to Catalunya, the two regions most affected are Sicily and Stockholm, at opposite extremes in terms of development and levels of employment.
Percentage of workers (aged 25-49) with short-term contracts. 2007

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>South East (Oxfordshire)</td>
<td>4</td>
</tr>
<tr>
<td>Lombardia</td>
<td>7</td>
</tr>
<tr>
<td>Toscana</td>
<td>11</td>
</tr>
<tr>
<td>Rhone-Alpes</td>
<td>12</td>
</tr>
<tr>
<td>Stockholm</td>
<td>12</td>
</tr>
<tr>
<td>Sicilia</td>
<td>22</td>
</tr>
<tr>
<td>Cataluña</td>
<td>24</td>
</tr>
</tbody>
</table>
The age curve shows similar trends: temporary work is concentrated among young people. Only in Sicily and Catalunya does the percentage remain around 20% among the over-40s.
Tuscany stands out once again due to the mismatch between schooling and work. The scant job supply and demand for qualified people means that employers hire workers in a flexible and low-cost manner.

**PERCENTAGE OF WORKERS (AGED 25-49) WITH SHORT-TERM CONTRACTS BY LEVEL OF QUALIFICATIONS. 2007**
In the Mediterranean regions, it is typical to find short-term contracts in seasonal farming.

- In all the European regions they are also widespread in the public and private social services sector. This is an area with a high concentration of qualified workers which is required to offer more services with less resources than in the past.
- In any case, contrary to the suggestions of various Italian academics, the dissemination of non-standard work does not seem to be connected to the high levels of innovation of post-Fordist work organisation.

**Percentage of workers (aged 25-49) with short-term contracts in the NACE sectors, 2007**

- Agriculture
- Industry
- Business-related and consumer services
- Public and private social services

<table>
<thead>
<tr>
<th>Region</th>
<th>Agriculture</th>
<th>Industry</th>
<th>Business-related and consumer services</th>
<th>Public and private social services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toscana</td>
<td>39</td>
<td>7</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>Lombardia</td>
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<td>5</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Sicilia</td>
<td>24</td>
<td>14</td>
<td>26</td>
<td>17</td>
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<tr>
<td>Cataluña</td>
<td>68</td>
<td></td>
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</tr>
<tr>
<td>Stockholm</td>
<td>17</td>
<td>17</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>South East (Oxfordshire)</td>
<td>16</td>
<td>4</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Rhone-Alpes</td>
<td>11</td>
<td>18</td>
<td>8</td>
<td>6</td>
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</tbody>
</table>
The following table shows the results of two logistic regressions estimating the probability of having a short-term contract depending on the characteristics already analysed: gender, age, qualifications, sector and region.

Upon comparing the two regressions (which analyse the same reference person in Tuscany and in Stockholm), we can see that the probability of a woman aged between 25 and 39 with a high level of qualifications having a short-term contract in the public and private social services is higher in Tuscany than in Stockholm (80.6% and 76.7% respectively).

But the two models give very similar results as far as marginal effects are concerned.

In both regions the probability of having a permanent contract increases with age. The probability remains practically the same for those who have a medium level of qualifications and decreases for those with a low level of qualifications. Lastly, the probability decreases if the woman is employed in agriculture and increases if she is employed in industry or market services.
<table>
<thead>
<tr>
<th>Marginal effect</th>
<th>Probability</th>
<th>Marginal effect</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTERCEPT (reference person)</td>
<td>80.6%</td>
<td>INTERCEPT (reference person)</td>
<td>76.7%</td>
</tr>
<tr>
<td>Male</td>
<td>2.7%</td>
<td>Male</td>
<td>3.1%</td>
</tr>
<tr>
<td>Age 15-24</td>
<td>-34.0%</td>
<td>Age 15-24</td>
<td>-35.8%</td>
</tr>
<tr>
<td>Age 40-54</td>
<td>9.4%</td>
<td>Age 40-54</td>
<td>11.1%</td>
</tr>
<tr>
<td>Age 55+</td>
<td>10.7%</td>
<td>Age 55+</td>
<td>12.6%</td>
</tr>
<tr>
<td>Medium level of qualifications</td>
<td>0.3%</td>
<td>Medium level of qualifications</td>
<td>0.4%</td>
</tr>
<tr>
<td>Low level of qualifications</td>
<td>-5.2%</td>
<td>Low level of qualifications</td>
<td>-5.8%</td>
</tr>
<tr>
<td>Employed in agriculture</td>
<td>-19.6%</td>
<td>Employed in agriculture</td>
<td>-21.3%</td>
</tr>
<tr>
<td>Employed in industry</td>
<td>8.4%</td>
<td>Employed in industry</td>
<td>9.8%</td>
</tr>
<tr>
<td>Employed in market services</td>
<td>9.0%</td>
<td>Employed in industry</td>
<td>10.6%</td>
</tr>
<tr>
<td>Lombardy</td>
<td>4.3%</td>
<td>Lombardy</td>
<td>8.2%</td>
</tr>
<tr>
<td>Sicily</td>
<td>-8.1%</td>
<td>Sicily</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Cataluña</td>
<td>-17.1%</td>
<td>Cataluña</td>
<td>-13.2%</td>
</tr>
<tr>
<td>Stockholm</td>
<td>-3.9%</td>
<td>Tuscany</td>
<td>3.9%</td>
</tr>
<tr>
<td>(Oxfordshire)</td>
<td>11.3%</td>
<td>(Oxfordshire)</td>
<td>15.2%</td>
</tr>
<tr>
<td>Rhone-Alpes</td>
<td>-3.6%</td>
<td>Rhone-Alpes</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

Reference person: female from Tuscany, aged 25-39, highly qualified and works in the ‘public and private social services’ sector.

Reference person: female from Stockholm, aged 25-39, highly qualified and works in the ‘public and private social services’ sector.
As we have seen, the North-South divide does not overlap with the split between standard and non-standard work.

But if we are to look at quality, the contrast between northern and southern Europe re-emerges. In the Mediterranean labour markets, short-term contracts are widely undesired. They are accepted only due to a lack of opportunities and are considered insecure. In northern Europe, the opposite is the case. Flexible work corresponds to a stage in a journey ‘directed’ by the social actors’ plans. Here policies award presence on the market and not the single job.

The regimes that are more generous to the unemployed and oriented towards flexicurity contrast with those in the Mediterranean.
Percentage of workers (aged 25-49) with short-term contracts and reasons why. 2007

- **Sicilia**: 7% Period of training, work experience, 2% Do not want a permanent job, 2% Could not find a permanent job, 2% Trial period.
- **Toscana**: 13% Period of training, work experience, 9% Do not want a permanent job, 7% Could not find a permanent job, 2% Trial period.
- **Lombardia**: 12% Period of training, work experience, 8% Do not want a permanent job, 13% Could not find a permanent job, 2% Trial period.
- **Cataluña**: 2% Period of training, work experience, 9% Do not want a permanent job, 3% Could not find a permanent job, 3% Trial period.
- **Rhone-Alpes**: 15% Period of training, work experience, 26% Do not want a permanent job, 3% Could not find a permanent job, 3% Trial period.
- **Stockholm**: 26% Period of training, work experience, 18% Do not want a permanent job, 0% Could not find a permanent job, 2% Trial period.
- **South East (Oxfordshire)**: 13% Period of training, work experience, 6% Do not want a permanent job, 0% Could not find a permanent job, 2% Trial period.
Another aspect is revealed when this data is analysed according to age. In a context in which temporary work is ‘chosen’ by few at any age, the perception of the younger age groups in the ‘Mediterranean’ regions is particularly negative. Their distrust towards temporary work at the start of their working life may reveal a cultural dimension. But it is certainly connected to a more concrete, structural context: a lack of flexicurity policies and support for young people, and segmentation in the job market between insiders and outsiders.
The history of capitalist development cannot be separated from the different countries’ institutional histories.

In Italy, development has been bottom-up, fragmented, low-tech and varies from area to area. In addition, the state has played a weak role.

It is still the states that are trying to draw Europe together.

In Italy the welfare state transition process is slow. Reforms have destroyed the old in part, but have not built anything new. In particular as far as schools and job protection are concerned, the country is united in its legacies from the past.
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