UNECE Working Group on Ageing
Eleventh meeting

Geneva, 19 and 20 November 2018

RECENT ITALIAN POLICY MEASURES
IN THE FRAMEWORK OF THE LISBON MINISTERIAL DECLARATION

Pietro Checcucci
Progress and challenges highlighted in the National report 2017

Policy measures in continuity with previous programmes and new ones envisaged
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Policy measures in continuity with previous programmes and new ones envisaged
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<th>Commitment</th>
<th>Description</th>
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<td>To ensure full integration and participation of older persons in society</td>
<td>Challenge (as other 10 member States)</td>
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<td>To adjust social protection systems in response to demographic changes and their social and economic consequences</td>
<td>Achievement (as other 30 member States)</td>
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<td>To enable labour markets to respond to the economic and social consequences of population ageing</td>
<td>Achievement (as other 19 member States)</td>
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<td>To promote lifelong learning and adapt the educational system in order to meet the changing economic, social and demographic conditions</td>
<td>Challenge (as other 6 member States)</td>
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<td>To strive to ensure quality of life at all ages and maintain independent living including health and well-being</td>
<td>Achievement (as other 36 member States)</td>
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Italian demographic situation and health in later life

Population groups as % of total population

Persons with disabilities by age classes (%)

- Old age dependency ratio (65+/15-64) will increase from 34.5 in 2016 to 51.5 in 2035, up to a maximum of 62 in 2055
- In 2016 the population 64+ showed a healthy life expectancy of 3.6 years among men and 5.6 years among women.
- Family overload of care responsibilities, while family care givers and care professionals and workers are ageing at a fast pace (risk of labour shortages)
Overall Active Ageing Index 2018
vs
Young people NEET (15-34) 2017

Source: Eurostat, 2018; Active Ageing Index Project, 2018
✓ Progress and challenges highlighted in the National report 2017

✓ Policy measures in continuity with previous programmes and new ones envisaged
Main policy areas

Policy measures in continuity with previous programmes

- Adult Education and Training
- Labour market
- Long term care

New measures envisaged

- Measures to strengthen the equity of the pension system
- Long term care
- Basic income
- Labour market
In 2017, almost 40% of Italian aged 25-64 declared at most a lower secondary educational attainment. They were more than 50% in the class 55-64.

The 2012 Labour market reform envisaged the possibility of validation of non-formal and informal learning of adult population and established a nationwide network of 126 Education centres for adult education (CPIAs).

From 2015 to 2017 CPIAs enrolled almost 200,000 adults, 13.5% of which were immigrants.

The percentage of achievement of the desired attainment was 50% (83% in the case of ISCED 3 and 85.3% among immigrants).

Interventions under the Program Enterprise 4.0 (starting in 2018):

- Digital enterprise points (PID) – information for digitisation of production, training and support, collaboration with the Competence Centres, involving Chambers of Commerce
- Innovation Hubs (IH) – supporting SMEs in new commercial and production strategies, managed by Employers organizations
- Competence Centres – higher education and research concerning 4.0 technologies, involving Universities, research centres and enterprises.
Long term care and disability

LTC services to dependent people provided by the National Health Service
- 40% of spending
- Home health-care services (integrated domiciliary care) and other health services provided in residential settings
- National Health Service is responsible for assessing the degree of disability of citizens

Social component of LTC provided by municipalities
- 14% of spending
- In kind care provisions, at local level
- Personal social services, both domestic and personal care tasks provided at home
- Mainly means-tested
- National Health Service is responsible for assessing the degree of disability of citizen

After us (older people with disabilities on-set before 64)
- National funding of innovative projects for autonomous living solutions (also co-housing) and self-help groups
- Personal budget
- Awareness raising and empowerment programs for persons with disabilities
- Tax relief for insurance schemes, trusts, goods and assets devoted to independent living of single persons

Attendance allowances (indennità di accompagnamento)
- 46% of spending
- Cash benefit
- Not means-tested
- Local Health Authorities examine eligibility criteria
- National Social Security Institute (INPS) provides benefits
Long term care and disability

✓ Expenditure of LTC accounted for 1.7% of GDP in 2017. 2/3 of the expenditure are directed at 65+

✓ New measures envisaged:
  ➢ Increasing of the Fund for care-givers.
  ➢ Increasing of the Fund for not autonomous persons.
  ➢ Increasing of the Fund «After us»
  ➢ The Parliament is also debating a law which will introduce economic, fiscal and social security incentives for care givers, such as tax deductions for expenses, early pension schemes, work-life balance measures and a specific allowance
Basic income and equity of the pension system

✓ In 2017 a share of 10.5% of 65+ was in relative poverty (lower than total population share of 12.3%). This percentage was 11.2 in households with 2 or more older people.

✓ According to the National Statistical Institute (ISTAT) 4 millions of citizens give up on medical services due to their economic conditions. The majority are persons aged 45-64

✓ New measures envisaged:

- Introduction of an early retirement measure (so-called "100 threshold"), in order to favour generational turn-over in the labour market. The minimum threshold for early retirement will be 62 years of age and 38 years of contributions.
- Introduction of a minimum Citizenship Pension (EUR 780 per month; currently the minimum pension can be between 507 and 640 EUR per month).
- Introduction of a Citizenship Income - annual income calculated on the basis of the relative poverty indicator of the EU (equal to a maximum of 9,360 euros annually and 780 euros per month). It addresses adults living in Italy since 5 years, unemployed. The measure will replace the so-called “Inclusion income” measure, which in 2018 covered 379,000 households (more than 1 million persons, 10% immigrants), providing an average of 308 euros per month.
- The Citizenship Income will be accompanied by a reform of the Public employment services (PES). The income is mandatorily conditioned to the entering in a job matching program managed by PES.
Labour market

✓ The Budget law 2018 still envisaged a cut of 50% in social security contributions by the employer in the case of hiring 50+ unemployed for 12 months (duration of cutting 18 months if hired without fixed term contract or otherwise 12)

✓ In the case of women unemployed for 24 months or more there is no age threshold (in the case of sectors with gender segregation or disadvantaged areas)

✓ In Southern Regions the cut is 100% of social security contributions (max. 8,060 euros) for both under 35 or 35+ unemployed for 6 months or more.

✓ New measures envisaged:
  - The incentives for under 35 were confirmed by the so-called “Dignity Decree” (L.D. No. 87/2018), aimed at stabilizing workers, fighting precarious work and safeguarding occupational levels.
  - The same Dignity Decree introduced the obligation for Regions (2019-2021) to allocate a portion of their recruitments to reinforce the staff of the PES.
  - The Budget law 2019 envisage a Job-placement Centres reform, aimed at supporting the Citizenship Income, providing additional resources for the Job-placement Centres and making their service homogeneous nationwide, also strengthening the already running Single Informative System.
  - Measures for women with a discontinued working career will also probably envisaged, jointly with the removal of turnover restrictions of Public Administration, in order to counterbalance personnel ageing and boost youth employment.
Consistency with the National Sustainable Development Strategy

✓ The National Sustainable Development Strategy (NSDS) was enforced by the Interministerial Comittee for Economic Programming on December 22, 2017.
✓ The coordination of the implementation of the NSDS is managed by the Presidency of the Council of Ministers.
✓ On March 16, 2018 the Guidelines for Implementation of the NSDS were enforced and a National Commission for Sustainable Development was established.
✓ In the five years following the launch of the NSDS, Italy should focus on bringing the country back to the pre-crisis conditions.
✓ The strategic topics to be addressed by the Government and envisaged within the framework of the NSDS are the following:
  ➢ decreasing poverty, inequality, discrimination,
  ➢ decreasing unemployment (particularly among youths and women)
  ➢ ensuring an environmentally sustainable economic development
  ➢ increasing the opportunities for training, education and social progress
  ➢ restoring the competitiveness of Italian companies through the “Fourth industrial revolution” based on innovative and sustainable 4.0 technologies.
Thank you for attention!

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