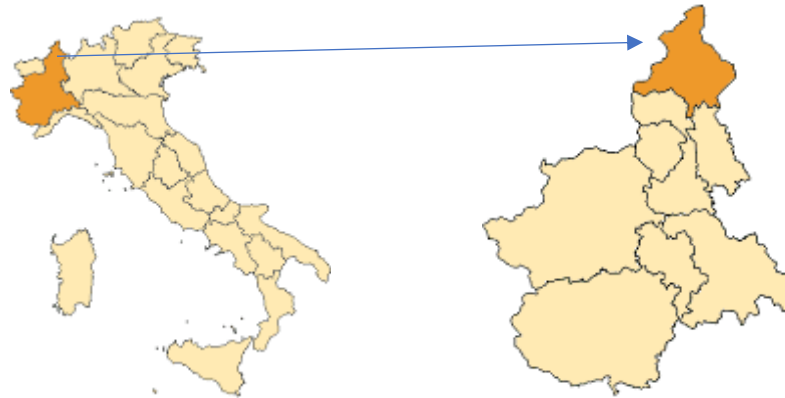# SOCIO ECONOMIC DATA OF THE TERRITORY: Province of Verbano-Cusio-Ossola

A) INTRODUCTION

(Source: wikipedia, tuttitalia)

The province of Verbano Cusio Ossola (hereinafter VCO) is the most Northern in Piedmont. It is a crossborder area as it borders Switzerland to the East (Canton Ticino) and to the West (Canton of Valais).

The territory, almost completely hilly and mountainous, is composed by a system of eleven valleys ramifying from the main one, Ossola Valley, carved by Toce river.

The province includes the urban centres of Verbania, Omegna and Domodossola, historical capitals of the three provincial sub-areas. Outside the cities, the settlement and economic structure is mainly distributed along Ossola valleys and along the lakesides (Orta, Maggiore and Mergozzo).

Until the first half of XX century, the areas of Verbano and Ossola were among the most industrialized territories in Italy. The presence of several watercourses, the crossborder location, the communication network and a widespread availability of local labour force fostered the settlement of steel, textile and chemical industry.

Afterwards, the urbanization process of the Padana Plain (North Italy, from Piedmont to the East coast) started its expansion, economic and infrastructural flows moved towards other directions and all the VCO territory were declared "industrial crisis area": since then, a restructuring process has started, leading to the current situation.

The Ossola, the area where one of our case studies is located, shows a variety of economic activities: in Anzasca (Macugnaga), Antrona and Vigezzo Valleys the tourism is prevailing, in Formazza Valley mineral water (Crodo) is produced and in Domodossola are located the main trade activities.

Moreover, the Verbano territory has a strong vocation for tourism, while Cusio is the most industrialized area of the province and many small companies are located there.

B) POPULATION

The province of VCO, because of its geographic configuration, has the lowest population density among the provinces in Piedmont (72 inhabitants per square kilometre).

Population density. 2019

Area	Inhab. per km2
EU 27 (2018)	108,8
Italy	198,0
Piedmont	170,5
Province of Asti	141,2
Province of Cuneo	84,6
Province of Verbano Cusio Ossola	72,0

Sources: Eurostat; own preparation based on figures from Istat and Demos-Ires Piemonte

This figure is also confirmed by the distribution of municipalities by number of inhabitants. Only six municipalities in this province have more than 5,000 inhabitants and only 52.7% of total population live in municipalities with more than 5,000 inhabitants, while at the regional level this figure is 70.8%.

Municipalities by population (2020)

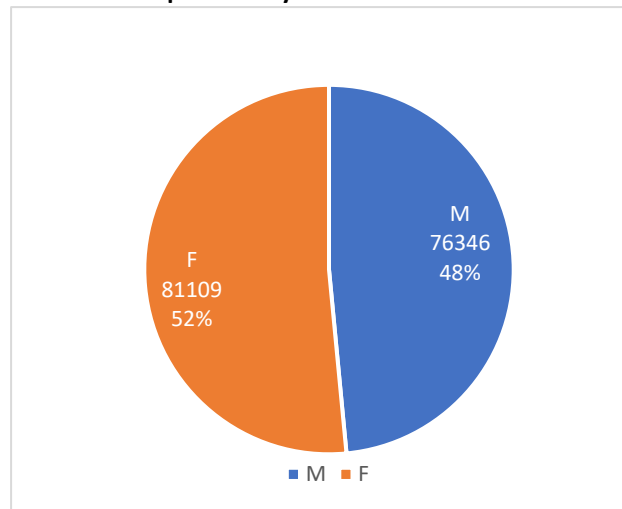|	VCO		Piemonte	
	Numero di residenti	%	Numero di residenti	%
>5000 inhabitants	82.321	52,7	3050588	70,8
1000-4999 inhab.	55.326	35,4	980640	22,7
500-999 inhab.	11.375	7,3	186522	4,3
<500 inhab.	7.298	4,7	93467	2,2
Total	156.320	100	4311217	100

Source: own elaboration based on figures from Istat

Population by sex and age groups

From a demographic point of view, the decline of agricultural sector has led to the dropout of several peripheral areas and population movements towards local urban centres. Nevertheless, after a population decline and a relatively geographic isolation during the period of economic boom (1950's-60's), in the last decades in the province of VCO it has been registered a demographic trend in line with that of Piedmont, with some exceptions in the most peripheral and marginalised mountain areas.
The current population is composed by 157,455 inhabitants, of which 52% are women and 48% men.
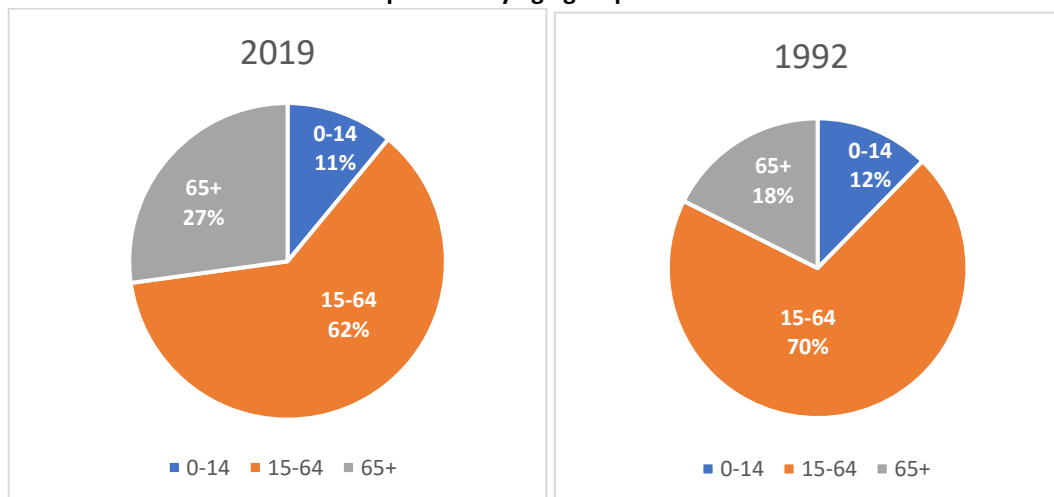
Population by sex. 2019 VCO

Source: Demos – Ires Piemonte, 31.12.2019

The population is mainly concentrated in the medium age class: in 2019 the share of working-age population between 15 and 64 years is equal to 62%, followed by the senior group over 65 (27%), that is more than one person out of four. In EU-27 this group represents a lower portion of the total population (20.3%) (Eurostat). Youngsters (0-14 years old) are equal to 11%.

The demographic structure of VCO is in line with the regional composition. Comparing the age distribution in 2019 and in 1992, the ageing process is even better highlighted: this phenomenon affects not only the province of VCO, but the whole Italian country.

In 1992 the working-age population (15-64 years) was equal to 70%, 8 percentage more than in 2019: this figure explains well the high attention - at national and European level - to policies related to active ageing and, especially, to the extension of working life of workers.
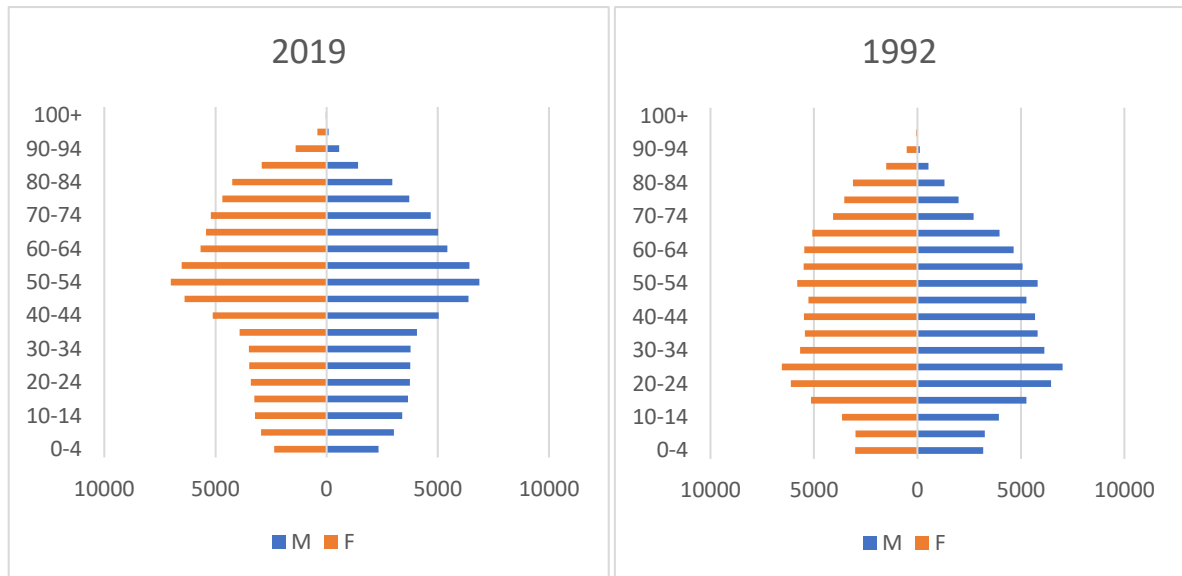
Population by age groups VCO 2019 vs. 1992

Source: Ires Piemonte, Osservatorio Demos, 2019

The population pyramid related to 2019 has the following characteristics:
- A loss of fertility in the last 10 years. This can be appreciated in the narrowness of the base.
- Most of the population is concentrated between the ages of 45 and 60, especially in 50-54 group.

- An unbalanced relationship among age groups, in favour of the older groups, especially from 56 to 79 years old.
- A greater number of women in the oldest age groups.

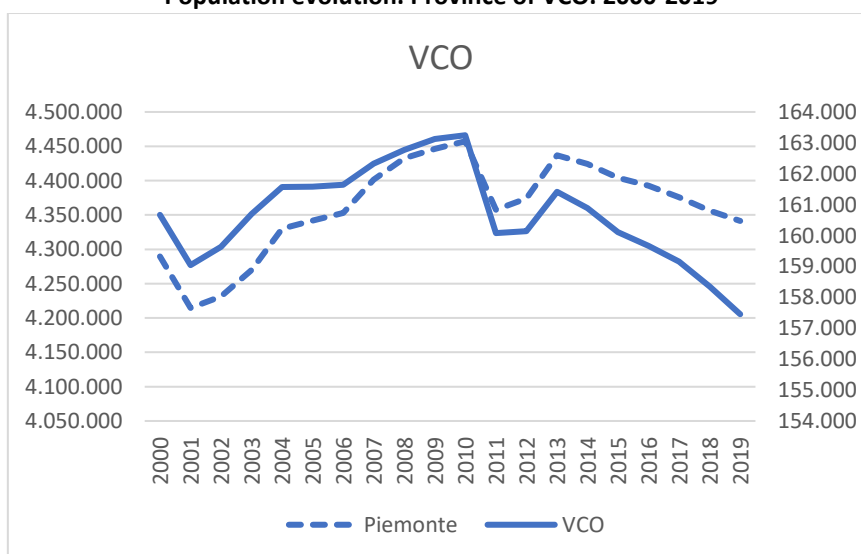**Population pyramid. Province of VCO 2019 vs. 1992**

Source: Demos – Ires Piemonte

Population evolution between 2000 and 2019

By observing the population evolution in the last 20 years it should be noted a first period, until 2010, when the population is increasing. In 2011 the national census was held, so the break in the trend can be explained by a technical reason (adjustment of estimates to the official data). In the last years there is a population decrease in the province of VCO, apparently stronger than at the regional level.
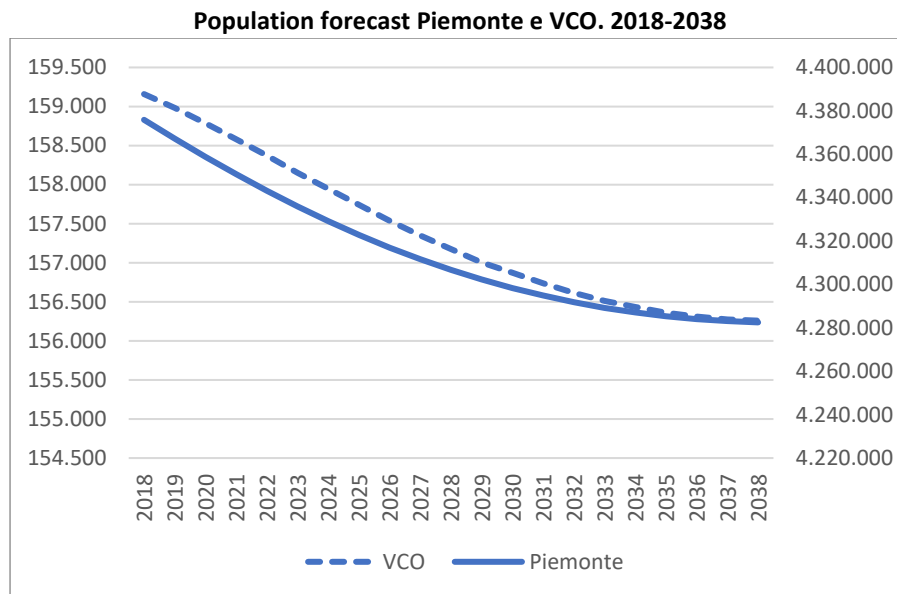
Population evolution. Province of VCO. 2000-2019

Source: own preparation based on figures from Demos – Ires Piemonte

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Population forecast (total, by sex and age group)

Ires Piemonte[1] elaborated a population forecast for Piedmont region and its 8 provinces to 2038, based on 2018 figure.
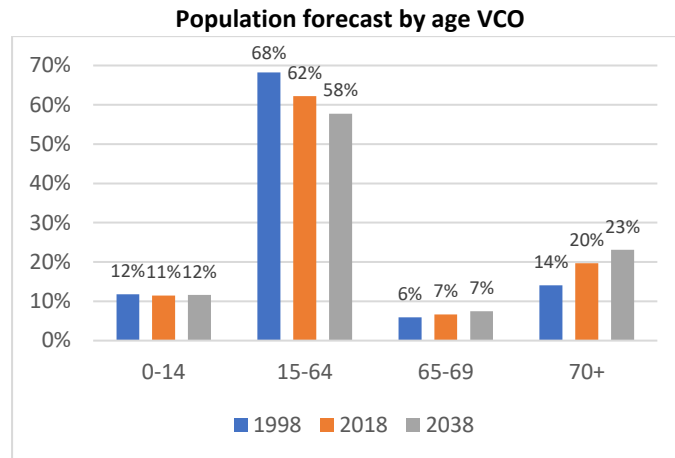
The data confirm the population decrease already observed in the last ten years. The downward trend could be explained by the reduction of birth rate and a moderate migration phenomenon, unable to compensate the natural decrease.

Population forecast Piemonte e VCO. 2018-2038

Source: Ires Piemonte

The forecast analysis is useful also to compare the variation in the distribution of population by age groups over a period of 40 years (1998-2038). We decided to share the population in four age groups to observe the effects of ageing process. The most relevant figure is related to the loss of relative size of the traditionally so-called "working-age population": people aged from 15 to 64 years in 1998 were 68.2% of the total, while in 2038 they will be supposed to be equal to 57.8%. The loss of potential employees could be only partially compensated by an extension of working life: the age group 65-69 years old goes from 5.9% to 7.5%. The potential retirees (the over 70 years old), that were equal to 14.1% in 1998, are supposed to represent the 23.1% of total population in 2038, with relevant consequences on welfare system and on employment trends.

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[1] Ires Piemonte is the Regional Institute for Economic and Social Research in Piedmont (www.ires.piemonte.it).

Population forecast by age VCO

Source: Ires Piemonte

B) EMPLOYMENT AND ECONOMIC ACTIVITY

Activity rate (by sex)

The activity rate of the province of VCO (67.7%) is lower than that of Piedmont (71,6). The male activity rate shows a higher value than the female one in both the considered areas. Moreover, the female activity rate is much lower in the province of VCO than at the regional level, 5 points above.

Activity rate by sex (%). 2019

	Province of Asti	Province of Cuneo	Province of VCO	Piedmont
Total	71.9	73.1	67.7	71.6
Male	81.1	80.8	75.0	77.9
Female	62.6	65.3	60.3	65.3

Source: Own elaboration from Piedmont Region – Regional Observatory on Labour Market on Istat data

Employment by sex and age group

In 2019 the unemployment rate in the province of VCO (63.6%) is lower than in Piedmont (66%), nevertheless it is almost 5 points higher than the national figure (59%). In terms of employment rate, VCO ranks last among the eight Piedmont provinces.

The labour market in VCO is still unbalanced in favour of male employment (71.4% against 55.7%): comparing the figure with the regional level, the male employment rate in VCO does not differ much from that of Piedmont, while the female employment marks a relevant delay as compared to the rest of the region, nevertheless the figure is higher than at the national level.
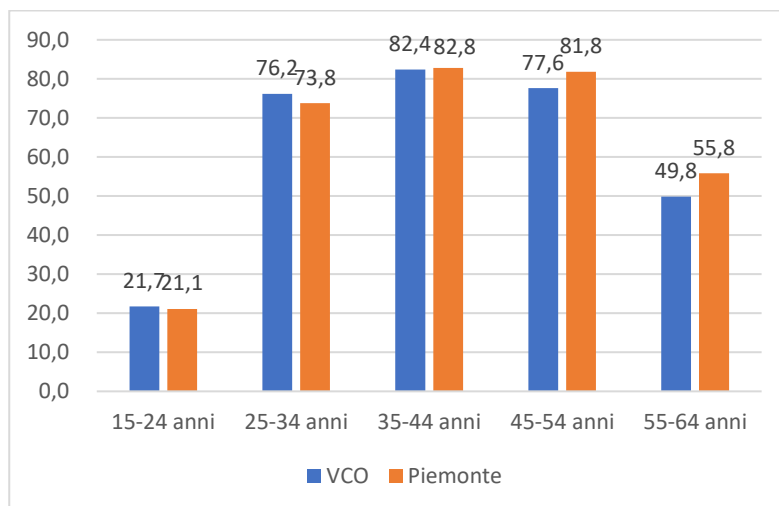
Employment rate (15-64 years old) by sex (%). 2019

	Province of Asti	Province of Cuneo	Province of VCO	Piedmont	Italy
Total	67.8	69.4	63.6	66.0	59.0
Male	77.4	77.3	71.4	72.8	68.0
Female	58.2	61.4	55.7	59.2	50.1

Source: Own elaboration from Piedmont Region – Regional Observatory on Labour Market on Istat data

In 2019 the highest employment rate in the province of VCO is related to the age class 35-44 years (82.4%), followed by age groups 45-54 (77.6%) and 25-34 years (76.2%). If compared to Piedmont, the figures in VCO are in line for the age groups 35-44 and 45-54 years; the figures related to youngsters 25-34 years are higher, while the senior group 55-64 shows lower values than at the regional level.

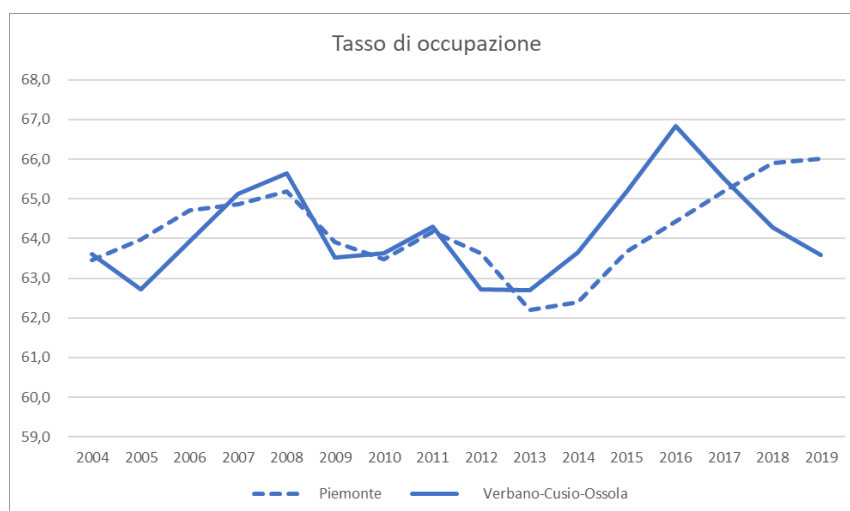**Employment rate by age (%). 2019**

Source: Own elaboration from Piedmont Region – Regional Observatory on Labour Market on Istat data

Evolution of employment rate

Within the period 2004-2019, since 2016 the province of VCO has been facing a strong decrease of the employment rate, in opposition to the regional trend. Until then, the employment trend of VCO were aligned with that of Piedmont and followed the economic cycle.

Employment rate in the province of VCO and Piedmont (%). 2004-2019

Source: Istat

Employment by sector

The ISTAT data related to the databank of enterprises with employees (ASIA) allow to observe the employment phenomenon from the point of view of activity sector and size. The following statistics are referred only to firms with employees (thus, individual companies are excluded) operating in the private sector, agriculture excluded.

The main portion of employees in the province of VCO, equal to 32.1%, in 2018 is employed in the manufacturing sector; services concern 26% of total employees, trade reaches 21.3% and is followed by construction (13%). If compared to the regional level, in the province of VCO there is a lower employment share in manufacturing sector and especially in services, that in Piedmont concerns 34.5% of total employees.
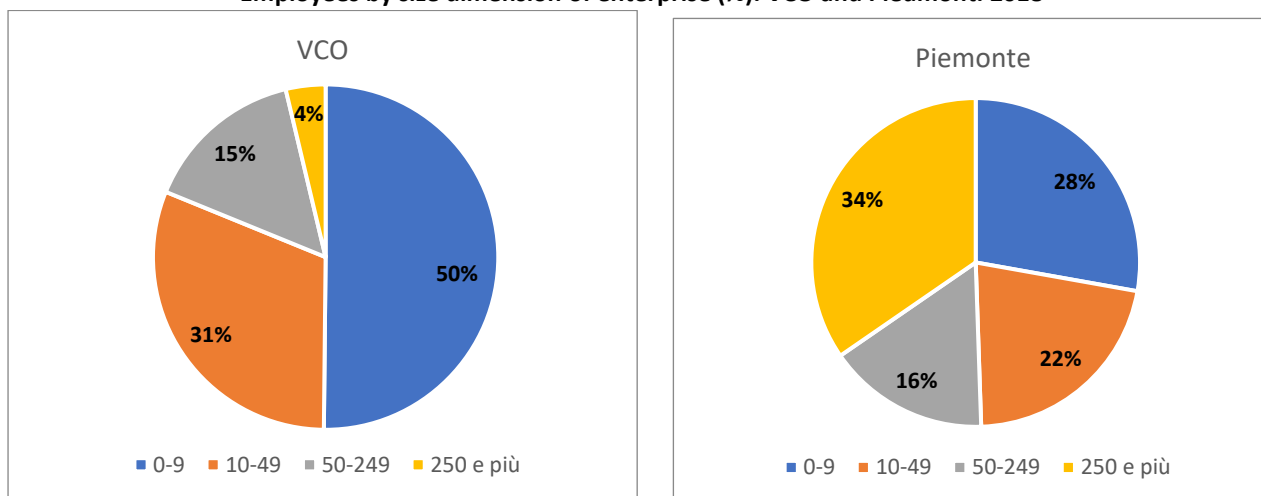
Employment by sector in the province of VCO (%). 2018

	VCO	Asti	Cuneo	Piedmont
Mining	0,5	0,1	0,1	0,1
Manufacturing	32,1	36,6	37,6	36,0
Energy, waste	2,5	2,3	1,4	2,1
Construction	13,0	10,2	9,1	6,5
Trade	21,3	21,7	23,7	15,6
Logistics	4,7	4,3	4,5	5,2
Services	25,9	24,7	23,6	34,5
	100,0	100,0	100,0	100,0

Source: ISTAT – Asia

The distribution of employees by size dimension of enterprises underlines some differences between entrepreneurial system of VCO and that of Piedmont. The 50% is employed in very small enterprises (less than 10 employees); overall, more than 80% is employed in companies under 50 employees. At the regional level, the structure by size is very different: 34% of employees work in enterprises with more than 250 employees and Piedmonts' workers employed in enterprises with less than 10 employees are equal to 28%.

Employees by size dimension of enterprise (%). VCO and Piedmont. 2018

Source: ISTAT – Asia

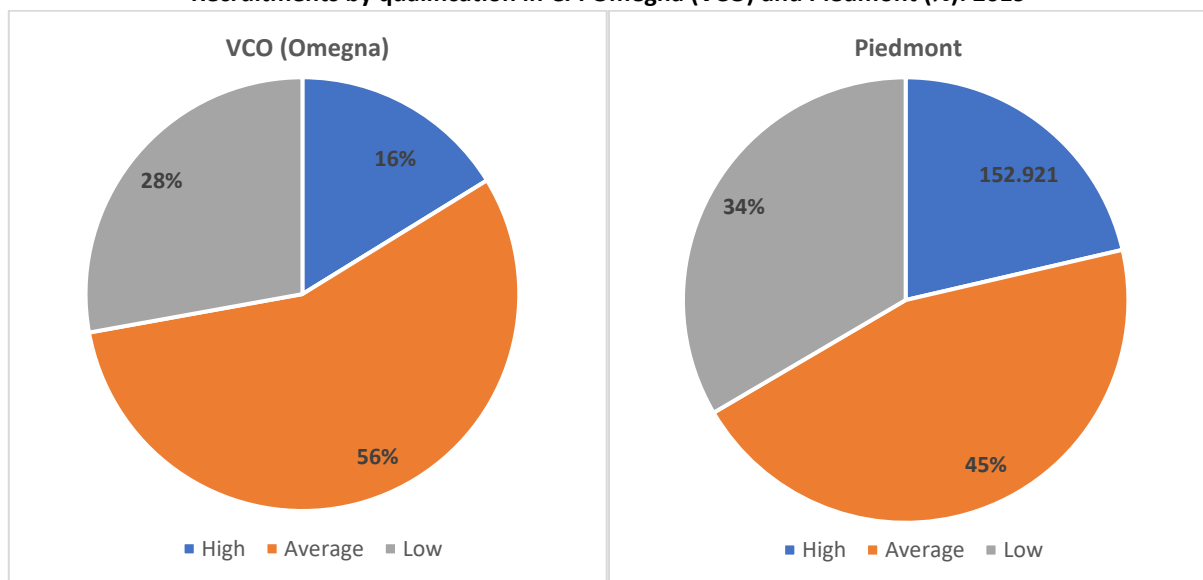*Recruitments (flow data by Agenzia Piemonte Lavoro - Employment Centres)*

The 30 Employment Centres (CPI) of Piedmont Region collect a relevant quantity of data on employment flows referred to people recruited by companies in the private sector. Data are referred to the local basins/areas, one for each Employment Centre in Piedmont, and they mainly correspond to the local labour systems (LLS): every Employment Centre provides its services within a specific local area, which is composed by a variable number of municipalities.

In this analysis it is taken into consideration the number and the type of recruitments of individuals by companies with at least one employee in 2019.

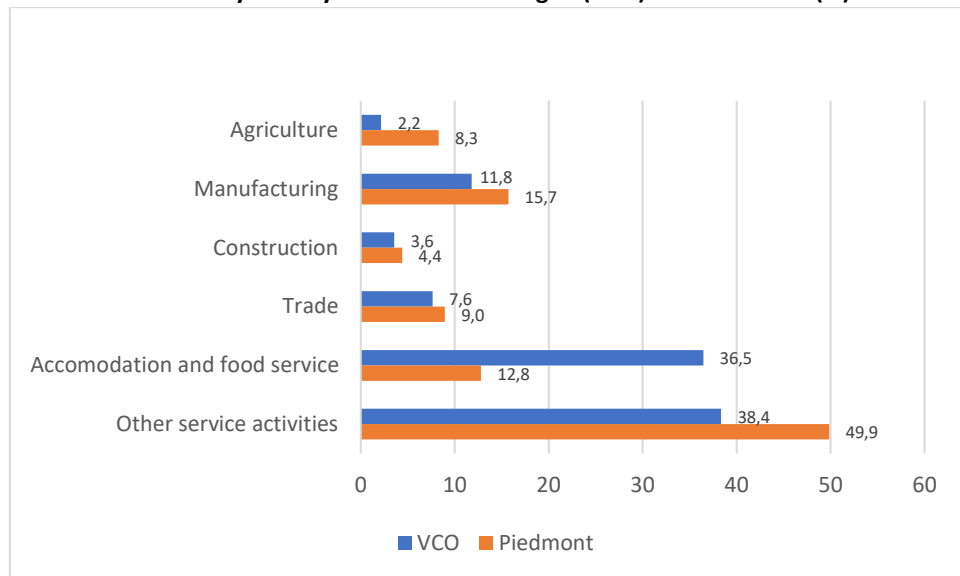The Employment Centre of Omegna, representative of the whole province, registered 23,532 recruitments in 2019.

The 56% is referred to individuals with medium skill levels, the 28% low and 16% high. If compared with Piedmont figure, in Omegna there is a lower portion of low skilled workers (it is 34% in Piedmont) and a higher share of medium-skilled workers (45% in Piedmont).

Recruitments by qualification in CPI Omegna (VCO) and Piedmont (%). 2019

The figures related to the activity field of recruiting companies highlight the specific characteristics of the territory: people hired in the province of VCO by companies operating in touristic sector, hospitality and food services are equal to 36.5% of the total (one out of three is recruited in tourism sector), versus 12.8% in Piedmont. Instead, agriculture is under-represented in VCO if compared to Piedmont (2.2% versus 8.3%).
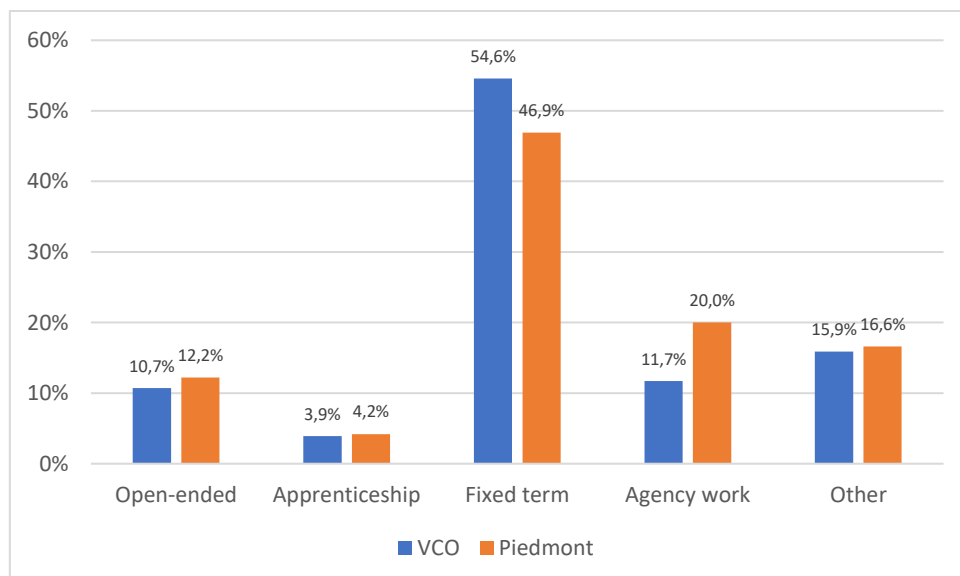
Recruitments by activity sector in CPI Omegna (VCO) and Piedmont (%). 2019

Moreover, the data referred to the type of employment agreements is useful to describe the job stability during the year.

In 2019 the number of open-ended employment agreements is equal to 10.7% of the total, in line with the regional level, while fixed-term employment agreements reach 54.6% in VCO and 46.9% in Piedmont. The figure related to agency work agreements, even if compared to the regional level (they are 46.9% in Piedmont). Instead, the share of recruitments by agency work in VCO is much lower than in Piedmont (11.7% versus 20%).

Recruitments by type of employment agreement in Omegna (VCO) and Piedmont (%). 2019
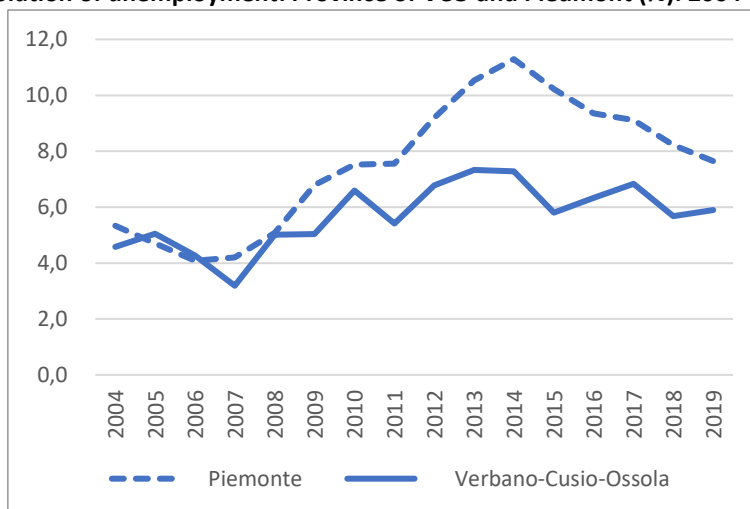
D) UNEMPLOYMENT AND INACTIVITY

Evolution of unemployment

The trend of unemployment rate in the province of VCO deviates from the regional one, showing lower values and fluctuation around 6.4% of average between 2010 and 2019.
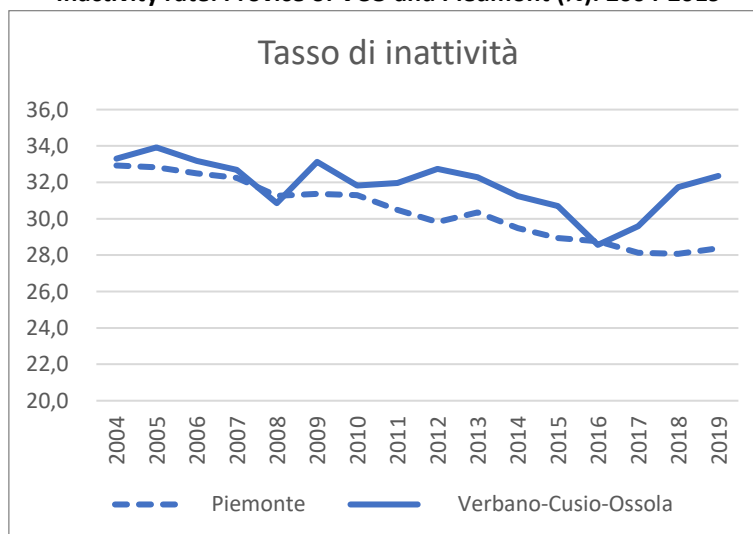
Based on available data, it would seem that the province has been able to react to the 2008 crisis better than the rest of the region. Nevertheless, it should be noted that there are, on one hand, decreasing unemployment rates and, on the other hand, a high percentage of non-active people, above the regional level and increasing in the last three years: these data may suggest that a spread portion of people has a lack of confidence towards the possibility of finding a job and, consequently, they give up their job-seeking activities. Only job-seekers, actually, are counted in the calculation of unemployment rate.

Evolution of unemployment. Province of VCO and Piedmont (%). 2004-2019

Source: Istat

Inactivity rate. Provice of VCO and Piedmont (%). 2004-2019

Source: Istat

Unemployment by age group and sex

Unemployment rate by age group and sex. 2019

Area	TOTAL				MALE				FEMALE			
	15-24 years	25-34 years	35+ years	TOT	15-24 years	25-34 years	35+ years	TOT	15-24 years	25-34 years	35+ years	TOT
Asti	25,1	7,8	3,7	5,6	15,4	6,1	3,2	4,5	37,4	10,8	4,2	7,0
Cuneo	16,6	6,6	3,2	4,8	12,9	7,7	2,2	4,0	23,0	5,5	4,5	5,9
VCO	25,3	5,9	4,3	5,9	21,7	6,6	2,7	4,6	30,3	4,9	6,4	7,5
Piedmont	**26,8**	**10,0**	**5,7**	**7,6**	**21,5**	**9,4**	**4,5**	**6,3**	**33,5**	**10,7**	**7,1**	**9,2**

Source: Piedmont Region – Regional Observatory on Labour Market

Overall, women are more involved in unemployment than men: in the province of VCO the unemployment rate for women is 7.5%, while for men is 4.6%.

Considering the age classes, the unemployment in the province of VCO is concentrated among the youngsters: in the age group 15-24 years one out of four (25.3%) is unemployed, in line with the regional figure (26.8%). The figures related to the age group 25-34 years seem to be positive in the province of VCO (5.9% versus 10% in Piedmont). Female unemployment for this age class show differences less marked than in the other groups.

Nevertheless, the main difference between men and women can be found on inactivity rates among young adults (25-34): in VCO the inactivity rate for women 25-34 is equal to 30%, while for men it is equal to 8.9%, with a difference of more than 20 percentage points. This gap can be founded in each age group and it is much higher than in Piedmont, except for the age class 55-64, where the difference between men and women is equal to 6.8 points.

Inactivity rate by age (%). 2019

	VCO			Piedmont		
	Male	Female	Total	Male	Female	Total
15-24 years	67,9	74,2	70,9	69,3	73,2	71,2
25-34 years	8,7	30,0	19,0	12,3	23,9	18,0
35-44 years	6,2	22,6	14,1	3,8	18,7	11,2
45-54 years	8,9	28,7	18,7	6,5	20,3	13,5
55-64 years	44,1	50,9	47,7	32,2	49,5	41,1
Total (15-64)	25,0	39,7	32,3	22,1	34,7	28,4

Source: Istat

E) COVID 19

How has the education system responded to the Covid-19 crisis?
The pandemic crisis has represented a big challenge for the educational system and this issue is still central to the public debate. Since March 2020 schools have been closed and distance teaching and learning has been activated. The academic year 2020/21 has started with in presence activities, but since November the school system has got back to a prevalent distance learning and teaching modality, except for educational services for children 0-6 years old, that have maintained presential activities in compliance with security protocols.

Vocational training system suffered also during these months and several activities (apprenticeship, traineeships, laboratorial activities, etc.) have been stopped. The situation is still in progress.

On one hand, the implementation of distance learning has accelerated the digitalization process of educational system; on the other hand, it has underlined several weaknesses, especially the digital divide.

Among the main factors that can impact on the results of distance teaching and learning, there are teachers' and students' digital skills and the availability of digital devices and connectivity among families and teachers. There is awareness about potential negative effects on learning, on youngsters' psychological and emotional conditions, on growing inequalities and on an increase of early school leaving.

Has the Covid-19 crisis caused population movements to rural areas?
The increase of smart working has generated a reduction of commuting towards urban centres. In summer, because of restrictions on mobility, many people discovered rural areas and a domestic and proximity tourism increased.

However, currently, there are no data available related to permanent movements of people towards rural areas. Certainly, the pandemic has contributed to focus the attention of public debate on some issues that are traditionally connected to rural areas: access to services, transport system, digitalization. In this sense, the pandemic could represent an opportunity not only to reconsider our own lifestyle, but also to bring at the centre of the debate the internal area issues.

MAIN SOURCES

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- Ires Piemonte, www.ires.piemonte.it
- Ires Piemonte, Demos - Regional Demographic Observatory
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- Istat, ASIA Databank
- Regione Piemonte, Regional Observatory on Labour Market