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**COMPONENT ONE**

**Vocational Training, Labour Market**

**and Population Mobility:**

**some hints on the Italian Case**

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***Vocational Training, Labour Market and Population Mobility: some hints on the Italian Case[[1]](#footnote-1)***

**0.The structure and contents of the document**

The structure and contents of this *Italy Country Brief* (ICB) are the following:

* The first paragraph will present the recent (approximately last 10 years) main population mobility trends with reference to “mobility for work”;
* The second paragraph will summarize the last 10-15 years dynamics in labour market development;
* The third paragraph will describe the actual structure, dimension and main challenges of Vocational Training System (VT);
* Finally, in the last paragraph, the role of Vocational Training System with regard to population “mobility for work” will be described and briefly discussed.

**1.Population recent (internal) mobility trends in Italy**

Only population mobility trends *internal* to Italy will be considered in this paragraph[[2]](#footnote-2) and, more specifically, the focus will be on labour mobility.

Internal migrations in Italy became quantitatively relevant during the Fascist Regime (1925-1945): the main reason for these migrations (from rural to urban areas) was the existence of important economic territorial differentials within Italy (Dan and Fornasin, 2013). After the end of the Second World War, internal migrations increased especially involving the rural population of Southern Italy and Veneto Region (a region in North-east Italy). This population was attracted by the industrial cities of North-West Italy (e.g. Milan, Turin, Genoa) but also Rome and the big cities of Southern Italy were typical destinations. Internal migrations reached their peak in Mid-60s’: at the end of 60s’, migrations from Veneto Region ended while those from Southern Italy and the main islands (Sicily and Sardinia) continued but with a lesser intensity. During the so-called 1973-1974 Oil-Crisis, migrations reduced and returning mobility developed; at the same time, in the 80s’, also small-medium size cities became destinations for internal migrations. In all those years, “regional migrations and urbanisation processes have gone together with migrations between minor cities and countryside as well as between mountains and plain territories. ….. Long and short range movements called for a distinction between migrations (long range) and mobility (short range). Movements depended on many causes but they were mostly related to labour market or to the ‘marriage market’” (cit., pp. 3-4).

In the 90s’, South to North migration increased again becoming quantitatively relevant but without reaching the levels of the previous decades[[3]](#footnote-3) (*Ibid.)*. The dominant destinations were North-East and Central Italy whit a prominent role of Lombardy, Veneto, Emilia-Romagna, Tuscany and Umbria Regions. In general, recent internal migrations, “because of the relevant social and economic changes occurred in Italy, progressively became shorter in terms of both distances and durations” (cit., p. 4). Nevertheless, South-North flow is absolutely the distinguishing feature of recent internal migration in Italy. In fact, “between 1990 and 2009, about 2,385,000 individuals from the South have migrated in the North of Italy. Italy is a country where there has been a long history of immigration; but in recent years there has been a considerable influx of high skilled migrants from the South to the North of Italy. According to Mocetti and Porello (2010a), between 2000 and 2005 the net loss of graduates in the Southern regions, in terms of transfers to the North-Centre, amounted to 50,000 units against 20,000 units for the entire period of the 1990s” (Celi and Testa, 2016a). The analysis of this trend on the basis of the relationship between “how the upgrading effect of international trade on skill composition of the employed labour force works in Italy and how this process affects internal mobility …. suggests that while the decision of migrating for old people is significantly affected by personal and family safety, the decision of emigration for young people is affected by more dynamic and productive context. Furthermore, the estimates show that export capacity and unemployment rate differential affect significantly the decision of migrating of graduate people, suggesting that graduate people move in search for higher productive and dynamic context” (*Ibid.*).

Therefore (Mocetti and Porello, 2010, p. 1), with reference to the recent South to North internal migrations, “the distinguishing element in the last decade is the increase of Southern Italy migrants with high level of formal (educational) qualification”. In general, as partially already underlined, “migration from Southern regions is pulled by the better employment chances existing in Northern regions. This is a clear effect of the persistent difficulties, lack of employment opportunities and delay in development of this area in comparison to the others. In addition, the [South-North] migration upswing of the late 90s’ might be due to the diminution of employment in the public sector together with the reduction of houses’ prices between the two areas of Italy. In the first decade of 2000, on the opposite, the relevant increase of houses’ prices in North and Central Italy counted for about 1/3 of migrations’ slowdown” (cit., p. 33). In addition, in the recent years, “the diffusion of fixed-term contracts, mostly involving young entering labour markets for the first time, dissuaded - at least in the short period – permanent transfers in favour of temporary ones (…). Also immigration [from abroad] had an impact on Italians’ migration choices: in fact, it had a positive influence on universities’ graduates moving while had a negative influence on less qualified people” (cit., p. 33). It is quite evident from what has just been presented that the Vocational Training System (but neither the education system as a whole) is never mentioned as one relevant factor for internal migration or mobility. This is also confirmed by Celi e Testa (2016b, pp. 4-5) whose reconstruction of the “alternative explanations of the existence of inter-regional migration” include many factors but none of them directly referred to vocational training (or education) except for the “migrants’ higher level of education” (mentioned factors are the following: household support and government transfers; differences in housing prices; institutional and environmental factors – such as “to live in cities where the environment is overall more amenable, living and working conditions are better, and professional and social opportunities more interesting”, cit., p. 5; the impact of foreign immigrant flows on natives’ migration – where “the prevalence of immigrants in parts of the North of Italy induces a higher demand for highly educated migrants, while it depresses the labour demand for unskilled migrants”, cit., p. 5).

The South-North migrations involving – as just evidenced – mostly young with medium-high qualifications (that is with upper secondary or tertiary, academic or non-academic, qualifications) depletes Southern regions human capital (Svimez, 2017 e 2018). In the last 16 years, “1,833,000 residents left Southern regions”, 50% of them between 15 and 34 years-old, almost 20% with an academic degree: 85% of them moved in other areas of Italy and only 15% went abroad (Svimez, 2018, p. 29): “almost 800,000 of them did not return in Southern regions anymore”. The migrants moving from South to North-Centre of Italy are – as confirmed also by very recent data (Svimez, 2018, p. 30) – “for the largest share in working age: those between 25-29 years old and between 30-34 years old presents, in 2016, a negative balance of – respectively – 13,000 and 10,000 units. The increase of migrants with high qualifications involves all the Southern regions [….]: the rate of academic graduates moving to North-Centre is always higher than 27% of the total migrants. Finally, the employed formally residents in Southern regions but working in North-Centre regions or abroad increased by 19.1% in 2016, therefore explaining about ¼ of the total increase of employed in Southern Italy”[[4]](#footnote-4). Focusing on academic graduates and considering the average per-capita cost of a tertiary level course (about 130,000 Euro in accordance to OCSE: Svimez, 2017, p. 29), the “loss of human capital in Southern regions [due to migrations] corresponds to approximately 30 Billions of Euro (which may increase up to 40 Billion including all the regionalized per-capita public expense)” (cit., p. 30). These figures do not consider people officially living in Southern regions but permanently living in Northern Italy (long-range commuters, more than 50,000 graduates in 2016); do not consider that, differently from the past, there are no financial resources going back as remittance (because very frequently Southern families use their own funding for supporting young graduates to live in the expensive Northern cities); do not consider “the indirect effects of loss for South and benefits for North-Centre in terms of competitiveness and productivity due to qualified labour force mobility” (cit., p. 31); finally, they do not consider “young [Southern] with upper secondary education qualifications who move to North-Centre universities and are likely to remain [in North-Centre areas] after benefitting from upper secondary education costs in Southern Italy[[5]](#footnote-5)” (*Ibid.*). In addition (Svimez 2018, p. 19) “the intellectual migrations from South [to North] produces net benefits for North-Centre regions. The graduates’ migration causes a net loss of public expenditure in education of about 2 Billion Euros per-year; the value of public and private consumptions generated by students’ immigration in North-Centre regions is about 3 Billion Euros per year (with a corresponding loss for Southern regions)”.

Finally, the Italian National Institute of Statistics (ISTAT) forecasts for the next 50 years envisage a relevant reduction of the population in Italy, more accentuated in Southern regions (5 million people less) than in the rest of the Country (one million less) (Svimez, 2018, p. 28). In addition, there will probably be a “relevant spatial re-distribution of the existing population in favour of North-Centre Regions. Southern regions will lose an important share of its … 15-64 years old population (-5,278,000 individuals) as a consequence of a persistent migration-related loss” (*Ibid.*).

**2.Labour market recent trends in Italy**

According to the National Institute of Statistics (ISTAT) most recent data on Italian labour market (ISTAT, 2018), “the first quarter of 2018 was characterised by stationary employment compared to the last three months of 2017, in an overall panorama of increasing unemployment and decreasing inactivity” (cit., p. 1). Other relevant elements – basically referred to the first quarter of 2018 - are the following (*Ibid.*):

* employment remained substantially stable compared to the previous quarter, due to the further increase in fixed-term employees (+69 thousand, +2.4%) and the corresponding decrease in both permanent employees (-23 thousand, -0.2%) and self-employed (-37 thousand, -0.7%). The employment rate remained broadly unchanged at 58.2%, too;
* the dynamics over the last year show an increase by 147 thousand employees (+0.6% in one year), limited to fixed-term employees (+385 thousand) against a decline of those on permanent contracts and the self-employed;
* the growth of employment and the related rate for young people aged 15-34 continued, on both the quarterly and yearly bases. The increase in employment, spread across genders and geographical areas, was more intense for women and in the South and Islands area;
* the unemployment rate increased slightly compared to the previous quarter and decreased compared to the previous year, while the rate of inactivity declined moderately in both cases. For the fourth consecutive quarter (that is since one year), the decrease in the number of unemployed continued (-135 thousand in one year, -4.3%). It affected both genders and in about nine cases out of ten young people aged 15-34;
* in the flow data the passage towards employment increased only towards fixed-term work; the increase concerned above all the people with high educational attainment and the residents in the South and Islands area;
* on the business side, the signs of short-term growth in labour demand were confirmed, with increases in employee jobs by 0.8% compared to the previous quarter and 3.3% on an annual basis, as a result of growth in both industry and services. However, the increase in the number of jobs was associated with a decrease in hours worked per employee on a quarter over quarter basis (-0.5%), while these remained unchanged on an annual basis.

Other important figures for describing the actual situation of labour market in Italy are (ISTAT, cit., p. 2):

* employment estimated with the Labour Force Survey, equal to about 23 million people net of seasonal effects, was substantially stable compared to the previous quarter (+9 thousand); growth in the North (+0.1%) and in the South and the Islands (+0.2%) was offset by the decrease in the Centre (-0.3%);
* the employment rate was – as already underlined - stable at 58.2% with a growth for 15-34 year olds (+0.3 points) and 50-64 year olds (+0.1 points) and the decline for 35-49 year olds (-0.2 points);
* the short-term stability of the number of employees was the result of a further increase in fixed-term employees (+69 thousand, 2.4%) against a drop in permanent employees (-23 thousand, -0.2%) and self-employment (-37 thousand, -0.7%).
* in industrial and service enterprises the employee jobs increased by 0.8% on a quarter over quarter basis and by 3.3% on a year on year basis; the number of hours worked rose by 0.9% compared to the previous quarter and by 4.1% compared to the same quarter of the previous year.

Assuming the frequent mention that has been made in the first paragraph to the migration (or mobility) of people – especially young – with high formal qualifications, it is worth evidencing here that (according to the longitudinal data from the Labour Force Survey: ISTAT, cit., p. 3) “the probability of exiting from employment increased as the level of education decreased (it was 4.6% for university graduates, 5.8% for secondary school graduates, and 8.1% for people with compulsory schooling). The type of contract obviously affected the chances of exiting from employment: 18.1% of people with a fixed-term employment contract lost their jobs after one year, with about 4 times higher odds than those with permanent contract and the self-employed. Higher education degree confirmed to be a protective factor for all types of contracts, but particularly for more stable employment; among employees on permanent contracts, the probability of losing their jobs was 2.5 times higher for those with only compulsory schooling than for university graduates (7.0% against 2.8%), and twice as much among the self-employed (6.0% against 3.0%)”.

A longer-term backward analysis on Italian labour market recent dynamics (OECD, 2018) highlights the following points on its “trends and prospects”. The first one is that “the labour market situation in Italy has improved over the past years but at a slower pace than in other OECD countries. Employment in Italy, as a share of the population aged 15-74 years, has increased by more than 2.3 percentage points since the crisis trough in 2013 and, at 50.9%, it is almost back to its pre-crisis level (51%)”. Therefore, as a second point, “the unemployment rate in Italy has been decreasing but at 11.2% in April 2018 it remains the third highest among OECD countries and 4.6 percentage points above its 2008 level”. Finally, “real wage growth has been negative since 2016. [….] Stagnant productivity growth as well as a significant share of workers in low-paid, involuntary part-time jobs is one of the key factors behind the adverse wage developments in Italy”. This last point is linked to “job quality and labour market inclusiveness” issues with (OECD, cit.) “Italian labour market [performing] below the OECD average in all key indicators of job quality and inclusiveness, except earnings quality[[6]](#footnote-6) in which Italy is above the average”. Therefore, “given the poor performance in terms of unemployment and the significant incidence of short-term contracts, the degree of labour market security of Italian workers is the fourth lowest in the OECD, after Greece, Spain and Turkey”. In addition, also as a consequence of the long and severe economic crisis, “poverty has increased: 13.6% of working-age persons live in households with less than 50% of the median income, up from 10.7% in 2006” as well as “the employment gap for disadvantaged groups, such as mothers with children, youth, older workers, non-natives, and persons with partial disabilities”. This gap is the “fourth highest among OECD countries but it has slightly decreased over the last decade. The gender labour income gap is also above the OECD average”. Finally, moving to unemployment benefits (particularly relevant for a Country with a high unemployment rate), “in 2016 less than one in ten unemployed was receiving unemployment benefits in Italy, one the lowest coverage rate in the European Union as a result of high long-term unemployment and low maximum potential duration of benefits. The coverage rate is expected to increase following the reforms to the system of unemployment benefits entered in force in 2015”.

Focusing in mostly *qualitative* terms on Italian labour market performance in the last 15 years (Marino and Nunziata, 2017), three relevant issues emerge. The first one is the “pronounced differences across age groups: young individuals are facing high unemployment and low participation rates while older individuals have seen their participation and employment level increase” (cit., p. 1). The second one, strongly linked to internal migrations, is that “regional differences are still significant, as shown by a more dynamic North and a stagnant South” (*Ibid.*). Finally, the third one is that “undeclared employment is high, especially in the South” (*Ibid.*). An overall balance of the strengths and weaknesses of Italian labour market, comparing the before-after “double-dip recession” situations[[7]](#footnote-7), may be summarized as follows (*Ibid.*):

* as for strengths: after a significant increase during the double-dip recession (2008-2013), both average and long-term unemployment began to decrease since 2014; job vacancies have increased after the 2009 relevant drop; female labour market participation is, although slowly, increasing; 55-64 yy.oo. workers’ labour market participation increased substantially; real earnings have increased (but without a corresponding increase in productivity);
* as for weaknesses: unemployment remains higher than pre-crisis level; Southern regions continue to lag behind the rest of the Italian regions in all labour market aggregates; female labour market participation is low, especially in Southern regions; a huge increase of youth unemployment since 2008 without a corresponding decrease since 2014; a reduction, since 2000, of 15-24 yy.oo. labour market participation.

Differences in unemployment by regions has been mentioned as a structural criticality of Italian labour market constantly influencing internal migrations. On this point, “the differences between unemployment rates across regions did not change much, in relative terms, after the crisis (….). Southern regions have always been characterized by much higher levels of unemployment than the North, typically three to four times higher in pre-crisis years, while smaller differences existed between Central and Northern regions. At the end of 2007, the unemployment rate in the south was slightly more than three times higher than in the north, at 11.1% and 3.5% respectively. The double-dip recession slightly reduced this gap, starting a slow and ongoing convergence process; Southern unemployment is currently about 2.5 times higher than in the North. Unfortunately this convergence seems to be a result of poor performance by Northern regions rather than improvement by Southern regions” (cit., pp. 7-8).

As above shortly mentioned, “Italy undertook a major reform of the labour market in 2014-2015” whose name is *Jobs Act* (Law 183/2014: EC, 2017). Although the *Jobs Act* will probably be amended in the next months by the new Italian Government (who entered in office last June), it is useful here to shortly present the main results of a recent analysis of the key changes introduced by the reform as for employment protection, passive and active labour market policies (EC, cit., pp. 34-35). A first area of changes concerns “measures [which] are expected to reduce segmentation and its alleged negative impact on the economy “. With this aim, “the Jobs Act has contributed to bring Italian labour market institutions more closely into line with international benchmarks and with the principles of *flexicurity*”: in addition, “employment protection legislation for (new) permanent contracts is now aligned with that of major European partners, although it remains more restrictive than the OECD average, and the use of ‘atypical’ contracts, which are characterised by very weak employment protection and very low social benefits, is restricted”. A second area of changes regards the “focus of passive policies” which “has shifted significantly from job to worker protection: [….] unemployment insurance was made more generous and extended in coverage, which enhances the fairness of the system”. A third area of modifications involves active labour market policies whose “planned strengthening” is expected to “help reducing moral hazard issues in passive policies and improve job matching, in turn helping efficient matching and reducing structural unemployment”. The combination of these three *blocks of changes* makes the Jobs Act “an important step towards addressing Italy's long-standing productivity sluggishness, and enhancing the ability of the Italian economy to withstand external shocks and adjust to the challenges of the ever-changing global economy”. Nevertheless, “the impact of the overall reform on productivity is expected to materialise in the longer term” and it is also depending on “flanking measures in other areas [which] are necessary to compound the effect and deliver the entire potential impact of these measures” (where “the reform of ALMPs” is indicated as probably the most important among these *flanking measures* together with the increase of public administrations effectiveness and of justice system functioning). In addition, “looking forward”, at least three relevant “policy gaps” remain (*Ibid.*): “in the medium term, the new employment protection legislation, which currently applies to new hires only, could be more effective if extended to existing permanent contracts (to the extent possible)”; “a more comprehensive approach is needed to increase female labour market participation”; “the framework for collective bargaining needs to be strengthen, to cater for local differences in productivity developments [….]” (in 2016 only some 20% of firms were covered by firm or territorial-level contracts).

**3.Structure, dimension and challenges of the Vocational Training System in Italy**

In Italy (INAPP, 2016, p. 16-17), “all young people have the right/duty (*Diritto/dovere*) (Law 53/2003) to pursue their education and training for at least 12 years before reaching age 18 and should not leave education and training without a qualification. Compulsory education lasts 10 years, up to 16, and includes the first two years of upper secondary general education or VET[[8]](#footnote-8). Young people complete lower secondary education at age 14. At this stage, learners sit a state exam to acquire a certificate (EQF level 1) which grants admission to the upper secondary level where young people have the opportunity to choose between general education and VET. At upper secondary level, young people may opt for:

(a) five-year programmes which include the two last years of compulsory education and three years (under the right/duty of education and training) in: (i) high schools (*licei*). These provide general education programmes at upper secondary level; (ii) technical schools; (iii) vocational schools. […] The qualifications awarded after successful completion of high school, technical and vocational school are at EQF level 4 and a state leaving exam at the end of them gives access to higher education;

(b) Regional [Education and] Vocational training courses (IeFP) (3 or 4 years - EQF 3 or 4 respectively);

(c) an apprenticeship-type scheme (EQF 3 or 4).

At post-secondary level, the Italian system features higher technical training (IFTS, ITS) and short programmes or courses (post-leFP and others). VET courses also exist at higher education level. Tertiary education (ISCED levels 665, 667, 766, 767, 768, 864) is divided into higher education programmes at the university and higher education programmes at non-university institutions. Italian VET also offers adult education and Continuing Vocational Training (CVT)”.

For the purposes of this report it is important to highlight that (INAPP, cit., p. 17) “in Italy, the expression *Vocational Education and Training* is reserved for specific programmes primarily under the remit of the regions and autonomous provinces” (the literal translation of the Italian commonly used expression would be *Vocational Training*, without mentioning the word Education). Differently, “from a European perspective the term ‘education and training’ comprises all types and levels of general and education and vocational education and training (VET). Irrespective of the provider or governance scheme, VET can take place at secondary, post-secondary or tertiary level in formal education and training or non-formal settings including active labour market measures. VET addresses young people and adults and can be school-based, company-based or combine school and company-based learning (apprenticeships). Therefore, the term VET also covers the technical and vocational schools”. Being this report’s focus on Italy, the *Vocational Training System* of our interest will not include general adult education as well as technical and vocational upper secondary education. This assumption implies including in *Vocational Training* a very limited number of young (mostly unemployed) and, on the opposite, a quite relevant number of adult (mostly employed and attending *Continuous Vocational Training*, CVT). In quantitative terms (INAPP, cit.; ISFOL, 2016; INAPP, 2018A; INAPP, 2018B):

* students enrolled in regional initial VET courses are about 322,000 out of 2,700,000 total students in upper secondary education (of whom: 870,000 in technical education and 550,000 in vocational education)[[9]](#footnote-9);
* apprentices are 410,000 (2016) but only 150,000 of them attend formal training external to companies (and 95% of the total apprentices has a contract aimed at achieving an occupational qualification and not an education/VET/academic qualification or degree);
* about 7,000 students are enrolled in non-academic tertiary level courses (INDIRE, 2017) compared to 1,700,000 students enrolled in universities (ISTAT, 2017);
* almost 4 Millions of employees belonging to companies with at least 10 employees participated in training organized by companies (CVT) in 2015[[10]](#footnote-10) to improve, update or develop new skills or competences. In the same year (ANPAL 2018, p. 19 and foll.), training companies with at least 10 employees were about 116.000 out of a total of approximately 190.000. Since 2010, the share of companies with at least 10 employees which benefitted of training increased from 55.6% (2010) to 60.2% (2015). The same indicator was 15% in 1993, 23,9% in 1999 and 32,2% in 2005[[11]](#footnote-11).

Actual challenges and key-issues for the Vocational Training System in Italy must be presented separately for initial and continuous training: such a separation allows also a better understanding of the relationship between vocational training and internal mobility for work.

Starting from initial vocational training (at both upper secondary and tertiary level), the system has undergone a considerable number of reforms since its creation. This has become even more apparent over the last two decades, during which the EU and the internal social demand exerted a growing pressure to modernise the system and take into account the changes that are currently affecting advanced economies. Yet the system’s changes seem to be more concerned with internal factors inherent to its history (the concurrence between the State and the regional level in providing VET, the perceived second-rate status *affecting* the system in comparison with education, the reduction of funding affecting it in recent years) rather than to the occupational and economic contexts the system has to interact with (the non-academic tertiary level supply is partly an exception but its dimension, as already mentioned, is absolutely small. If the regional initial VET system continues in the next years along its current trajectory, the most likely outcomes will be the following: a system concentrated (in terms of students) in some areas of Italy, mostly involving those around the age of 18 and whose growth in terms of participants will be possible only in the post-secondary segment; with a high level of instability and poor institutionalisation because of its lacking of continuous and long-term funding. A different path could lead to a system, regionally-based, mostly structured in a dual scheme (although with Italian features) in which the cooperation with companies and other organisations may offer employment opportunities to young people who prefer not to enter upper secondary education or university programmes. This second path might be qualified through the improvement of training/learning standards, service and delivery standards, repositories and inventories that would lead to an increased qualitative level of programmes where the vertical integration within the different regional training programs would mean, for students, the possibility to go through vocational and locally rooted training paths which start with the three-year certificate programmes, continue with the one-year diploma and end up with post-secondary High/Higher Technical programmes (Cedefop, 2018A).

Moving to CVT (ANPAL, 2018, p. 19), the above presented figures show that in-company training is expanding in Italy, especially in the last decade, actually involving more than half of Italian companies. Nonetheless, the incidence of, and participation in, employer-sponsored training – derived from the 2010 CVTS data[[12]](#footnote-12) – still stand below the EU averages (Cedefop, 2017). In 2010, 36% of employees participated in CVT courses compared with 38% in the EU, and 56% of employers reported providing training compared with the EU average of 66%. Differences in employee participation in on-the-job training are more pronounced: 11% for Italy compared with 20% for the EU as a whole. The percentage of individuals who wanted to train, but did not do so is also relatively large in Italy (17.8%) compared with the EU (9.5% in 2011). Training participation is strongly dependent of company’s size but even if smaller companies are traditionally less prone to invest in training, it is among them that the number of training companies increased most (ANPAL, cit., p. 19). CVT Survey longitudinal data show a huge increase of employees’ participation in company-based training but the ranking of Italy - 22nd in Europe for the rate of companies offering training out of the total companies’ number - is affected not only by the very high number of micro and small active companies (a really distinctive features of Italian economic structure) but also by the low tendency in using training models different from ordinary courses (which, again, implies attendance problems for micro and small companies employees). An important point (Cedefop, *under publication*, p. 4[[13]](#footnote-13)) is that, in relation to Vocational Training System as a whole, CVT is considered in Italy “a kind of self-standing sub-system which (also according to Cedefop, 2014a and 2014b) is outside the education and the academic system; it is mostly targeted to employees even if, under certain conditions, also unemployed (to be intended as employees who lost their employment) are involved; it does not include adult education; it is basically composed by three areas: 1) training provided and financed by the private sector; 2) training financed by public funding (at national or regional level) and delivered by accredited public and private providers; 3) training funded by the so-called Inter-professional Funds (private organisations funded by employees’ and employers’ but whose structure and activities are regulated by the law and controlled by public authorities)”. All this assumed, CVT in Italy is mostly identified with “job-related training” *(Ibid.)*. In recent years, so-called *Inter-professional Funds* (managed by Social Partners) played a crucial role in promoting and implementing CVT (1,300,000 companies and more than 10,000,000 employees are actually enrolled in the 19 funds actually operating: ANPAL, 2018, p. 33 and foll.). The already mentioned (although insufficient) increase of the involvement of small and micro companies employers and employees as well as the use of training as a “customer fidelity strategy” by technologies suppliers were two other factors characterizing CVT development since 2000. Also the improvement of Public Administrations’ (as employers) investment on employees’ skills and competences played a role together with the introduction of sectors’ laws envisaging an obligation for regular training attendance (e.g. a certain number of hours every year in the health or legal professions or on topics like safety at work). Finally, a relevant CVT development lever was the “involvement …., especially as a response to 2008-2013 crisis, of low/middle skilled workers as a way for contrasting and/or preventing their unemployment” (Cedefop, *under publication*, p. p. 12).

**4.Vocational Training System, labour markets and (internal) mobility for work in Italy: some final considerations**

Italian internal “mobility for work” is, since 1990, mostly from Southern to Northern (largely) and Centre regions (see Par. 1 above); in more recent years, this mobility involved a considerable flow of high-skilled and young people that move in search of higher productive and dynamic contexts. Better employment chances existing in Northern regions are the most relevant factor pulling migrations from Southern regions. An effect of South-North internal migrations for work (and, in a lesser extent, for graduating) is the depletion of Southern regions human capital. In the last 15 years (Svimez, 2017, p. 29), “1,7 Million people emigrated from Southern regions opposite to one million of returns … : they are mostly 15-34 years old young (72.4%) and academic graduates – who are 1/3 of the total – “. The Italian National Institute of Statistics (ISTAT) envisages, for the next 50 years, a relevant reduction of the population in Italy, more accentuated in Southern regions (5 million people less) than in the rest of the Country (one million less) (Svimez, 2018, p. 28). In addition, there will probably be a “relevant spatial re-distribution of the existing population in favour of North-Centre Regions. Southern regions will lose an important share of its … 15-64 years old population (-5,278,000 individuals) as a consequence of a persistent migration-related loss” (*Ibid.*).

Recent internal “mobility for work” occurred in a labour market, comparing the pre-post crisis situations (OCED, 2018), whose main indicators “improved over the past years but at a slower pace than in other OECD countries”[[14]](#footnote-14): it is relevant, for our purposes, that (OECD, cit.) “the Italian labour market performs below the OECD average in all key indicators of job quality and inclusiveness, except earnings quality: […..] the degree of labour market security of Italian workers is the fourth lowest in the OECD, after Greece, Spain and Turkey”. Also as a consequence of the long and severe economic crisis, “poverty has increased: 13.6% of working-age persons live in households with less than 50% of the median income, up from 10.7% in 2006”: the same trend is for “the employment gap for disadvantaged groups, such as mothers with children, youth, older workers, non-natives, and persons with partial disabilities”. Italian labour market performance in the last 15 years presents three relevant issues (Marino and Nunziata, 2017): “pronounced differences across age groups: young individuals are facing high unemployment and low participation rates while older individuals have seen their participation and employment level increase” (cit., p. 1); “regional differences [….] still significant, [with] a more dynamic North and a stagnant South” (*Ibid.*); a high level of “undeclared employment [….], especially in the South” (*Ibid.*).

The relationship among mobility “for work” and labour market developments, on one side, and Vocational Training System, on the other side, is strongly *shaped* in the Italian experience by the system’s structure and size. As for the structure, Vocational Training is definitely divided in an *Initial* sub-system (which extends till the non-academic tertiary level) and a *Continuous* sub-system (targeted to employed and unemployed); in addition, the Initial sub-system – which is under the responsibility of Regions/Autonomous Provinces - does not formally include *Upper Secondary Vocational Education* programs (which are under the State’s responsibility). As for the size, as shown in Par. 3, the Initial sub-system involves an absolute minority of the total students of the corresponding age (about 11% but 21% including also *Vocational Education* programmes) while the *Continuous Vocational Training* sub-system involvement rate (calculated on employed) is about 16-17%. In addition, relevant internal differences affect both *Initial* and *Continuous* VT sub-systems (where Initial VT sub-system is largely concentrated in North/Centre regions while Continuous VT participation mostly involves large companies and medium-high skilled employees).

Therefore, in the light of what has just been summarized (and more extensively presented in Parr. 1, 2, 3), the role of Italian Vocational Training System with regard to population “mobility for work” (that is supporting or impeding or being indifferent) may be defined – with reference to the last 15 years - as

* largely indifferent for *Initial Vocational Training* (because of its limited size and uneven territorial diffusion – this is largely true also if *Upper Secondary Vocational Education* is included – but also because “mobility for studying”, basically from South to North, involves young who moves for studying at university and not in Vocational Training System);
* slightly supportive, especially in the more recent years and with an increasing trend, for *Continuous Vocational Training* (within a general framework for which those who “move for work” already have initial education/vocational training qualifications, also medium-high level qualifications, and CVT is used for supporting their re-employment, e.g. after a company or sector’s crises, or - more usually - career paths, but once moved; in addition, organisations, also concentrated in the same territorial area, which have a positive reputation in human resources development through CVT may be an “attractor” for medium-high skilled workforce).

Assuming this increasing role of CVT in supporting, or maybe better: *consolidating* and *adapting*, “mobility for work” in Italy, an important distinction – which also reflects in different ways of accessing CVT opportunities – is between *pure company-driven* training (totally paid by companies’ funds), *Social Parts agreed* training (funded through the so-called *Inter-professional Funds*, operating since 2005) and *Individual Access* training (introduced in 2000 and paid by public funds or by trainees). It is important here to underline that CVT increasing supportive role in “mobility for work” remains in Italy, as already mentioned, quite differentiated by organisations’ dimension, gender, sector, trainee’s formal qualification and occupational position. An effort for reducing these differences is actually undergoing but it requires time, resources and – above all - a coherent institutional and cultural environment to be satisfactorily implemented. Not surprisingly, access to CVT opportunities is one the main issues still *open* for CVT in Italy together with those regarding i) training/learning methods (with the quest for moving from traditional forms/setting to *different-from-classroom* settings), ii) learning outcomes formal recognition/certification (an issue which is strictly related to labour mobility) and iii) the quality of training suppliers (a crucial element for the quality of training and of learning outcomes as well).

Going back to *Initial Vocation Training*, two exceptions to the “indifference” judgement above expressed may be the following (they do not modify the general picture but it is important, also in perspective, not to forget them). The first one is represented by apprenticeships aimed at achieving formal Vocational Training qualifications at upper secondary or tertiary level, under the so-called Types 1 and 3 Apprenticeships. Nonetheless, the two Types represent less than 5% of the total apprenticeships contracts and, above all, the attendance of specific training is the *consequence* of having an apprenticeship contract that is to be employed as apprentice (the lever is therefore the employment and not the training). The second one, more relevant in Italian experience, consists in the so-called *industrial districts* where, in general, the connection and interaction between the productive structure and the initial VT sub-system are particularly strong (but however less relevant than those involving upper secondary vocational and technical education or universities). Industrial districts “are dense centres of life and work, characterised by one or a few related localised industries tightly intertwined with the local society and the local institutional setup (Becattini et al., 2009): they are “a socio-economic construct” (Dei Ottati, 2006; Sforzi, 2015)[[15]](#footnote-15). In accordance with the literature, “*external economies* play a key role in the success of industrial districts. These are advantages not internal to the individual company, but internal to the local system involving the same businesses, and therefore external to the single firm. In fact, industrial districts enjoy external economies due to the advantages of agglomeration, and rising returns due to the widening demand. So, the advantages of external economies are due to the industrial district as a whole. Examples of such advantages include the presence of a large and stable skilled workforce [….]” (Schilirò, 2017, p. 2). This is the point of interest here: skilled workforce may certainly be attracted *already trained* from outside the district but it may be as well locally trained *also* through initial Vocational Training (we use “also” because on-the-job training, Continuous Vocational Training, upper secondary vocational and technical education, universities generally give the most relevant contribution in training skilled workforce). Initial Vocational Training in industrial districts is targeted to under-18 or to over-18 attending non-academic tertiary level education/training: the most consistent experiences, also historically rooted, are those of districts focused on typical Italian *excellences* like mechanics, clothing, textile and wear, leather and footwear, ceramics, wood and furniture, metals and metal products, food. In these districts, albeit with the limits deriving from its small dimension, also initial Vocational Training - deeply embedded in local economic culture and strongly linked to productive processes - plays a slightly supportive role (although indirectly) for incoming “mobility for work”.

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1. Alberto Vergani, version of 14/09/2018 ([albertovergani4@libero.it](mailto:albertovergani4@libero.it)). [↑](#footnote-ref-1)
2. For intra-EU labour mobility in EU see: European Commission, 2017 *Annual Report on Intra-EU labour mobility*, final report, January 2018, EC Publications (data refers to 2016). The key-results of the analysis (focusing on Italy) are the following (p. 25): a) Germany and the UK remain by far the main destination countries hosting almost 50% of all movers and their number of EU-28 movers was growing faster than EU average compared to 2015; while the other three main countries of residence (Italy, Spain and France) only saw small growth of the number of movers; b) Italian, Polish, Romanian and Portuguese are the main groups of movers; each of these groups has become larger since 2015 with the exception of Portuguese whose numbers remained the same; c) at EU level half of the movers are men and the other half are women; in most EU-13 countries, there were more male than female movers; only Greece and Italy have high shares of female movers where they made up about two thirds. [↑](#footnote-ref-2)
3. It is estimated that during 50s-60s’ about 4 million people moved from Southern to Northern Italy (Italian population was about 47 million in 1950, 50 million in 1960, 53.6 million in 1970, 56.3 million in 1980 and 1990, 57.6 million in 2000, 59.1 million in 2010: in 2018 it is about 60.4 million. [↑](#footnote-ref-3)
4. For an estimate of the short-term economic effects of graduates’ migration from South to North-Centre see also: Colella F., *Analisi di impatto locale dell’emigrazione studentesca*, 2018, under publication in *Rivista Economica del Mezzogiorno* (edited by SVIMEZ). [↑](#footnote-ref-4)
5. In 2016/2017 academic year about 26,000 Southern students newly enrolled in universities out of a total of 108,000 chose to enrol in a North-Centre Italy university. [↑](#footnote-ref-5)
6. That is “gross hourly earnings in USD adjusted for inequality by giving more weight to the lower end of the earnings distribution” (OECD, 2018). [↑](#footnote-ref-6)
7. The first recession lasted from March 2008 to May 2009 and the second one from June 2011 to April 2013. [↑](#footnote-ref-7)
8. Please note here the use of acronym VET (Vocational Education and Training) and not VT (Vocational Training) like in the paragraph’s title (see below for the implications of this difference). [↑](#footnote-ref-8)
9. Should also technical and vocational upper secondary education included in Vocational Training, Italy would score “highly compared with the EU average for participation in IVET: the share of IVET students as a percentage all upper secondary students is higher (55.8%) than the EU average (47.3%) The share of upper secondary IVET with direct access to tertiary education (80.7%) is also well above the EU average (66.7%) (data for 2015)” (Cedefop, 2017). [↑](#footnote-ref-9)
10. Last year available. [↑](#footnote-ref-10)
11. Cedefop counted about 1,600,000 recipients involved in CVT in 2012 and the Ministry of Labour and Social Policies estimated 2,500,000 people 15-64 y.o. involved in adult training *and* education (also adult education was therefore included). Focusing on *employees non-formal learning participation* - a category which largely correspond to CVET in Italy - the involvement rate was 4.3% in 2007, 4.8% in 2010, 6.4% in 2015 (after a 7.5% peak in 2014: Ministry of Labour and SSPP, 2017, p. 14). [↑](#footnote-ref-11)
12. The Continuous Vocational Training Survey implemented at EU level (last edition in 2015). [↑](#footnote-ref-12)
13. Within the Cedefop project *Changing nature and Role of VET in Europe*: quotations and pages refer to the Work Assignment 4 final report on “VET and lifelong learning” in the version produced by the author on behalf of Giacomo Brodolini Foundation (Rome, 2017). [↑](#footnote-ref-13)
14. See Par. 2 above. [↑](#footnote-ref-14)
15. Istat, the National Statistics Institute, through the 9th General Industrial and Services Census of 2011 (Istat, 2015), identified 141 industrial districts, 40 units less than the number of industrial districts surveyed in the previous Census of 2001. Note that five regions, located in North and Central Italy, concentrates 74% of total districts. [↑](#footnote-ref-15)