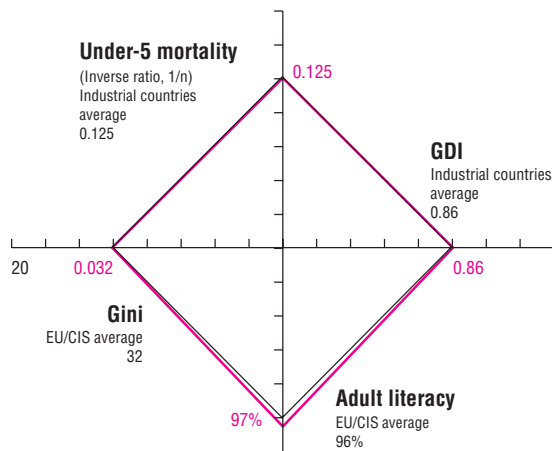


EMPLOYMENT IS THE CRUX



The Equity Diamond: National values in terracotta compared to regional ones in blue.

In Italy, measures against poverty generally appear as policies addressing work pathologies such as unemployment, accidents, diseases and so on, work being the crux of citizen rights.

Social citizenship and the battle against social exclusion and marginalisation take different shapes in the different European countries, depending on their social, political and cultural history. In Italy, for instance, a «minimum allowance», which would be similar to the English «supplementary benefit», the French «revenue minimum d'inclusion» or the German «bundessozialhilfe», is still lacking.

SOCIAL WELFARE AND SECURITY

It is not by chance that one of the most prominent forms of the battle against poverty is that of income support (civil invalidity pension, disability benefit, home assistance benefit, social pension).

In 1995, global social protection expenses totalled 403 thousand billion Lire, that is 28.8% of Gross Domestic Product (GDP). Security and welfare expenses were 309 thousand billion Lire, 17.5% of GDP. Pension expenses were the dominant component (208 thousand billion Lire or 11.8% of GDP in 1995). These showed an upward trend, notwithstanding the reforms that took place in 1992 90% of pension expenses are constituted by old age pensions. Social welfare expenses amount to 62.9 thousand billion Lire, 3.5% of GDP. From 1989, these expenditures shrank. Social welfare expenses include supplements to minimum pensions as well as family allowances. To better understand the character of policy against poverty, an analysis of the composition of welfare expenses is useful. (See Table 1)

The following points become evident:

- Monetary distribution plays a far greater role than services supply.
- Funds go to bodies and institutions whose aims and functions overlap and are therefore not clear.
- Institutions have a strict sectorial character that fragments citizens into a myriad of categories, but ignores factors such as age, sex and actual living conditions.
- Welfare programmes are usually made on the basis of a confused notion of invalidity: a generic concept of «inability to work» prevails, while new forms of exclusion such as AIDS, alcoholism, and homelessness are underrated, as are the new demands and risks that arise from current social transformations (increases in female employment and in the number of one-parent families).
- Welfare interventions are fragmented among different institutional bodies, both at central and decentralised levels such as state, government departments, regions, provinces and municipalities.
- Financing instruments are unclear: contributions are still predominant, while fiscal instruments are residual.

WORKER'S POLICY

The battle against poverty also takes the form of employment-oriented policy, which acts in two directions, to ensure

TABLE 1.

Welfare expenses composition								
	1985	%	1990	%	1992	%	1995	%
Welfare interventions	44016	100.0	56699	100.0	59136	100.0	62868	100.0
<i>Gross Domestic Product percentage</i>	5.4		4.3		3.9		3.5	
Supplement to low incomes	35365	80.3	39451	69.6	39678	70.2	38979	62.0
Supplement to reach the minimum pension	27362	62.2	27927	49.3	29512	49.9	29163	46.4
Non contributory pensions	2099	4.8	3190	5.6	3522	5.6	3482	5.5
Family allowances	5269	12.0	7724	13.6	5979	13.6	5483	8.7
Other allowances and benefits	635	1.4	610	1.1	665	1.1	851	1.4
Protection of disabled	6263	14.2	13494	23.8	15081	23.8	18892	30.1
Pensions to invalids for labour accidents	3734	8.5	9724	17.2	10872	17.2	14481	23.0
- of which								
<i>Home assistance allowance</i>	1409		4877		5795		7737	
Pensions to blind and deaf people	694	1.6	1256	2.2	1436	2.2	1724	2.7
War widows' pensions	1835	4.2	2514	4.4	2773	4.4	2687	4.3
Specific Interventions	2388	5.4	3754	6.6	4377	6.6	4997	7.9
National assistance	2388	5.4	3754	6.6	4377	6.6	4997	7.9

full-time employment, and to ensure allowances to the unemployed. The standard (which is still predominant) for work policy is a full-time permanent job 'Cassa Integrazione' provides ordinary and special provisions for laid-off workers – Ordinary «Cassa Integrazione» benefits may be applied in a temporary crisis for a maximum of one year, and are equivalent to 80% of the latest salary, paid by INPS. Extraordinary CI benefits concern enterprises employing more than 15 people. They amount to 80% of the latest salary and durations range from 24 to 36 and also 48 months.

INDUSTRIAL MANAGEMENT

In Italy there are two different ways to deal with unemployment: payment of ordinary benefits and special benefits. (See Table 2)

The strategy for the fight against poverty is obvious from the current work policies. The most conspicuous roles are played by contracts for training and employment, socially valuable jobs, part-time jobs, incentives for entrepreneurship, and interventions in support of groups at risk also through European programmes such as Now, Horizon, and Youthstart.

However, the most relevant actions still derive from a logic of passive defense. They prioritise the defense of permanent jobs and of non-traumatic dismissal of excess workers (through early retirement, etc). Given the present instability and uncertainty in our economy, too much of welfare security still depends on work. This distortion is evident in the confusion between «welfare security» and «social welfare» that characterises income protection in Italy.

Especially during the last years, the number of families living in poverty has increased. (See Table 3)

HOUSING

The problems that concur to create poverty are many: apart from employment instability and uncertainty, there is also the issue of accommodation. In Italy, over 70% of families own their own houses. At the same time, housing prices have increased faster than inflation and wages. From 1985 to 1991, the price of a residence increased by 80%, while medium contract wages increased by 38%. In the sixties, two or three years of the median household income was enough to buy a house; in 1994, five or six years was necessary. Nowadays, it is far more difficult for young people to become homeowners; it is also more difficult to change lodgings. Housing takes 18% of the income of poorer families (with monthly incomes below one million) and 7.3% of richer family incomes (monthly incomes above three million). Economic poverty is thus more common among those who pay rent than those who own their homes.

PUBLIC HEALTH

In this field also, measures taken by recent governments (from 1992 on) that were intended to reduce costs and separate social welfare and public health, may favour new a form of exclusion. This new form of marginalisation acts through two mechanisms: off-loading of complex cases, and difficulty of access for certain

TABLE 2.

WORKFORCE											
Population (divided by condition), sectors of business of employed people and their sex (a) -Average for the four surveys (data expressed in thousands) (b)											
Employed					In search of employment						
Years	Agriculture	Industry	Other sectors	Total	Unemployed	In search of first job	Other people in search of employment	Total	Total	Non labour forces	Total of population
Males											
1986	1,442	5,194	7,317	13,953	289	617	209	1,115	15,068	12,471	27,538
1987	1,413	5,111	7,322	13,485	313	665	251	1,228	15,074	12,512	27,586
1988	1,345	5,155	7,489	13,990	305	687	248	1,240	15,230	12,406	27,635
1989	1,261	5,103	7,487	13,851	286	676	257	1,220	15,071	12,598	27,669
1990 (c)	1,197	5,233	7,586	14,015	264	667	246	1,177	15,192	12,517	27,709
1991	1,165	5,259	7,678	14,102	256	645	241	1,142	15,244	12,535	27,779
1992	1,105	5,214	7,626	13,945	297	692	238	1,226	15,171	12,651	27,822
1993 (d)	1,045	5,145	7,141	13,332	490	518	90	1,098	14,430	12,979	27,409
1994	999	5,022	7,036	13,057	593	552	105	1,250	14,307	13,166	27,143
1995	956	4,934	7,043	12,933	597	599	115	1,311	14,244	13,315	27,559
1996	915	4,912	7,073	12,901	594	630	112	1,335	14,236	13,389	27,625
Females											
1986	800	1,627	4,477	6,903	212	679	605	1,496	8,399	20,638	29,038
1987	756	1,605	4,630	6,991	234	689	681	1,604	8,595	20,483	29,077
1988	713	1,633	4,767	7,133	231	725	689	1,645	8,758	20,369	29,127
1989	685	1,650	4,818	7,153	221	728	697	1,646	8,799	20,369	29,168
1990 (c)	666	1,707	5,008	7,381	219	690	665	1,574	8,955	20,289	29,244
1991	658	1,656	5,175	7,490	213	640	657	1,511	9,000	20,335	29,335
1992	644	1,636	5,233	7,514	254	678	640	1,573	9,086	20,279	29,365
1993 (d)	623	1,579	4,932	7,135	354	487	395	1,236	8,371	20,627	28,997
1994	575	1,565	4,922	7,063	390	496	424	1,310	8,373	20,693	29,066
1995	534	1,560	4,982	7,077	408	551	455	1,414	8,490	20,591	29,081
1996	487	1,563	5,137	7,187	417	574	436	1,428	8,615	20,506	29,121
Males and Females											
1986	2,241	6,821	11,794	20,856	501	1,256	814	2,611	23,467	33,109	56,576
1987	2,169	6,716	11,952	20,836	547	1,354	932	2,832	23,669	32,995	56,664
1988	2,058	6,788	12,256	21,103	537	1,412	937	2,885	23,998	32,775	56,763
1989	1,946	6,753	12,305	21,004	507	1,405	954	2,865	23,870	32,967	56,836
1990 (c)	1,863	6,940	12,593	21,396	483	1,357	912	2,571	24,147	32,806	56,953
1991	1,823	6,916	12,853	21,592	469	1,285	898	2,653	24,245	32,870	57,114
1992	1,749	6,851	12,859	21,459	551	1,370	878	2,799	24,257	32,930	57,187
1993 (d)	1,669	6,725	12,073	20,466	845	1,005	485	2,334	22,801	33,605	56,406
1994	1,574	6,587	11,959	20,119	983	1,048	529	2,561	22,680	33,859	56,540
1995	1,490	6,494	12,025	20,010	1,005	1,150	570	2,725	22,734	33,906	56,641
1996	1,400	6,455	12,211	20,066	1,011	1,201	510	2,722	22,851	33,885	56,737

(a) As for definitions of aggregations and changes made to the survey see introductory note— (b) In using the workforce series, please take into account the fact that the data relative to the 1990 average exist in two versions, owing to the use of two different systems for universe (c) 1990 average coefficients of expansion to universe. Such coefficients were adopted as from 1991. — (d) data from 1993 on have been revised adjusting the weighting procedures — set for calculating the esteems that derive from the survey — to age and sex structure of Italian population as resulted from October 1991 census.

Source: ISTAT 1997

TABLE 3.

Incidence of poverty in Italy, 1993 and 1994 (absolute values in thousands and percentage values)								
	1993				1994			
	North	Centre	South	Italy	North	Centre	South	Italy
Poor families	525	315	1,392	2,232	419	262	1,357	2,038
Resident families	9,771	4,047	6,945	20,763	9,537	3,881	6,602	20,020
% of poor families of the total resident families	5.4	7.8	20.0	10.7	4.4	6.8	20.6	10.2
Poor people	1,275	836	4,351	6,462	1,122	726	4,610	6,458
Resident people	25,204	10,876	20,882	56,961	25,096	10,481	20,434	56,371
% of poors of the total resident people	5.1	7.7	20.8	11.3	4.5	6.7	22.6	11.5
Territorial distribution								
Poor families	23.5	14.1	62.4	100.0	20.6	12.9	66.6	100.0
Resident families	47.1	19.5	33.4	100.0	47.6	19.4	33.0	100.0
Poor people	19.7	12.9	67.3	100.0	17.4	11.2	71.4	100.0
Resident people	44.2	19.1	36.7	100.0	44.5	19.2	36.2	100.0

Source: data processing by ISTAT. *Family expenditure survey 1993 and Family expenditure survey 1994.*

groups. Because of the separation of duties, various institutions in the sector reciprocally off-load the responsibility for problems and people whose needs are complex and not separable (long-term, chronic and mental patients). This separation of duties and the lack of «guide-posts» also make access difficult for people who do not possess the necessary information and skills (eg, resident immigrants). The relationship between poverty and public health becomes very serious if we also take into account factors such as mortality and morbidity. (See Tables 4 and 5)

EDUCATION AND PROFESSIONAL TRAINING

Lack of education and social exclusion are strongly connected. The right to education is a fundamental citizens' right, but in

Italy it is only partially universal. The school system's productivity is still very low. Out of 1000 teenagers that begin middle school, only 177 go to university. In the transition from middle to high school the rates of failures and drop-outs are extremely high. (See Tables 6 and 7)

10% of professional training activities are carried out by regional governments; together with the percentage carried out by provincial bodies these reach 25% of the whole public intervention. About 70% of such activities depend on training bodies and institutions that operate on the basis of agreements with single regions. Private enterprises carry out 73% of basic education and 68% of second-level training. The professional training sector has proven unable to make the necessary transformations to improve its effectiveness and its connection with the labour market.

TABLE 4.

Percentage of wastage during the first 2 years of course divided by kinds of school (s.y. 1992-1993)			
Kind of education	Males	Total	Total
Classic school	11.4	10.6r	10.9
Scientific school	11.2	9.9	10.6
Teaching school	17.7	22.9	22.6
Technical school	25.7	16.2	22.1
Vocational school	42.4	35.1	39.1

Source: ISFOL [1994]

TABLE 5.

Mortality due to every cause in Italy in 1981/1982: some data (mortality in all the population = 100)												
	Males						Females					
	18-54			55-74			18-54			55-74		
	Center-North	South	Italy	Center-North	South	Italy	Center-North	South	Italy	Center-North	South	Italy
<i>Education</i>												
University degree	51	79	58	75	103	82	91	59	83	74	49	69
High school	71	74	73	85	102	90	83	76	82	83	64	79
Medium school	87	96	90	99	111	103	95	70	93	96	79	93
Primary school	117	104	114	103	99	104	105	93	102	101	93	100
Literate/illiterate people	201	149	155	104	59	97	171	147	144	103	108	104
<i>Home</i>												
Owned	93	96	94	93	94	92	96	98	96	95	98	96
Rented	112	113	113	118	123	121	107	105	108	109	107	109
<i>Profession</i>												
Entrepreneurs/professionals			75			75			73			60
Managers			64			61			107			67
Employees			69			63			73			40
Self-employed			73			57			63			56
Labourers			80			53			56			46
Inactive professional condition			359			118			123			103
<i>Sectors of economy</i>												
Agriculture			91			77			79			81
Industry			101			104			97			76

Source: Costa e Faggiano [1994]

TABLE 6.

Years of life lost for each 10,000 potential years of life concerning people aged between 18 and 64 years (standardsized), resident in Turin in the years 1981-1989, according to social indicators and some selected causes of death.				
	Cancer	Cirrhosi	Accidental death	Suicides/homicides
<i>Education</i>				
University degree	35.4	3.4	6.9	4.1
High school	44.3	6.4	8.8	4.2
Medium school	46.7	9.8	12.0	4.1
Primary school	47.1	15.1	20.0	7.9
Literate/illiterate people				
<i>Home</i>				
Owned	37.5	4.6	8.0	3.7
Rented	49.3	9.0	9.2	4.3
<i>Profession</i>				
Entrepreneurs/Managers	32.0	2.7	5.9	2.1
Employees	38.2	4.2	5.5	2.9
Self-employed	39.2	4.2	8.6	6.5
Labourers	42.1	7.5	8.6	3.8
Unemployed	72.0	20.5	18.8	12.7

TABLE 7.

«Census» Regional list on education (concise index)			
	1985		1992
North-East	234.47	Center	234.80
Center	234.27	North-East	232.38
North-West	228.45	North-West	224.41
South and Isles	183.66	South and Isles	188.60
Italy	211.02	Italy	210.87

Source: Processing of data by ISTAT [CENSUS 1993].

- This chapter is the result of the work of an Italian working group made up of the following actors: ACLI (Christian Associations of Italian Workers), ARCI (Italian Cultural and Recreational Association), Mani Tese (Development NGO) and Movimondo (Development NGO).