

SEMINAR ON URBANIZATION PROBLEMS IN LATIN AMERICA

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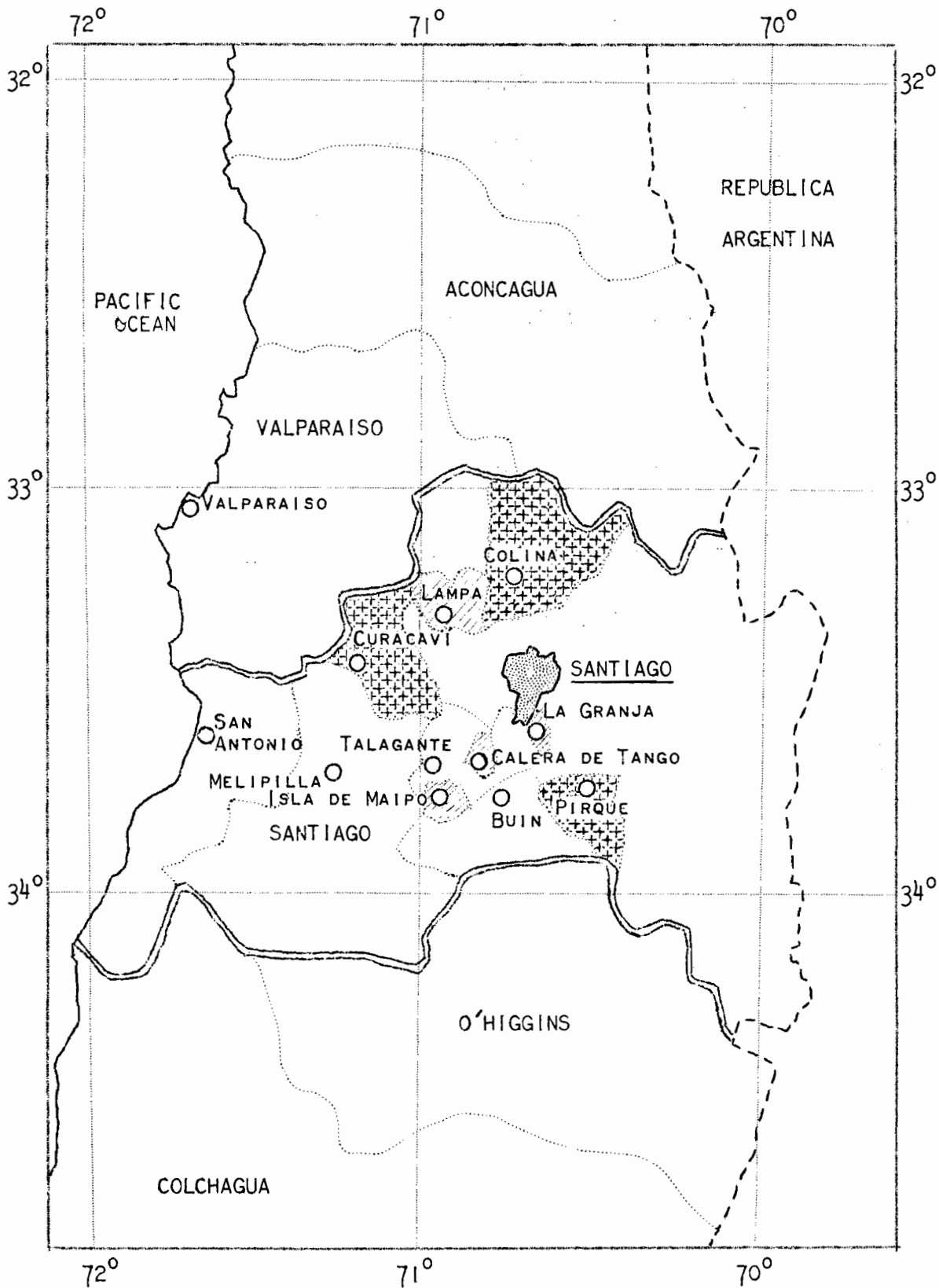
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WAGE STRUCTURE AND ITS INFLUENCE ON THE  
SELECTION OF RURAL LABOUR

(Survey of a number of rural communes in the Santiago area)

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SANTIAGO PROVINCE  
COMMUNES COVERED BY SURVEY



### Introduction

The present paper discusses the position of the rural populations of the communes of Calera de Tango, Colina, Curacaví, Isla de Maipo, La Granja, Lampa and Pirque; it is based on surveys in these communes and the results of the 1952 General Population Census and the 1955 Agricultural Census.

Before defining the scope of the study, it may be useful to mention a number of factors which influence the selection and distribution of the rural population; these factors will merely be listed in view of the lack of data and the fact that they are outside the purview of the study.

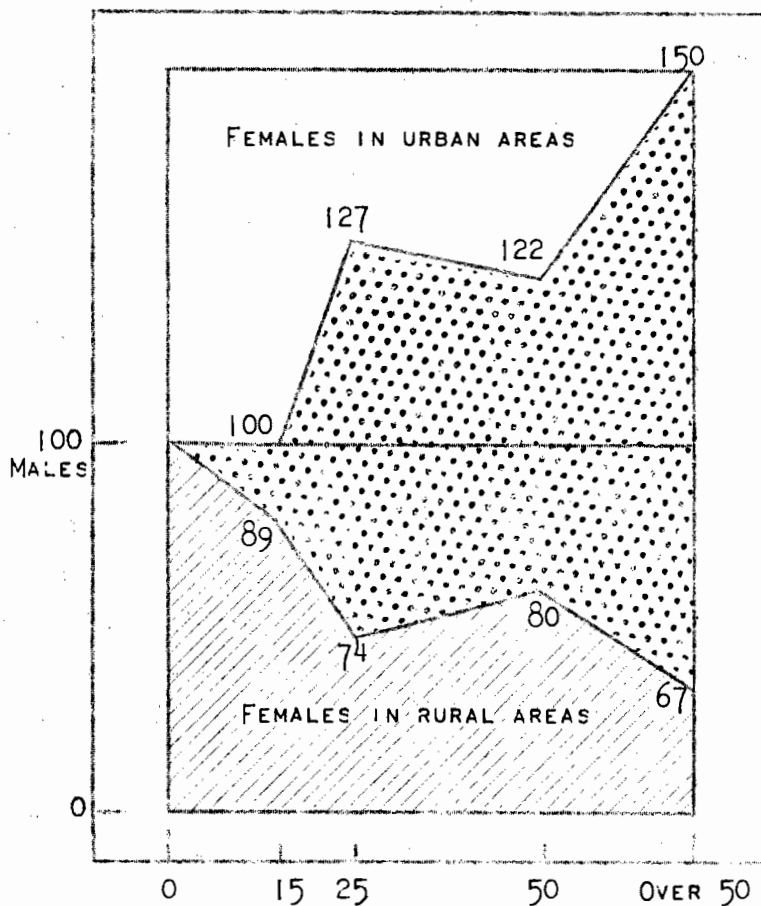
(1) The effect of the backwardness and isolation of rural communities. In rural areas all services are less developed than in urban areas and may be non-existent. In rural areas, educational, social welfare and medical care facilities are greatly inferior to those in the cities and it is more difficult to ensure that social legislation is properly enforced.

(2) The conditions in which the present migration of the rural population to urban centres is taking place. There has been much discussion of "shantytowns" but it is still impossible to say whether the shantytowns house migrants from rural areas or marginal elements of the urban population. The shantytowns seem to be an outgrowth not so much of rural migration as of the unemployment, delinquency and poverty prevalent in some urban population groups. Little is as yet known about the integration of rural migrants in urban life; many of the women find employment as domestics, but there is little information about the men.

(3) The selection of migrants to the cities. Is the process taking place in accordance with a rational policy or has it been left to chance to create its own mechanisms?

In this paper it is proposed to consider the effect of the wage structure in Chilean agriculture on the process of selection of rural labour and of the surplus population which migrates to the cities, in particular, to Santiago.

FEMALES PER 100 MALES IN THE URBAN POPULATION OF SANTIAGO PROVINCE AND THE RURAL POPULATION OF THE COMMUNES STUDIED, ACCORDING TO THE 1952 POPULATION CENSUS



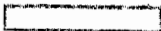
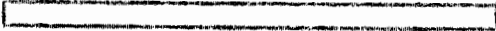
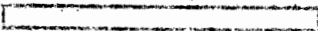
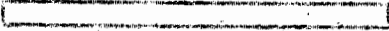

Effects of rural emigration: demographic disequilibria

(a) Women are leaving the country and concentrating in the cities.

In Chile, according to the 1952 census, males outnumber females up to ten years of age; after ten the relationship is reversed, reaching a peak of 122 females to 100 males among persons aged sixty-five and over. The average for all ages is 104 females to 100 males.

In the communes studied, there are more males than females in all age-groups. The difference is accentuated between the ages of fifteen and twenty-four and after the age of fifty. In the urban population of Santiago Province the position is reversed: females outnumber males from the age of five years, the difference increasing with age to a peak of 150 females per 100 males in groups over fifty years of age. The difference decreases between twenty-five and fifty years of age and progressively increases after the age of fifty. The disproportion

DISTRIBUTION OF INQUILINOS BY AGE

			%
UNDER 30		21	11
30 - 39		65	34
40 - 49		42	22
OVER 50		51	26
NOT STATED		12	7
TOTAL COVERED BY SURVEY.....		191	100

between males and females in the rural communes, especially between fifteen and twenty-four years of age, shows the effects of excessive female emigration to the cities. The disproportion is even greater than would appear, since male mortality is higher than female mortality at all ages; the difference should therefore diminish with age, instead of becoming greater, as is the case in the rural communes under consideration.

(b) In agriculture adult male workers are most in demand.

The figures for the distribution by age of the inquilinos (agricultural workers paid partly in land) covered by the survey show that adult males over thirty years of age predominate.

Although there are of course other categories of agricultural worker - obligados, voluntarios,<sup>1/</sup> share-croppers, migrant labour, contract labour, etc. - it should be borne in mind that the Chilean system of agricultural labour and wages centres upon the inquilinos and their families.

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<sup>1/</sup> See page 6.

The age pyramid of the rural and urban populations of Santiago Province clearly shows the small size of the active rural population in comparison with inactive groups, the aged and the children - especially the last. It can be seen that the surplus rural population moves to Santiago, from the age of fifteen years in the case of women and upon completion of military service in the case of men.

The *inquilino* system and the selection of rural labour

An outstanding feature of Chilean agriculture is the fact that most of the cultivated area is in large holdings which employ paid labourers. Although there are many small land-owners, the area of land they farm is very small in relation to the total cultivated area.

Agricultural work, unlike industrial work:

- is spread over a period of time, since it continues from the preparation of the soil until the harvest, which takes place several months later;

- is uncertain, since it is affected by unpredictable factors such as weather, pests, availability of water, animal diseases, etc.;

- requires a stable and interested labour force; agriculture needs workers who are settled on the land.

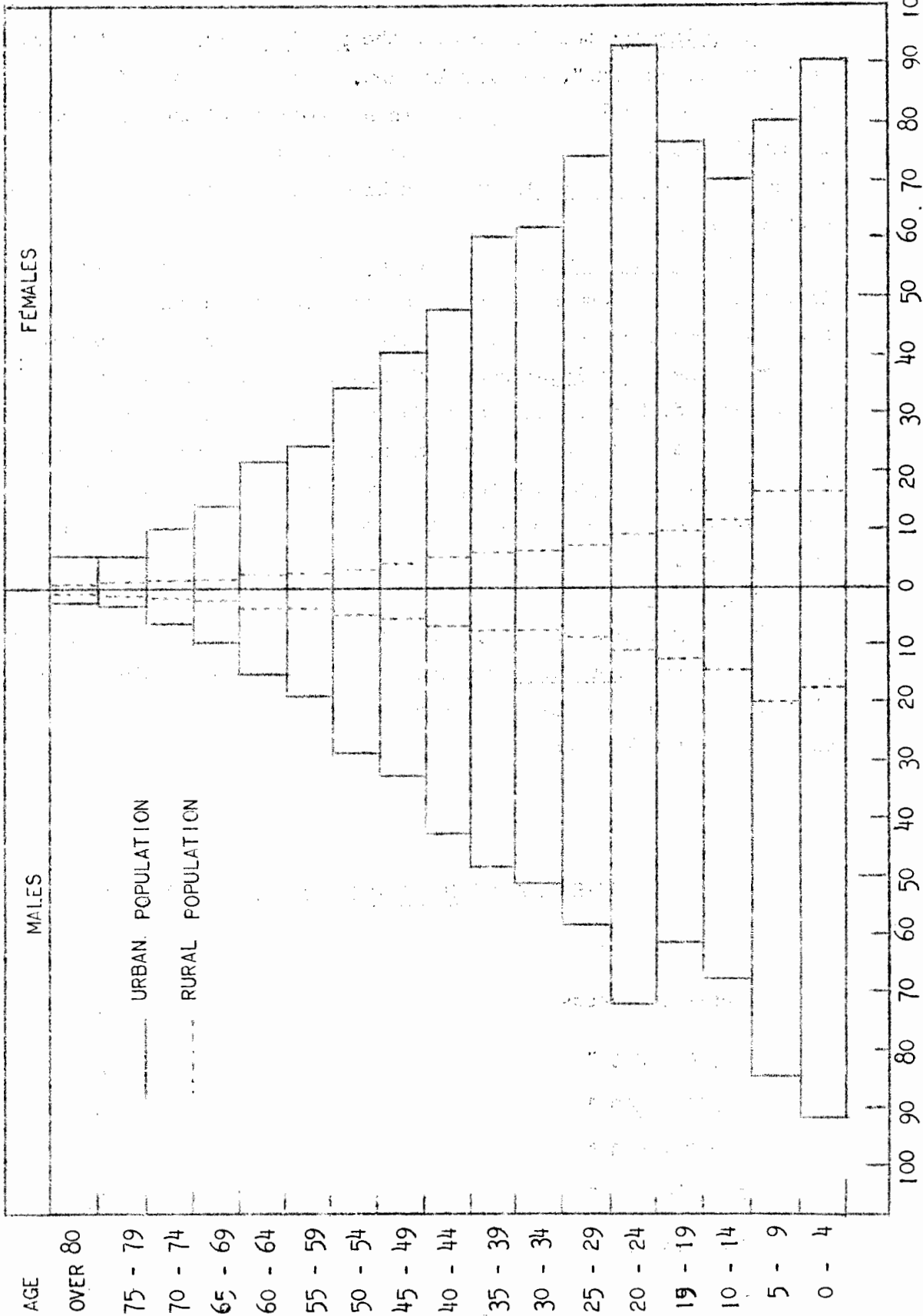
Under present conditions agriculture requires a stable, paid labour force in order to obtain a satisfactory yield from crops and livestock. The agricultural worker cannot be a mere wage-earner working by the day; he must be constantly ready, over a protracted period of time, to undertake the work that can or must be done at a particular time.

An analysis of the *inquilino* system, the predominant system in Chilean agriculture, follows.

From the employer's point of view, the *inquilino* system means:

Abundant labour: the *inquilino* is an adult with grown sons; if he has none, he usually undertakes to have in his house another worker, commonly known as an *obligado* or a *voluntario*, who also works on the employer's land. Where there is an undertaking that each *inquilino* household will provide two or three workers, the additional workers are known as *obligados*. Where there is no such undertaking, they are called *voluntarios* and work on the employer's land when they choose.

AGE PYRAMIDS OF THE URBAN AND RURAL POPULATIONS OF SANTIAGO PROVINCE: DISTRIBUTION BY AGE AND SEX

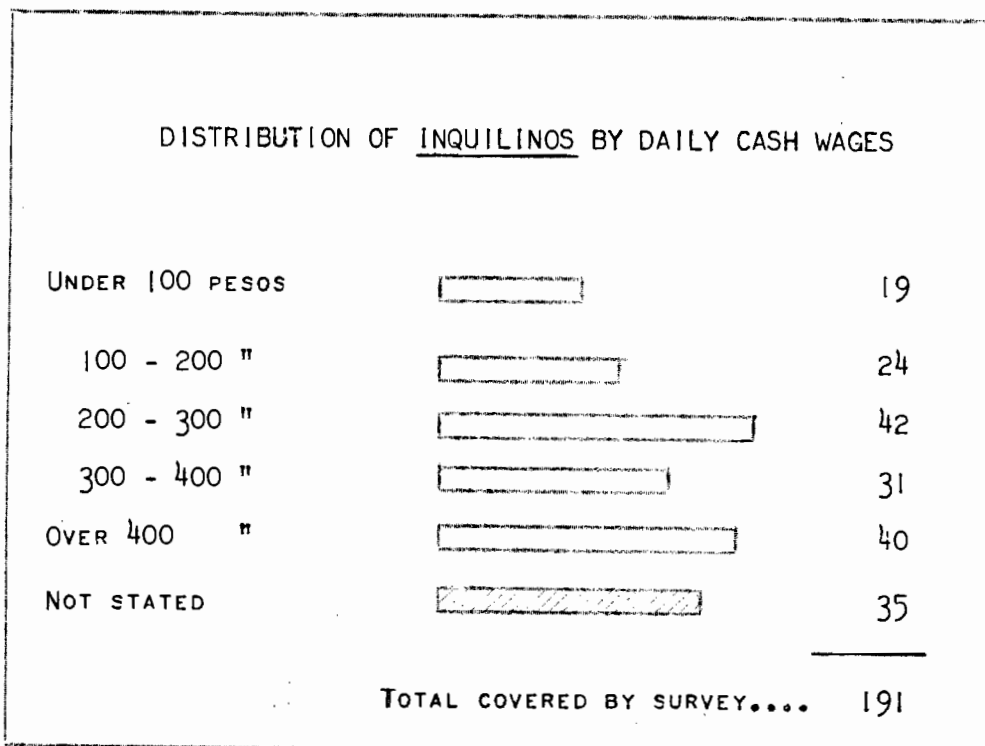


Cheap labour: the farmer pays the inquilino more than half his wages in "benefits in kind", chiefly in land. In view of the fact that, according to an ECLA survey, more than one-fifth of the irrigated land in Santiago and Valparaiso Provinces is not sown in annual crops it is clear that the inquilino's wages in kind, usually land of poor quality, cost the employer little.

Inefficient labour: under the inquilino system the agricultural worker is permanently dependent on his employer; in most cases, this relationship does not mean a community of interests but a mere carrying out of orders. As a rule the inquilinos' sense of initiative and responsibility is destroyed and, because they only do the work they are told to do, instead of working as partners in a common enterprise, the productivity of labour is very low. The payment they receive falls into two categories: cash or subsistence wages, and wages in kind, which create the dependency on the employer.

(a) Cash wages

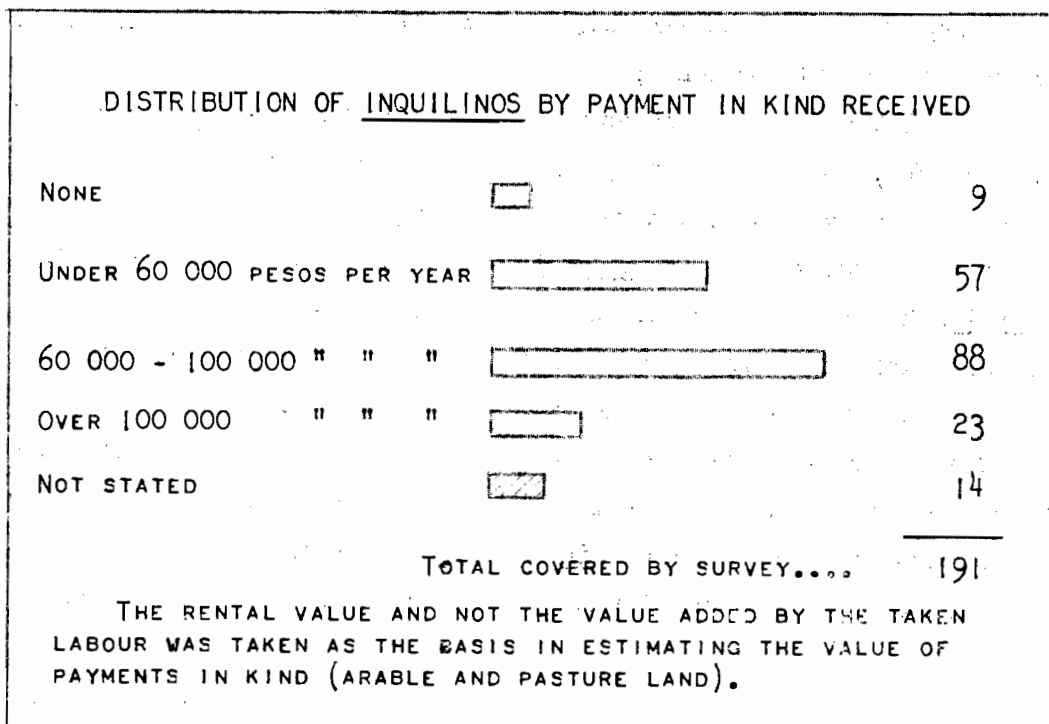
Cash wages are very low. Surveys in the Santiago area show that 10 per cent of the inquilinos receive less than the legal minimum wage and that only 22 per cent are paid cash wages equivalent to the statutory minimum for rural areas.



Analysis of the variations in cash wages in the communes studied shows that there is a relationship between cash wages and the extent to which the inquilino is settled on the land. In communes where wages are mostly in cash, fewer workers are native to the commune and the workers are younger; thus, in Isla de Maipo, where cash wages are the rule, only two of the thirty inquilinos covered by the survey were born in the commune and only one is over fifty years of age. The situation is reversed in the commune of Pirque where cash wages are exceptionally low. Fifteen of the twenty-seven inquilinos covered by the survey were born in the commune and ten are over fifty years of age.

Cash wages appear to loosen the agricultural worker's ties to his native village and give him greater mobility. Agricultural workers from other areas who are dissatisfied with conditions in their own villages or wish to make a move to the city with some degree of security, settle in communes where cash wages are the rule in order to give their children a better education and look for employment in the cities.

The rental value and not the value added by the taken labour was used as the basis in estimating the value of payments in kind (arable and pasture land).



(b) Payments in kind or "wages of dependency"

The payments in kind in fact determine the economic position of the inquilino and his family for the condition of his house and the area and quality of his plot of land decisively affect his well-being. The inquilino is more attracted by the "guarantees" which payments in kind represent, than by cash wages, since these benefits enable him to obtain a larger income by making an additional effort. However, the wages in kind do not increase his income very much; on the basis of the rental value of the house, lands and pasturage received and the real value of foodstuffs, only a minority earn over 100 000 pesos a year.

The payment of wages in kind means:

1. Selection on the basis of age: employers select as inquilinos men who have grown sons and who bring other workers to the estate;
2. Economic absorption of the inquilino's family, which benefits the head of the family only; the children are in a poor position and few have prospects. The subsidiary workers brought in by the inquilino receive no benefits in kind;
3. The virtual absence of any attractive and well-paid employment for young people, especially for girls; only very rarely does a young man wishing to marry obtain a house as an inquilino;
4. The dependency of the inquilino upon the estate, although the inquilino has no interest in the fruits of his labours. The workers on estates which pay mainly in benefits in kind are very easy to handle but entirely passive, even in their attitude towards religion;
5. The retardation of agricultural progress, since the system results in the perpetuation of primitive methods of work and provides no incentives to progress, either among the inquilinos (because they do not share in the profits) or among the landowners (because labour is cheap).

/Suggestions

Suggestions

An urbanization policy must take into account the mechanisms of selection of rural labour which cause or promote demographic disequilibrium and accelerate the growth of the large cities. Before these mechanisms can be corrected, the conditions of rural life must be thoroughly studied.

Agricultural development must be accelerated in order to prevent the migration of all young people, in particular the best educated and most progressive of them, to the urban centres.

Women must be given a place in the family economy, not as dependents but as potential wage-earners. The development of cottage industries and arrangements to market their products might improve this situation; a policy of administrative and industrial decentralization might also provide attractive employment opportunities for female labour.

