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Report on the Italian NAP inclusion 2001

First report

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Summary

Poverty in Italy is a multi-dimensional phenomenon that is related to territorial imbalances and is most prominent in socio-economic situation dominated by large households, numerous children, elderly, women, people with low education levels, and/or looking for a job. Local diversities and needs change notably moving from North to South. Both the territorial and social nature of the poverty were identified in the NAP 2001, which established an organic and multi-actor approach to the problems of social exclusion. The NAP reflects the Italian social protection model as it has evolved over time. Rather than management by objectives, this model is based on legislative measures implemented by subsequent acts and plans.

The present report reconstructs the complex and sometimes unclear legislative background in which four main "policy-trajectories" are identified in relation to social services, health services, education and training, and employment policies. These trajectories have a common denominator in the devolution process (begun in 1997) of transferring responsibility from the State to regional and local authorities in all policy fields, according to the principles of vertical and horizontal subsidiarity. The series of programmes and plans that were originated by the four trajectories concern mainly six social categories: children, immigrants, the disabled, convicts, young and elderly people. Monetary tools (e.g. income, family support, housing) are often overlapping, assigned to specific social categories and basically linked to the security insurance profile of the beneficiaries and their family load. An innovative tool for social inclusion was introduced (minimum income support) based on a universal approach which included some criteria of selectivity. This tool was practically suppressed in 2003 and the continuity of the four trajectories was to a certain extent reduced.

Recent financial laws (national budgets 2002 and 2003) did not fully support the courses of action activated by the reform of social and health services (and related plans), while the recent increase in labour flexibility was not accompanied by a corresponding increase in the efficiency and effectiveness of the delivery systems in the field of social protection. The general tendency is towards privatisation of the services and outsourcing. In fact, the above-mentioned national budgets financial laws reduced the resources that regional and local authorities can utilise to provide services to their residents. This situation is also compounded by the fact that the devolution process was not accompanied by the enforcement of any "fiscal federalism".

Therefore, the ambitious intents of the NAP 2001 seem to fall short of the expected outcomes: the problems of Southern Italy cannot be solved without the integration of social, economic and environmental strategies (sustainable development); an integrated strategy against poverty and social exclusion cannot be implemented without a coherent reform of the current fragmented monetary tools (unemployment benefits, security system, pensions and assistance allowances included).

The recent Italian White Paper on welfare (2003) chose to take into account these aspects in a limited way, and focus instead on the centrality of family and on the raise of the fertility rate in response to the problems caused by demographic transition (ageing population). The solutions proposed by the White Paper, in view of the next NAP, are fundamentally of a monetary nature (e.g. tax deduction to lessen the "children cost", financial assistance for young families to the purchase of a first home). Debate and recent research question the adequacy of these solutions in the fight against poverty and social exclusion. In fact the poorest people are not taxable and therefore they would receive neither fiscal compensation nor assistance. It is estimated that one in five of the taxpayers (13-14% of the Italian population) would not receive any advantage from the fiscal rebates. The present report cites the most recent literature in relation to the analysis of poverty and suggests a series of potential solutions.

Basic data on poverty

According to the national institute of statistics (ISTAT, *Note Rapide. La povertà in Italia, July 2000, 2001 and 2002*) data on poverty reveal the following trends between 1999 (year considered by the first NAP inclusion) and 2001 (last available figures):

Relative poverty	1999	2000	2001
Households (thousand)	2.600	2.707	2.663
Percentage on total number of families	11,9%	12,3%	12%
People (thousand)	7.508	7.948	7.828
Percentage on total number of inhabitants	13,1%	13,9%	13,6%
Poverty intensity (percentage difference between the average expenditure of poor households and the relative poverty threshold)	22,9%	22,5%	21,1%
Relative poverty: a two-member household is assessed as poor when its monthly consumption expenditure is equal or below per capita average national consumption expenditure. This threshold was of 770,55 EURO in 1999, 810,21 in 2000 and 814,55 in 2001.			

The poverty rate has remained relatively stable, with a small statistical reduction in the Northern and Central regions and a small increase in the Southern regions. Also, poverty intensity recorded a slight reduction, which statistically could demonstrate an economic improvement of the household condition.

Within this statistical fluctuation, the structural characteristics of the poorer households remain unchanged given that relative poverty is concentrated in:

- the **South**, 24,3% in 2001 (12,3 percentage points higher than the national average) and 23,9% in 1999 (12 percentage points higher than the national average)
- **large households**, e.g. 5 members and over, 24,5% in 2001 (36,4% in the South) and 22,9% in 1999 (32,7% in the South)
- households with three or more **minors** (under age children), 28% in 2001 (37% in the South) and 27% in 1999 (37,2% in the South)
- households with an **aged** reference person (65 years and over), 15,2% in 2001 (28,9% in the South) and 16,1% in 1999 (29,4% in the South)
- households with **women** as reference persons, 12,1% in 2001 (25,8% in the South) and 12,6% in 1999 (26% in the South)
- households with **low education** level, e.g. with a reference person who has no formal education or only a primary school education, 18,7% in 2001 (33,6% in the South) and 19,3% in 1999 (34,8% in the South)
- households with two or more members **looking for a job**, 41,1% in 2001 (46,1% in the South) and 35% in 1999 (39,1% in the South)

Absolute poverty	1999	2000	2001
Households (thousand)	1.038	954	940
Percentage on total number of families	4,8%	4,3%	4,2%
People (thousand)	3.277	2.937	3.028
Percentage on total number of inhabitants	5,7%	5,1%	5,3%
Poverty intensity (percentage difference between the average expenditure of poor households and the absolute poverty line)	19,6%	19,3%	19,3%
Absolute poverty: a two-member household is assessed as poor when its economic condition does not allow for buying basic goods and services according to an average basket that includes expenditure for food, dwelling and to meet other basic needs. The absolute poverty line was of 531,43 EURO in 1999, 544,92 in 2000 and 559,63 in 2001.			

Even though the rates concerning absolute poverty are lower than those of relative poverty, their structural characteristics almost coincide:

Minors (households with three or more under age children)		Large households (four members and over)
2001: 14,5%		2001: 7,4%
1999: 15,9%		1999: 8,2%
Elderly (households with a reference person aged 65 years and over)		Women (households with women as reference persons)
2001: 5,4%		2001: 4,5%
1999: 5,9%		1999: 4,9%
South households		
2001: 9,7% (5,5 percentage points more than the national average)		
1999: 11% (6,2 percentage points more than the national average)		

Problems identified in the NAP 2001 and recent development

Looking at the poverty situation, the NAP 2001 considered the multidimensional dynamics that orient the policies of social inclusion. The national context analysis took into consideration key factors of a social (age, gender, education, consumption styles, employment) and territorial nature (unbalanced regional development – namely the southern regions, some North and Centre urban areas).

Recent data (Banca d'Italia, *Relazione Economica - Anno 2002*, Rome 2003; Report on the Italian economic situation) help to understand the current situation and its development with respect to the figures on which the first NAP was elaborated.

Specifically the following considerations will be focused on: employment, gender, territorial imbalances, population and education.

Employment

The activity rate has increased and the unemployment rate has decreased in the four years of available data in Northern, Central and Southern Italy. While territorial and gender imbalances were reduced, differences are still of a great relevance. Comparing data related to the southern regions with the Italian total numbers, territorial imbalance increased in terms of activity rates (from 4,1 percentage points in 1999 to 4,6 in 2002) while decreasing in terms of unemployment rates (from 10,6 percentage points in 1999 to 9,3 in 2002), meaning that less people entered the labour market but found more jobs.

Total	1999	2000	2001	2002
<i>Activity rate (1): Italy (men and women)</i>	47,9%	48,2%	48,5%	48,8%
<i>Activity rate (1): South (men and women)</i>	43,8%	43,9%	44,0%	44,2%
<i>Unemployment rate: Italy (men and women)</i>	11,4%	10,6%	9,5%	9,0%
<i>Unemployment rate: South (men and women)</i>	22,0%	21,0%	19,3%	18,3%
(1) Activity rates calculated by Banca d'Italia differ from those calculated by Istat and Eurostat; labour forces (employed, self-employed, unemployed, jobseekers) are divided by the population aged 15 years and over, whilst Istat and Eurostat consider only the population between 15 and 64 years				

Comparisons with the northern regions show a similar trends: increasing from 7,2 percentage points in 1999 to 7,9 in 2002 in activity rate; while decreasing from 16,6 percentage points in 1999 to 14,3 in 2002 in terms of unemployment rate.

Gender and employment

Although the increase in the Italian activity rate (+0,9%, see table above) was mainly in favour of *women*, their distance from the labour market is still considerably high if compared to men's participation. In 2002 the gap between men and women participation in the labour market was 24,9 percentage points : 1,3% less than the 26,2% recorded in 1999.

The gender-biases are confirmed by the unemployment rate. Fewer women enter the labour market and seem to have less opportunities when compared to men. The difference in this case is of 5,2 points in 2002: 1,7% less with respect to the 6,9% recorded in 1999.

Women and men	1999	2000	2001	2002
<i>Activity rate (1): women</i>	35,3%	35,8%	36,4%	36,8%
<i>Activity rate (1): men</i>	61,5%	61,6%	61,5%	61,7%
<i>Unemployment rate: women</i>	15,7%	14,5%	13,0%	12,2%
<i>Unemployment rate: men</i>	8,8%	8,1%	7,3%	7,0%
(1) Activity rates calculated by Banca d'Italia differ from those calculated by Istat and Eurostat; labour forces (subordinate-employed, self-employed, unemployed, jobseekers) are divided by the population aged 15 years and over, whilst Istat and Eurostat consider only the population between 15 and 64 years				

Gender and flexibility in employment

Women who enter the labour market are more frequently hired in part-time and temporary jobs. For instance the last available data of the ISTAT quarterly enquiry on the labour forces (January 2003) revealed that:

- as a national average (men and women) temporary work represented 9,1% of the total subordinate - employment while part-time jobs account for the 9,0%
- 11,2% of the women have temporary jobs and 17,7% part-time jobs in comparison to - respectively - 7,7% and 3% for men.

Gender and territorial imbalances

Territorial and gender dimensions interrelate with each other and lead to the apparent conclusion that women face a more severe risk of exclusion from the labour market in the less developed regions.

First of all, women living in the South have fewer opportunities to enter the labour market than those in the North (see table below): between 11,9 (in 1999) and 12,7 (in 2002) points of difference in terms of activity rate; between 23 (in 1999) and 20,6 (in 2002) points of difference in terms of unemployment rate

Gender in the North – South comparison	1999	2000	2001	2002
<i>Activity rate (1): South – women</i>	28,2%	28,4%	29,0%	29,2%
<i>Activity rate (1): North – women</i>	40,1%	40,8%	41,3%	41,9%
<i>Activity rate (1): South – men</i>	60,4%	60,4%	60,1%	60,3%
<i>Activity rate (1): North – men</i>	62,7%	62,9%	62,9%	63,1%
<i>Unemployment rate: South – women</i>	31,3%	30,4%	28,1%	26,4%
<i>Unemployment rate: North – women</i>	8,3%	7,1%	5,9%	5,8%
<i>Unemployment rate: South – men</i>	17,3%	16,3%	14,8%	14,1%
<i>Unemployment rate: North – men</i>	3,4%	3,0%	2,7%	2,7%
(1) Activity rates calculated by Banca d'Italia differ from those calculated by Istat and Eurostat; labour forces (employed, self-employed, unemployed, jobseekers) are divided by the population aged 15 years and over, whilst Istat and Eurostat consider only the population between 15 and 64 years				

Secondly, gender gaps are considerably higher in the southern than in the northern regions:

- nearly 10 points of distance in activity rates; in the South, men's rate was 32,2 percentage points higher than women's in 1999 and 31,1 in 2002; in the North, the distance was of 22,6 percentage points 1999 and of 21,2 in 2002;
- nearly 9 points of distance in unemployment rates; in South, men's rate was 14 percentage points higher than women's in 1999 and 12,3 in 2002; in the North, men's rate was 4,9 percentage points higher than women's in 1999 and 3,1 in 2002.

Territorial gaps

Recently (1996 – 2001) more positive dynamics have affected the southern regions, but it was argued (*SVIMEZ, Rapporto 2002 sull'Economia del Mezzogiorno – 2002 Report on the South economy*) that structural gaps still divide the South from the rest of Italy and the distances have remained quite unchanged with respect to fifty years ago.

In 2000 South accounted for 36% of the Italian population but only for 25% of the national GDP, produced by 28% of the Italian labour units (1).

	North West	North East	Centre	South	Italy
GDP (gross domestic product)	32%	23%	21%	24%	100%
Inhabitants	26%	19%	19%	36%	100%
Labour units (1)	30%	22%	20%	28%	100%

(1) Labour units refer to equivalent full time job positions. Labour units are obtained summing both full time and part time job positions (the latter being transformed in equivalent full time positions). A job position is recognised as determined by both formal and tacit contracts. The number of labour units therefore differs from the number of employed people, even though both of them consider subordinate and non-subordinate employment.

Moreover the “irregular” labour units (off-the-books work due to the hidden economy) in South twice the size of what was estimated in the North (2000):

	North West	North East	Centre	South	Italy
Irregular labour units on total labour units	11,0%	11,2%	15,5%	22,4%	15,1%

Looking at monetary values (in EURO), the South (2000) is below the national average and consistently distant from the “richest” territorial areas: with respect to North-West, GDP per inhabitant is 54% and the income per subordinate labour unit arrives at 83%; consumption per inhabitant is nearly 72% of that recorded in the North-East regions (5.100 EURO less per year).

	North West	North East	Centre	South	Italy
GDP per inhabitant	24.947	24.476	21.765	13.584	20.165
Final consumption per inhabitant	17.677	18.262	17.242	13.166	16.072
Income per subordinate labour unit	31.120	29.113	29.177	25.866	28.834

In 2001 (Banca d'Italia, *Relazione Economica - Anno 2002*, Rome 2003) the available “richness” per family was in South 48% of that in North (thousands of EURO): North, 140,73; Centre, 118,52; South, 68,08.

Population

Differences affect also the population structure (2001): the North and the Centre are aging more rapidly than the South.

	North	Centre	South	Italy
Life expectancy (years) – women	83,1	83,1	82,2	82,8
Life expectancy (years) – men	76,7	77,1	76,6	76,7
People aged 65 years and over (%)	19,5%	19,8%	15,8%	18,2%
People aged 14 years and under	12,6%	13,0%	17,3%	14,4%

Education

Information on the mobility from lower to higher education and vocational levels between South, North and Centre demonstrate that the South lags by 5 percentage points in relation with the North and by 7 with respect to the Centre (last available data 1999; source Unioncamere).

	North	Centre	South	Italy
University degrees	6,2%	7,2%	5,3%	6,1%
Upper secondary school certificates	20,2%	23,7%	20,1%	20,9%
Vocational school certificates	6,8%	4,3%	2,4%	4,7%
<i>Sub-total (a)</i>	<i>33,2%</i>	<i>35,2%</i>	<i>27,8%</i>	<i>31,7%</i>
Lower secondary school certificate	30,4%	28,5%	31,5%	30,4%
Primary school certificate (or without)	36,4%	36,3%	40,7%	37,9%
<i>Sub-total (b)</i>	<i>66,8%</i>	<i>64,8%</i>	<i>72,2%</i>	<i>68,3%</i>
<i>Total (a) + (b)</i>	<i>100,0%</i>	<i>100,0%</i>	<i>100,0%</i>	<i>100,0%</i>

These percentages regard all people, but generally women appear to be less favoured than men in the education policy.

Basic characteristics of the Italian NAP

The Italian social protection “model” makes a very limited use of management by objectives and operates instead mainly through legislative measures establishing initially a set of “framework conditions” with wide-ranging laws (leggi quadro) and postponing the actual implementation of most policies to subsequent “implementing decrees” (decreti attuativi). Within this “model”, the NAP 2001 attempts to support the development of a coherent legal framework that innovates and co-ordinates sectoral policies:

EU objective	NAP 2001 priorities
1. 1. Facilitating participation in employment	<i>Education and training</i> (quality improvement; gaps reduction between South – North – Centre regions; support, prevention, recovery and opportunities devoted to areas at risk of social exclusion) <i>Transversal policies</i> (labour insertion mechanisms; permanent training instruments for adults; income support, introducing universal but selective tools; family role; integrated services) Specific categories (young people; minors; disabled; convicts; immigrants; dependent elderly people)
1. 2. Facilitating access to resources, rights, goods and services for all	<i>New welfare</i> (access to social services; decisional autonomy of citizens; housing; justice for disadvantaged people)
2. To prevent the risk of social exclusion	<i>New welfare</i> (fighting school exclusion; developing new technologies for young and disable people; protecting family solidarity)
3. To help the most vulnerable	Social integration through services and allowances; minors rights and participation
4. To mobilise all relevant bodies	Actors involvement in participative programming; solidarity federalism

The NAP 2001 proposed an **organic and multi-actor approach**, which was an innovative approach at that time for Italy. However, incompleteness in the actuation of the approach has led to shortcomings, e.g.: the problems of the South cannot be solved without a long term strategy aimed at sustainable development (integrating social, economic and environmental dimensions), and an integrated strategy against poverty and social exclusion cannot be implemented without a coherent reform of the current fragmented instruments, which do not provide fair opportunities to those in different employment – social – economic situations; a universal approach tempered with selectivity (e.g. minimum income for insertion) cannot be implemented without a coherent reform of unemployment benefits, security system (pensions included) and assistance allowances (e.g. individual and family income, family and housing allowances).

Moreover, the ongoing process of "devolution" from the State to the Regions and local authorities is not yet completed and there is not a stable picture. Even though several laws have defined competences, responsibility and tasks, many differences appear at regional and local levels. This interesting process affects and sometimes complicates the relationships between:

- public and private services
- components (immigrants, homeless, etc.) of a local community (social equity)
- different social communities and territories (inter-local equity)
- old and young generations (inter-temporal equity)
- citizens rights and the actual access to the services
- monetary support (also in the form of care-vouchers) and service delivery
- family responsibility and community support
- specific services and social – solidarity networks
- individual capacity building and social capital creation.

For the above reasons, the analysis of the complex institutional set-up described in the first NAP inclusion requires a more in depth organisation of the measures in relation to major priorities, policies and the related laws. The aim is to draw a clear framework that would in turn permit an assessment of the political measures and their connection to the four main EU objectives.

Diachronic reconstruction

Italian policies are implemented in a fragmented series of norms, programmes, plans and initiatives. There is, consequently, the necessity to reconstruct a legal scenario, from which trajectories can be better identified.

The legislative paths are reconstructed by the following tables (1 – 6), which link the measures described in the first NAP inclusion to the related laws and to the EU Objectives.

The tables show that between 1997 and 2000, an intensive legislative activity was concerned with social inclusion policies. A number of laws and plans cite different EU Objectives, NAP priorities and measures. This is the case in, for example, the law on social service (328/2000), the law on rights and equal opportunities for minors (285/1997), the National Plan for social services, the National Plan for Handicap and the National Health Plan. These play a major role in the NAP with respect to other legislative and planning instruments. The connections between them is not easily recognisable without the help of a table.

Table 1: EU Objective 1.1 - Facilitating participation in employment
Italian NAP inclusion: 1. Education and training

Priorities	Relevant measures
<p>Quality improvement of educational degrees</p> <p>Reduction of existing gaps between the Centre-Northern and Southern markets</p> <p>Labour insertion of young people and people at risk of exclusion (disabled, immigrants, ageing)</p> <p>More educational and training opportunities offered to citizens of all ages</p> <p>Prevention and recovery of school drop-out</p> <p>Reduction of the social areas at risk of social exclusion</p>	<p><u>Legislative Decree N° 112/1998 (1)</u>: integrated learning system and plans at regional and local level (education, university and training) capable of interacting with the labour market trends.</p> <p><u>Law N° 9 / 1999, combined with Laws N° 144 /1999 (art. 68 and 69) and 196/1997</u>: compulsory education extended to the age of 18 years through the integration of education, training and apprenticeship (e.g. integrated training paths post secondary education, IFTS)</p> <p><u>Law N° 285/1997 (2)</u>: promotion of rights and equal opportunities for children and teenagers (e.g. local initiatives such as “maestri di strada”, road-teachers to combat school dropout)</p> <p><u>Ministry (University, Scientific and Technological Research) Decree N° 509/1999</u>: new university courses for intermediary skills that allow young people to enter labour market</p> <p><u>National Operational Programme of the Public Education Ministry 2000 – 2006</u>: personalised diagnosis and re-definition of cognitive maps; additional training-educational paths, stages, awareness raising and involvement activities concerning schools and families, training credits, supportive centres of resources.</p>
<p>(1) This law enforced the mother-Law N° 59/1997 on the State and public administration reform</p> <p>(2) Linked to this law is Law N° 451/1997 that created the Parliamentary Commission and the National Observatory on children issues</p>	

Table 2.a: EU Objective 1.1 - Facilitating participation in employment
Italian NAP inclusion: 2. Transversal policies

Priorities	Relevant measures
Labour insertion mechanisms	<u>Legislative Decree N° 469/1997</u> (3) and NAP Employment: reform of the Public Employment Services (PES) <u>Legislative Decree N° 181/2000, Presidential Decree N° 442/2000</u> and NAP Employment: reform of the placement procedures
Permanent training instruments for adults	<u>Law N° 196/1997, Law N° 440/1997, Legislative Decree N° 112/1998 (3), Ministry (Public Education) ordinance N° 455/1997</u> and NAP Employment: permanent training centres for adults
Income support to facilitate social and employment insertion	<u>Law N° 449/1997, Legislative Decree N° 237/1998, Law 328/2000 (art. 23):</u> minimum income for social insertion (RMI) <u>Law N° 448/1998 (art. 65):</u> family allowance (families with a low income and three or more children under 18 years) <u>Law N° 448/1998 (art. 66):</u> Maternity allowance to women in family with a low income and without social security benefits for maternity <u>Financial Law 2001 (Law N° 388/2000):</u> family income and taxation-relief, health expenses reduction, social and minimum pensions increase, etc.
Family role increase and responsibilities support	<u>Law N° 328/2000</u> (4) and financial law 2000: National Plan of Social Services 2001-2003 <u>Law N° 448/1998 and Financial Law 2001 (Law N° 388/2000):</u> maternity allowance, fiscal relief, parents' leaves <u>Law N° 154/2001:</u> measures against violence in family relationships
Integrated system of social services and networks	<u>Law 328/2000</u> (4): integration between monetary allowances, services delivery and network, e.g. home-based services, relief services, family custody, integrated school services, incentives and co-operation with businesses to reconcile work and family life; disadvantages people (disabled, elderly, children, etc.); reform of professional careers in social sector; acknowledgement (quality certification) system; service charter; vouchers to access certified social services (public and private).
Third system and volunteer organisations	Non profit organisations (5)
<p>(3) This law enforces the mother-Law N° 59/1997 on the State and public administration reform</p> <p>(4) This law gave the basic structure of Social Policies, defining rights, principles and purposes, criteria for programming, third sector role, competence and responsibility devolution to local, provincial and regional authorities (according to subsidiarity and laws N° 112/1998 and 59/1997), the National Fund for Social Policies, etc.</p> <p>(5) Law N° 383/2000 is the basic regulative scheme for associations committed to social promotion, through national / regional / provincial registers, national / regional observatories, fiscal exemptions / reduction</p>	

Table 2.b: EU Objective 1.1 - Facilitating participation in employment
Italian NAP inclusion: 2. Transversal policies: specific social categories

Young people

NAP employment. Youth Socialisation and Creativity Programme, financed by the 1994 – 1999 EU ESF Ob. 3.

EU Socrates, Leonardo and Youth (5) programmes (participation in national and international exchanges, national youth agency).

National funds for fighting against drug abuse, for preventing poverty and exclusion, for supporting associations and networks of young people.

Law N° 64/2001 on volunteer civil services (men and women) reforming the military service

Minors (children and teenagers)

Law N° 285/1997 (2): promotion of rights and equal opportunities for children and teenagers through a specific National Fund), financing local projects that create services to combat violence and poverty, positive actions for civil rights, gender, cultural and ethnic diversity, economic support to natural or fiduciary (custody) families with one or more disable children, alternative measures to support assistance / education with attention to the issues / problems of non-Italian minors (immigrants).

Law N° 492/1999: Central Committee for international adoptions.

Law N° 149/2001: new rules for custody and adoption of minors

Disable people

National Action Programme on Handicap policies 2000 – 2003 (opportunities offered by Law 68/99 to businesses; self-employment; new technologies and ICT; training projects).

Law N° 328/2000 and Financial Laws 2000 and 2001: several initiatives, e.g. the “Dopo di noi” (after us) project for disabled people without family assistance; deduction from aggregate income for health expenses; paid leave for up to a total of two years for parents of severely handicap-affected people; insertion in therapeutic communities for handicapped people with elderly parents

Released convicts

Action Plan “Justice” 2000: financial support (200 Milio EURO) to social re-insertion, education, school career.

Law 193/2000: promotion of work activities to favour re-insertion.

Immigrants

Legislative Degree N° 286/1998: development of an adequate cultural and institutional environment for active integration; acknowledgement of civil rights for immigrants closely reflecting those enforced for the Italian citizens, specifically through a Committee for integration policies, a Committee for non-Italian minors, a Consultative body for dealing with immigrants and their families’ problems, along with the related services and information and training activities. Regions, local authorities, trade associations and unions, volunteer organisations are involved.

Dependent elderly people

Law N° 328/2000 and National Plan of Social Services 2001-2003: promotion of personalised social and health services, home-based care for elderly people (Adi), daily centres, temporary hospitality in residential structures, units of geriatric assessment (Ugv), alternative hospitalisation forms

Table 3: EU Objective 1.2 - Facilitating access to resources, rights, goods and services for all
Italian NAP inclusion: New Welfare

Priorities	Relevant measures
Diversification and strengthening of measures and instruments for accessing social services	<p><u>Law 328/2000</u>: universalism with selectivity approach in the social policies (all citizens, lifelong support) with attention to the most vulnerable (categorisation); Regional Plans, Territorial Programmes and Local (zone) plans of social and health services based on the concept of welfare community; National Fund for Social Policies; strategy based on innovation, diversification and territorial networks of services in particular for minors, disable and elderly people (e.g. nursery children and care, family caregivers and tutoring, daily centres, home-based care, mini flats, temporary hospitality, residential centres, sea and mountain stays.</p> <p>National project on children nurseries to be inserted in the <u>Financial Law 2002</u></p>
Strengthening decisional autonomy of citizens by integration of social and health services	<p><u>Legislative Decree N° 229/1999 (6)</u>: reform of the National Health Service according to subsidiarity, federalism and equity principles (e.g. role of Regions, health districts, integration between social and health services, services free of charge; service financing through general taxation; information, National Health Plan criteria, etc.).</p> <p><u>National Health Plan 1998-2000</u>: strengthening decisional autonomy of citizens; universal system (open to all citizens), choice opportunities between public and private services (certified); reduction of inequalities between citizens; integration of social and health services to customise delivery mechanisms; attention to the most vulnerable people (e.g. elderly care); decentralisation of the public health services and they close relations with local contexts (Regions are responsible for the health spending)</p>
Ensuring access by people at risk of exclusion to the most important public and private services (education, culture, justice, sport, leisure time)	<p><u>Law N° 431/1998, Legislative Decree N° 327/1999, financial law 2001</u>: housing (fiscal relief for renting, buying, restructuring houses).</p> <p><u>Laws N° 134/2001 and 217/1990</u>: legal defence aid (free of charge) for disadvantaged people</p>
(6) This decree enforced the legislative decree n° 112/1998 (see note 1 and 3) in the national health system.	

Table 4: EU Objective 2 – To prevent the risk of social exclusion
Italian NAP inclusion: New Welfare

Priorities	Relevant measures
Fighting school exclusion	<u>National Operational Programme of the Public Education Ministry 2000 – 2006</u> (7): socialisation, leisure time, support services, counselling-advice-support centres.
Developing opportunities offered by new technologies	<u>National Action Plan for the New Economy 2001 and Financial Law 2001</u> : programme for didactic technologies, facilities and fiscal exemption for informatics tools to schools, incentives to pupils to buy PC (600.000 young people, secondary school), informatics and English courses dedicated to young unemployed in the South <u>National Action Programme on Handicap Policies 2000 – 2003</u> (8): diffusion of new technologies for the disabled
Protecting family solidarity	<u>Law N° 328/2000 and National Plan of Social Services 2001 – 2003</u> (8): support to young people (to create new families) and families with children, disabled and dependent people; integration between assistance, health services and home-based care (e.g. for elderly people, daily centres, temporary hospitality in residential structures, units of geriatric assessment, alternative hospitalisation approaches) <u>National Action Programme on Handicap Policies 2000 – 2003</u> (8): daily centres; home-based and residential care; learning and recovery plans for capacity building
(7) see Ob. 1 / Education and training (8) see Ob. 1 / Transversal policies: specific social categories	

Table 5: EU Objective 3 – To help the most vulnerable
Italian NAP inclusion

Priorities	Relevant measures
Social integration to combat poverty	<u>National Plan of Social Services 2001-2003</u> (9) <u>Law N° 449/1997, Legislative Decree N° 237/1998, Law N° 328/2000</u> (9): RMI - minimum income for social insertion <u>Law N° 328/2000</u> (9): support to family responsibility <u>National Action Programme on Handicap Policies 2000 – 2003</u> (10)
Minors (Children and teenagers)	<u>Law N° 328/2000</u> (9): participation of the minors in their social contexts, socialisation, family custody, reception centres <u>Law N° 285/1997</u> (11): Plan for minors (pre-school support, nursery, leisure places, social and psychological support, care and recovery services, training and labour insertion paths, school insertion of non-Italian minors)
(9) see Ob. 1 / Transversal policies (10) see Ob. 1 / Transversal policies: specific social categories (11) see Ob. 1 / Education and training	

Table 6: EU Objective 4 – To mobilise all relevant bodies
Italian NAP inclusion

Priorities	Relevant measures
Actors	<u>National Health Plan 1998-2000</u> (12) and <u>National Plan of Social Services 2001 – 2003</u> (L. 328/2000) are based on: active involvement of citizens; collaboration between different actors (families, volunteer networks, social partners, local authorities; networking systems; self-help and organised solidarity; subsidiarity
Solidarity Federalism	According to the above-mentioned principles: - all governmental levels (municipalities, provinces, regions and the State) collaborate to evaluate and implement social policies - trade associations and unions, social organisations, consumer organisations are involved in determining objectives and evaluating results - local communities, families and people participate in planning and implementation of policies and related systems - public assistance bodies participate in the regional programming - non-profit organisations are involved in programming and managing the integrated system - local authorities (municipalities) have a key role in co-ordinating the actions of the different stakeholders
Participative programming	Within an integrated system, the State has the role of orientation, control and monitoring, Regions the role of territorial programming, Provinces that of analysing local needs, Municipalities that of local planning (14).
(12) see Ob 1 – Facilitating access to resources, rights, goods and services for all (13) see Ob. 1 / Transversal policies: specific social categories (14) This structures is based on laws that reformed the State and public administration, e.g. the already quoted Law N° 59/1977 and the Legislative Degree N° 112/1998	

Synchronic description of services and target groups

The above tables demonstrate a significant degree of overlap and redundancy. Law N° 328/2000 (and the related National Plan of social services) was the main attempt to reorganise the fragmented and dispersed series of measures regarding social policies and assistance. The law was inscribed in a more general (and transversal) legislative (and constitutional) trend aimed at the modernisation of the State structure, the related public administration and decision-making process.

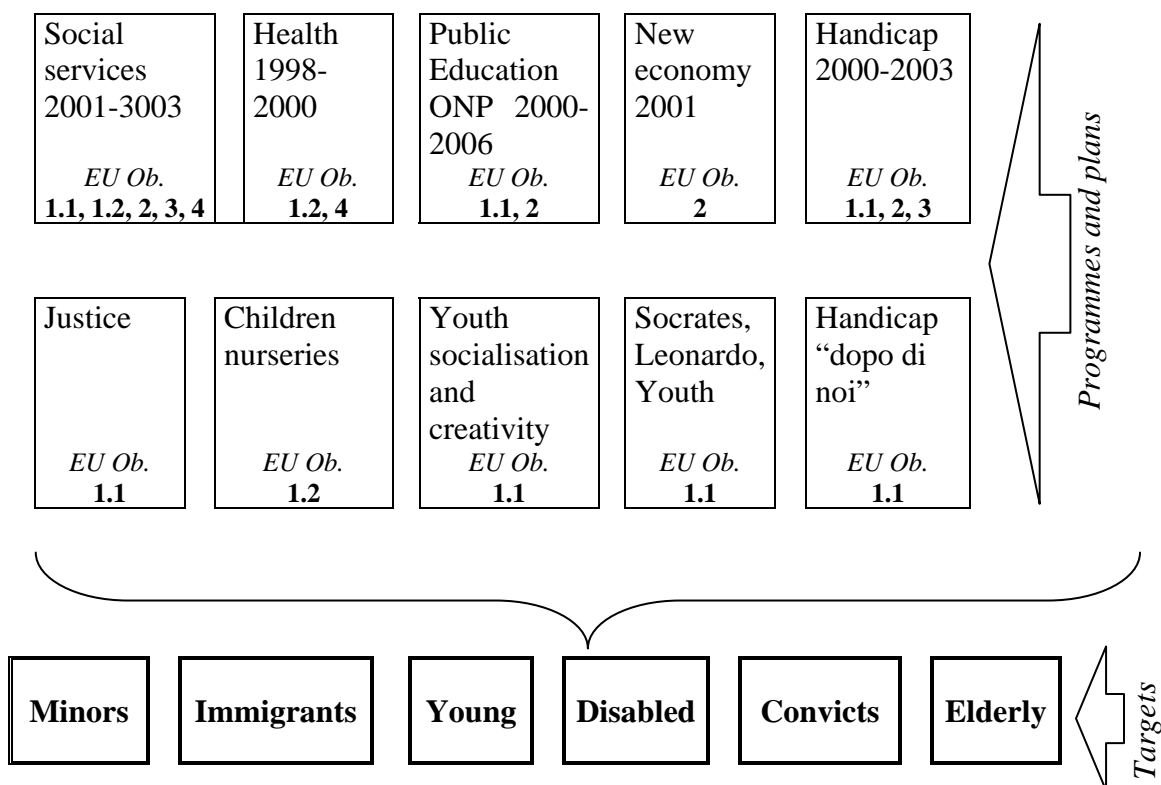
The legal framework already mentioned would provide individuals with a combination of services and allowances to alleviate a disadvantaged situation, but still the **“Family”** is required to play a central role. Individual benefits and allowances are generally linked to the security insurance profile of the beneficiary and their family load.

In any case and as a general consideration, also allowances are often confusingly overlapping. The NAP 2001 provided a map of these monetary tools. They regard elderly people (social allowance and minimum social pension allowance), disable people (invalidity pension, ordinary invalidity allowance, civil invalidity allowance), minors (family allowance for minors, maternity allowance), families (allowances according to the family load) and individuals (housing taxation relief and national fund). The most vulnerable citizens (minimum income for social inclusion) are dealt with in accordance with the principle of universalism with selectivity.

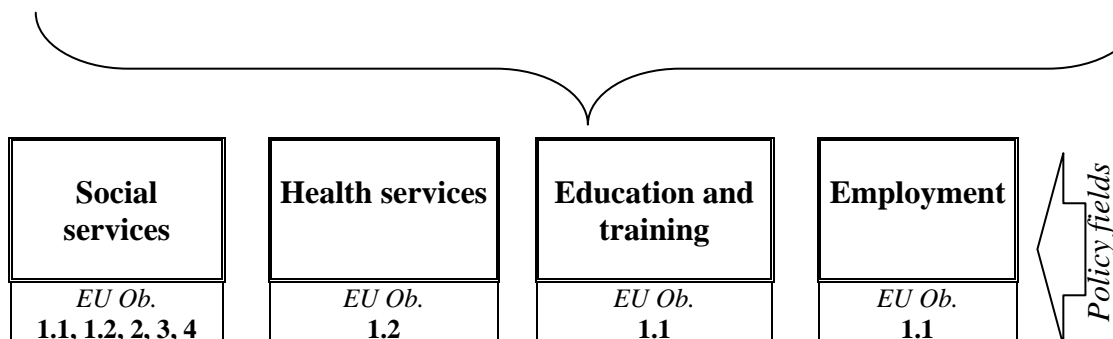
As a result, the integration of different yet converging policies in the fight against poverty still remains a challenge.

To face this challenge, the NAP 2001:

- presents programmes and plans that address the EU social inclusion objectives (EU Ob.) in a selective way
- identifies specific target of six social categories of disadvantaged people (*minors, immigrants, young; disabled; convicts; elderly*)



Examining the list of programmes and plans with a view to reconstructing the legislative paths on which they are based (see the previous paragraph), four main trajectories can be identified that address the following policy fields: *social services; health services; education and training; employment*.



The following matrices serve to better describe the trajectories and the social categories considered by Italian NAP, looking at their legal references and at the EU Objectives for social inclusion.

Legenda: schemes can be laws (1) or programme, plans and projects
(1) L. = Law; Ld. = Legislative decree; Md. = Ministry decree; RPd. = Republic President Decree

Trajectory: social services		
Schemes	Main contents	EU Objectives
L. 328/2000	Framework law for integrated social services and plans, applying L. 112/1998 and L. 59/1997	Ob.1-Employment (transversal policies; specific categories; access), Ob.2, Ob.3 and Ob.4
National Plan of Social Services 2001 – 2003	Linked to L. 328/2000	Ob.1-Employment (specific categories), Ob.2, Ob.3, Ob.4

Trajectory: health services		
Schemes	Main contents	EU Objectives
Ld. 229/1999	Reform of the National Health Service, applying L. 59/1997	Ob.1-Access (new welfare)
National Health Plan 1998 – 2000	Linked to Ld. 229/1999	Ob.1-Access (new welfare), Ob. 4

Trajectory: employment		
Schemes	Main contents	EU Objectives
Ld. 469/1997	Devolution of labour market competences to the Regions and local authorities, applying L. 59/1997	Ob.1-Employment (transversal policies)
Ld. 181/2000, RPd. 442/2000	Reform of placement procedures, applying Ld. 469/1997	Ob.1-Employment (transversal policies)
L. 68/1999	Reform of compulsory placement for disable people, applying Ld. 469/1997	Ob.1-Employment (specific categories)

Trajectory: education and training		
Schemes	Main contents	EU Objectives
L. 9/1999, 114/1999, 196/1997, Md. 509/1999	Education and training integration by programming and autonomy, applying Ld. 112/1998 and L. 59/1997	Ob.1-Employment (education and training)
Public Education National Operational Programme 2000 – 2006	EU Structural Funds – Community Support Framework (Objectives 1 and 3)	Ob.1-Employment (education and training), Ob.2
National Action Plan for the New economy 2001	Linked to L. 388/2000 (financial law 2001)	Ob.2 (new welfare)
Local initiatives “maestri di strada”	To combat school dropout	Ob.1-Employment (education and training)

Social category: minors and their families		
Schemes	Main contents	EU Objectives
L. 285/1997	Rights and equal opportunities for minors	Ob.1-Employment (education and training; specific categories) and Ob.3
L. 154/2001	Measures against violence in family relationships	Ob.1-Employment (specific categories)
L. 492/1999 and 149/2001	Custody and adoption of minors	Ob.1-Employment (specific categories)
Children nurseries 2002	Linked to L. 448/2001 (financial law 2002)	Ob.1-Access (new welfare)

Social category: immigrants		
Schemes	Main contents	EU Objectives
Ld. 286/1998	Framework law on immigration	Ob.1-Employment (specific categories)

Social category: young people		
Schemes	Main contents	EU Objectives
L. 64/2001	National volunteer civil service	Ob.1-Employment (specific categories)
Youth socialisation and creativity	EU – ESF 1994 - 1999	Ob.1-Employment (specific categories)
Socrates, Leonardo, Youth	EU - programmes	Ob.1-Employment (specific categories)

Social category: disable people		
Schemes	Main contents	EU Objectives
Handicap 2000 – 2003	L. 68/1999	Ob.1-Employment (specific categories), Ob.2, Ob. 3
Handicap “dopo di noi” (after us)	L. 328/2000 and L. 388/2000 (financial law 2001)	Ob.1-Employment (specific categories)

Social category: convicts		
Schemes	Main contents	EU Objectives
L. 193/2000	Work activities	Ob.1-Employment (specific categories)
Justice 2000	Initiatives for social reinsertion	Ob.1-Employment (specific categories)

And more in general:

L. 134/2001 and 217/1990	Legal defence aid for disadvantaged people	Ob.1-Access (new welfare)
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The NAP 2001 trajectories

Between 1997 and 2000, an intensive legislative activity produced the basic platform from which social inclusion policies could be developed more coherently than before:

- the State and public administration were reformed according to principles and procedures embracing all policy fields
- this reform-process influenced the basic trajectories (employment, health, social services, education and training) on which the NAP was built (“core”)

However, it is not obvious that the legal scenario and the related "trajectories" have been the result of a pre-established strategy. This was true only in part, since an additional factor was the proliferation in number (and the confusion, the overlaps and even the conflicts between them) of norms, policies, points of views and approaches. What seems to have acted as a catalyst was the principle of bringing the State (in all its articulated structures at national, regional and local levels) nearer to the citizens, ensuring basic civil rights through adequate services, their accessibility and procedures' simplification. This principle was at the basis of the general reform of the State and public administration.

The above-mentioned general reform determined the institutional arrangements (see the related paragraph) on which also the four trajectories for social inclusion are embedded. This characteristic opened the Italian social protection “model” towards a perspective that is more durable than the specific and sectoral courses of action. The latter will move and change with the development over the next years of the four trajectories, which have general reform as a common originator. Other trajectories could appear, other social categories could be involved and maybe trajectories could merge together, but this further process is not recognisable at the moment. On the contrary:

- other more sectoral measures need to be better connected to the “core” as a networked constellation of specific interests, involving all the concerned stakeholders (e.g. social categories)
- further reforms are needed to develop a synergetic system, especially between services provision (quantity, quality and delivery) and monetary support according to an "universalism-with-selectivity" approach.

Monetary tools (income, family support, housing)

The NAP 2001 made specific reference to the following acts:

Laws	Main contents	EU Objectives
L. 449 / 1997	Minimum income for social insertion (RMI)	Ob 1 (transversal policies) and Ob. 3
L. 448/1998	Family allowance (families with a low income and three or more children)	Ob.1 (transversal policies)
L. 448/1998	Maternity allowance to women in family with low income and without social security benefits for maternity	Ob.1 (transversal policies)
L. 388/2000 (financial law 2001)	Family income and taxation-relief, health expenses reduction, social and minimum pensions increase, maternity allowance, parents' leave	Ob.1 (transversal policies)
L. 431/1998, Ld. 327/1999, L. 388/2000 (financial law 2001)	Housing: fiscal relief for renting, buying and restructuring houses	Ob.1-access (new welfare)

It should be acknowledged that the most important law on the social services (328/2000) was also an attempt to harmonise the unequal system of monetary support instruments related to family, income, health and social inclusion, targeting all people at risk of poverty (universalism approach with selectivity).

In fact Law N° 328/2000 interacts with the previous acts on monetary support (see tables below): L. 153/1988 (norms on security system); L. 335/1995 (reform of the pension system); L. 285/1997 (promotion of rights and opportunities for minors); L. 449/1997 (norms on public finance and social policies); L. 109/1998 (norms on social security benefits); L. 112/1998 (competences devolution to Regions and local authorities also in the social services field); L. 448/1998 (norms on public finance and social policies).

These acts can be distinguished by the nature of monetary support they provide, by their beneficiaries and by their main characteristics.

Income support instruments	Beneficiaries	Main characteristics
L. 335/1995 (153/1969) Social allowance (assegno sociale). It substitutes the previous social pension (pensione sociale).	All people over 65 years old with low income and without social security insurance	Social assistance
L. 335/1995 (222/1984) Invalidity pension (pensione di inabilità) and allowance for personal continuous assistance	All people who have the contribution requisites required by law and a permanent invalidity that does not allow them to work	Linked to a minimum personal social security contribution (5 years)
L. 335/1995 (222/1984) Ordinary invalidity allowance (assegno ordinario di invalidita')	All people who have the contribution requisites required by law and a permanent invalidity that reduces their work capacity at less than one third	Linked to a minimum personal social security contribution (5 years). When allowance and income are too low, integration cannot overcome the social allowance (see above)
335/1995, L. 503/1992 Minimum social pension allowance (trattamento minimo delle pensioni). It integrates pensions that are lower than defined thresholds	All retired people with a security contribution lower than the minimum required by law	Linked to the personal social security contribution
112/1998 (118/1971) Civil invalidity allowance (trattamento di invalidità civile) and allowance for personal continuous assistance	All totally or seriously (74%) disable people with low income and without social security insurance	Social assistance

Family support instruments	Beneficiaries	Instruments main characteristics
L. 153/1988, L. 451/1994, L. 449/1997 Family allowance (assegno per il nucleo familiare)	Employed (active and retired), people who have lost their job and receive unemployment benefits, wage compensation and mobility allowance, and those who are involved in socially useful temporary work. Extended to some categories of self-employed people (co-ordinated and continuative collaborators, independent professionals, door-to-door salespeople)	Linked to social security insurance, family load and income levels specified by law
L. 153/1988 Family allowance (assegno familiare)	Farmers (active and retired) and retired artisans and shopkeepers	Linked to social security insurance, family load and income levels specified by law
L. 448/1998, Legislative Decree 109/1998, L. 144/1999 Family allowance for minors (assegno a nuclei con almeno tre figli)	Families with at least three minors	Social assistance linked to income levels specified by law (ISE, Economic Situation Indicator)
L. 448/1998, Legislative Decree 109/1998, L. 144/1999 Maternity allowance (assegno di maternita')	Women without social security benefits for maternity	Social assistance linked income levels specified by law (ISE, Economic Situation Indicator)
Law N° 53/2000 Parents' leaves (congedi parentali) to reconcile work, care, training and relationships	Employed parents (women and men) for children and disable people care	Solidarity support linked to: employers benefits; territorial plans for co-ordinating services' times ("city-times"); services exchange within local communities, through citizens associations ("time-banks")
Law N° 285/1997 National Fund for children and teenagers	Families with low income	

Health support instruments	Beneficiaries	Instruments main characteristics
Legislative Decrees 109/1998 and 124/1998 Exemption from health care expenses	All citizens with low income	Social assistance linked to income level specified by law (ISE, Economic Situation Indicator), illness typology and age

Social inclusion support instruments	Beneficiaries	Instruments main characteristics
L. 449/1997, Legislative Decree 327/1998 Minimum income for social inclusion (reddito minimo di inserimento, RMI) experimented in specific local areas	All people with low income: Italian citizens, European citizens in Italy for at least 12 months, non-European citizens or stateless people in Italy for at least 3 years	Social assistance supported by social insertion initiatives to promote capacity building and economic autonomy

Not directly considered by Law N° 328/2000 are the following acts:

Housing support instruments	Beneficiaries	Instruments main characteristics
L. 431/1998 National Fund for house renting (fondo nazionale di sostegno per l'accesso alle abitazioni in locazione)	People with low income.	Social assistance
L. 133/1999, Legislative Decree 327/1999 Taxation relief for house renting (detrazione irpef per titolari di contratti di locazione)	People with renting contract	Linked to income levels specified by law

Overall assessment

A summarised assessment of the above-detailed description can be made in terms of:

- **completeness** of NAP, referred to the main issues underlined by the EC documents on the EU social inclusion strategy
- **concreteness** of the proposed measures as regards expected results and targets

Issues	Completeness	Concreteness
Gender equality mainstreaming	Lack of coherent policies	No targets and expected results
Skills acquisition, lifelong learning, human resources management, work organisation	Attempts to integrate education and training	Only guidelines and regulative acts
Pathways for the most vulnerable groups towards employment and by mobilising training policies	Considered in the integration between education and training	Only guidelines and some local initiatives
Opportunities for integration and employment provided by the social economy	Only indirectly expected by social plans	No targets and expected results
Reconciliation of work and family life, including issue of child – and dependent care	Considered in specific laws and plans	Guidelines are translated into regional and local actions
Disability	Considered in specific laws and plans	Guidelines are translated into regional and local actions
Immigration	Average (considered in specific laws and plans)	Quantification of flux and structures involved
Life crises (indebtedness, school exclusion, homeless)	Only school dropout is considered in the attempts to integrate education and training	No targets and expected results

Issues	Completeness	Concreteness
Family solidarity	Attempts to integrate monetary support and services' network	Guidelines are translated into regional and local actions
Social exclusion among children	Considered in specific laws and plans	Guidelines are translated into regional and local actions
Minimum income schemes	Considered in specific laws and plans	Guidelines are translated into regional and local actions
Retirement pensions	Considered within financial laws without mention of a specific overarching approach and defined policy	Confused and overlapping system
Access to health care, including dependency situations	Considered in specific laws and plans	Guidelines are translated into regional and local actions
Decent and sanitary housing	Considered within financial laws without mention of a specific overarching approach and defined policy	No targets and expected results
Accompanying measures for effective access to education, justice, public and private services (culture, sport, leisure)	Considered within financial laws without mention of a specific overarching approach and defined policy	No targets and expected results
New knowledge-based society (special attention to people with disabilities)	Considered by specific programmes and financial laws	Target determined for young people and structures
Indicators endorsed at the Laeken Council	Only descriptive role assigned to them	No target of performance and outcome

As far as *completeness* is concerned, the overall assessment shows that about half the issues endorsed by the EU social inclusion strategy were covered to a certain extent. Those ground level issues were those that were concretely covered to some extent.

Concreteness was evaluated taking into account the already mentioned characteristics of the Italian social protection “model”, based more on legislative measures than on management by objectives.

In the following cases, policy measures were translated into actions at regional and local levels: reconciliation of work and family life, family solidarity, access to health care, social exclusion among children, disability, minimum income schemes.

Specific targets have been proposed in the NAP 2001 only in the case of knowledge-based society (facilities for young people) and at a national level for regulating immigration by law.

The remaining half of the issues were not addressed with a similar commitment.

Guidelines and regulative acts supported the attempts to integrate education and training but without specific targets regarding skills acquisition, lifelong learning. Employment in the framework of the social economy was scarcely considered. No targets were defined for life crisis, housing, access to education, justice, public and private services.

Moreover indicators on social exclusion and poverty (Laeken Council) were not used as a tool for assessing performances and outcomes of the NAP 2001-related measures.

The current situation (May 2003)

Two years after the presentation of the Italian NAP inclusion, the following aspects can be underlined regarding the trajectories reconstructed in the previous pages.

Trajectory	<i>Main contents</i>
Education and training	Education and training integration by programming and autonomy
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
<u>Legislative Decree N° 112/1998: integrated learning system and plans at regional and local level</u>	6 Regions enforced schemes that consider at different degrees the integrated system. The ongoing debate is focused on further devolution to the Regions, the services' privatisation and the necessity of an interregional solidarity "no-people-left-behind".
<u>Law N° 9 / 1999, combined with Laws N° 144 /1999 and 196/1997: compulsory education, integration of education, training and apprenticeship (e.g. IFTS)</u>	Law N° 53/2003 delegated the Government to define new norms on a dual system of education and training. Fiscal decree (29/11/2002) and Financial Laws 2002 and 2003 (Laws N° 448/2001 and 289/2002) reduced resources dedicated to this measure especially for public education, while funds were increased for private schools. 15 Regions enforced schemes on IFTS.
<u>Ministry (University, Scientific and Technological Research) Decree N° 509/1999: new university courses that favour labour market insertion</u>	13 Regions enforced schemes to contribute to university masters and courses.
<u>Law N° 196/1997, Law N° 440/1997, Legislative Decree N° 112/1998 (3), Ministry (Public Education) ordinance N° 455/1997: permanent training centres for adults</u>	Fiscal decree (29/11/2002) and Financial Law 2003 (Law N° 289/2002) reduced resources dedicated to this measure.
<u>National Operational Programme of the Public Education Ministry 2000 – 2006: several actions</u>	New guidelines were defined in 2003 to support the involved education institutions in the implementation of the NOP.
Local initiatives "maestri di strada" to combat school dropout	No more information on these initiatives after an agreement signed by the Ministers of Public Education and Social Solidarity in September 2000
National Action Plan for the New Economy 2001 and Law N° 388/2000 (financial law 2001)	The plan followed within the EU programme for human capital, e-government, e-commerce and access infrastructures (e-Europe 2002). Financial Law 2003 (Law N° 289/2002) constituted a specific Fund for "PC to young people"

Trajectory	<i>Main contents</i>
Employment	Devolution of labour market competences to the Regions and local authorities
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
<u>Legislative Decree N° 469/1997</u> : reform of the Public Employment Services (PES) <u>Legislative Decree N° 181/2000, Presidential Decree N° 442/2000</u> : reform of the placement procedures	All the Regions (16) with ordinary status enforced their own laws related to the new competences attributed by the Legislative Decree N° 469/1997 <u>Law N° 30/2003</u> delegated the Government to define new norms on employment policies in order to increase the labour market flexibility (public and private services, training contracts and stages, part-time work, job-on-call, job-sharing, staff leasing and other temporary work). Legislative Decree N° 297/2002 followed the path to simplify placement procedures
<u>L. 68/1999</u> : reform of compulsory placement for disable people	See “disable people”

Trajectory	<i>Main contents</i>
Social services	Integrated social services and plans from local to regional and national level
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
<u>Law N° 328/2000</u> : reform of social services system National Plan of Social Services 2001-2003	Financial Law 2003 (Law N° 289/2002) did not increase resources related to Law N° 328/2000 and the related national plan 12 Regions approved their own plans of integrated social services

Trajectory	<i>Main contents</i>
Health services	Integrated social services and plans from local to regional and national level
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
<u>Legislative Decree N° 229/1999</u> : reform of the National Health Service National Health Plan 1998-2000	Nearly all the Regions enforced new norms related to their health plans Financial Law 2003 (Law N° 289/2002) increased some health rates while reducing funds to Regions and introduced new bureaucratic procedures A new National Health Plan 2003-2005 was approved in April 2003

Social category: minors and their families	
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
<u>Law N° 285/1997</u> : rights and equal opportunities for children and teenagers (e.g. to combat school dropout)	Between the years 1996 – 2002, 11 Regions enforced schemes on rights and initiatives for minors.
<u>Law N° 154/2001</u> : measures against violence in family relationships	Still active
<u>Laws N° 492/1999 and 149/2001</u> : custody and adoption of minors	Still active
Children nurseries 2002	Financial Law 2003 (Law N° 289/2002) constituted a specific Fund to finance employers who create children nurseries in their firms

Social category: immigrants	
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
Law N° 286/1998: Framework law on immigration	Laws N° 189 and 222/2002 introduced more restrictive norms on immigration

Social category: young people	
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
Youth socialisation and creativity (EU supported)	The programme ended with the participation of 800 young people, 67% of them having found a job
Socrates, Leonardo, Youth (EU programmes)	The most relevant programme is Youth, still active

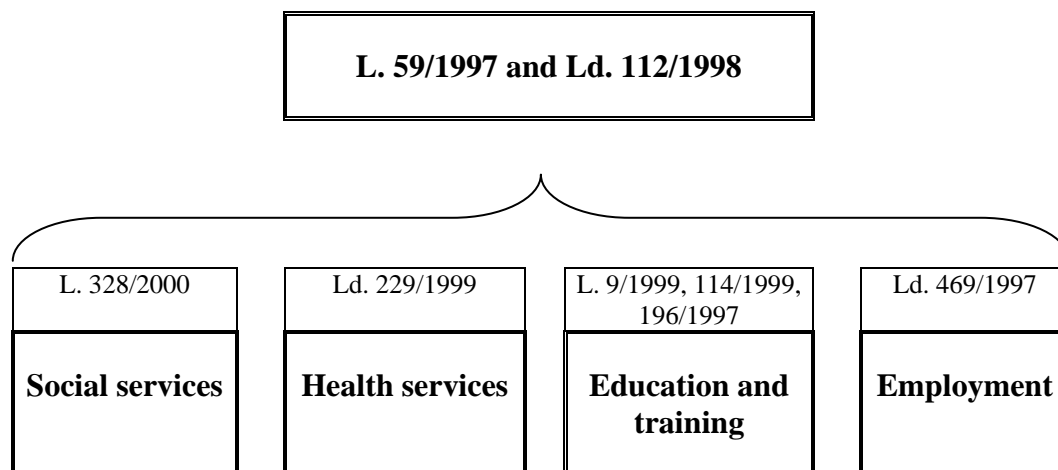
Social category: disable people	
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
National Action Programme on Handicap Policies 2000-2003	No other initiatives are known after the end of this programme
“Dopo di noi” (after us) project	Financial Law 2003 (Law N° 289/2002) did not support more this initiative
L. 68/1999: reform of compulsory placement for disable people	All Regions reviewed their norms to apply this reform at territorial level according to their competences on labour policies (see “employment”) Law N° 30/2003 introduced norms that increase flexibility also for disable people (temporary work and fixed term contracts)

Social category: convicts	
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
Justice 2000 and Law N° 193/2000	No other programmes or initiatives are envisioned

Allowances and benefits for individuals and families	
<i>Relevant measures (NAP 2001)</i>	<i>The state of the art (May 2003)</i>
<p>Law N° 449/1997, Legislative Decree N° 237/1998, Law 328/2000: minimum income for social insertion (RMI)</p> <p>Law N° 448/1998: family allowance (families with a low income and three or more children under 18 years); maternity allowance to women in family with a low income and without social security benefits for maternity</p> <p>Financial Law 2001 (Law N° 388/2000): fiscal-relief, health expenses reduction, social and minimum pensions increase, parents’ leaves, etc.</p>	<p>Financial Law 2003 (Law N° 289/2002):</p> <ul style="list-style-type: none"> - ended the experimentation with RMI, since no more resources were allocated for this instrument - stated that priority will be given to family allowances in the resources allocation to the Regions - modified taxation-relief not taking into account the poverty threshold and reducing at the same time financial transfer to local authorities that are responsible for social and health services <p>Legislative Decree N° 115/2003 provided new norms for maternity, paternity and parents’ leaves</p>

Institutional arrangements

The legislative trajectories described above are based on the common framework of the Italian institutional arrangement:



Between 1997 and 1998, three national laws (n. 59/1997 and n. 127/1997 – the first and the second “Bassanini” laws – Ld. 112/1998) were approved. They represent the most significant change in governmental and administrative structure after nearly 140 years of Italian Unity.

The first one (administrative federalism) reversed the top-down delegation of power and functions between the different levels of government.

The second one supported this process by means of a streamlined administration and simplification of procedures (de-bureaucratisation).

The third one gave the overall finalisation of the previous ones.

L. 59/97 is the mother-law of a transformation process based on the following principles:

- **subsidiarity**, giving to local authorities (Municipalities, Mountain Communities, Provinces) the overall administrative functions and tasks according to their territorial dimensions in order to bring services closer to their citizens and to foster the capability of self-governance involving local communities, families, associations, individuals;
- **completeness**, giving to the Regions a role of programming agencies, along with administrative functions and tasks which are not included in those orientated towards the empowerment of the local authorities;
- **efficiency** and **inexpensiveness**, abolishing functions and tasks which became unnecessary;
- **co-operation** between State – Regions - Local Authorities also in order to assure an adequate participation to the initiatives adopted within the European Union;
- **responsibility** and **single** (unitary) **administration** in order to increase transparency, visibility and identification of each service and activity;
- **homogeneity** in order to distinguish different levels of government;

- **adequacy** in order to increase organisational capability, reliability and capacity building of the different levels of government;
- **differentiation** in order to respect local diversities, that is territorial, structural, demographic, social characteristics, etc.;
- **autonomy**, both in organisations and procedures, in order to enforce the responsibility given to the local authorities;
- **financial support** in order to cover the costs of the administrative functions and tasks, which are assigned to each level of government.

The law determines the duties/competences of the State as those ensuring the national cohesion, while the regional, provincial and local governments are entrusted with guaranteeing cohesion at their territorial levels.

To sum up, the law envisages a rebuilding of the Italian administrative system from the bottom up with the purpose of assuring more direct correspondence between social contexts and administration methods. It establishes that the details of the administrative functions belong to the Regions and local authorities, except those that are expressly reserved for the State. This means that only those functions and tasks that are intrinsically unitary and not susceptible to division even on the administrative level are reserved for the State. Same procedure is applied to the local authorities. All the functions are reserved for local authorities, except those expressly reserved to the Regions.

L. 59/97 was enforced through a series of national and regional decrees regarding the various policy and administrative fields.

According to the subsidiarity principles, basic changes were introduced in the Constitution (art. 114, 117, 118, 119 and 120) stating that:

- the Republic is constituted by Municipalities, Provinces, Metropolitan Cities, Regions and the State (vertical subsidiarity, art. 114);
- these governmental and administrative levels have their own autonomy within a strategic national coherence (art. 120) also in terms of financial structure – the so called “fiscal federalism” (art. 119);
- and they favour the autonomous initiative of the citizens, both as individuals and in association, to implement activities of a general interest (horizontal subsidiarity, art. 118).

Both the State and the Regions have legislation powers (art. 117): specifically, the State has an exclusive competence on policy fields of strategic national importance, without restraining the autonomy of the other governmental and administrative levels.

As far as social inclusion is concerned, the policy fields reserved to the State legislation authority are: immigration; identification of nationally basic levels of civil and social rights; general norms on education; social security.

Education, labour protection and security are policy fields of dual legislation of the State and the Regions.

Therefore, what was foreseen by the Italian NAP inclusion should be understood as a result of the above-mentioned changes of the overall institutional arrangements.

Mobilisation of all actors

Specifically, the concept of horizontal subsidiarity (art. 118) gave a new framework for the collaboration between the public administration and the social (third) sector (namely, volunteer NGOs).

The Italian NAP inclusion described guidelines that are orientated towards this direction (see Ob. 4). Several Regions, which approved their specific social services and health plans, supported the guidelines with mechanism of shared decisions (“concertazione”) between the social partners.

Only a more detailed enquiry on each region can allow answering to the question: “who are the excluded from the decision-making?” and determine if there is a real involvement by the local stakeholders in the problems of social exclusion and poverty.

During the last two years, the Italian government organised the following national conferences:

- policies for disable people (February 2003 - Bari)
- minors (November 2002 - Collodi)
- voluntary services, third sector and NGOs (October 2002 - Arezzo)
- employment policies, social inclusion and human resources (July 2002 – Benevento)

Several stakeholders have been involved in the debate. Many NGOs have organised their own meetings on the path proposed by the Italian government regarding social inclusion policies.

It should be mentioned that no shared vision has emerged on many policy fields, including those regarding social inclusion. The most important case of a conflicting climate was represented by the “Pact for Italy” (Patto per l’Italia) signed by the social partners (trade associations and unions) and the government in July 2002, but not by one of the most relevant trade unions. The Pact basically regards social cohesion, welfare and employment.

Possible changes in the context or political priorities

Possible changes can be envisaged by a comprehensive assessment between the first NAP inclusion and the current situation (May 2003).

To this end the following table shows a summarised assessment in terms of:

- **continuity** of the measures as a coherent development of the proposed policies

In order to assess the continuity of the measures (as a coherent development of the proposed policies), the four main trajectories, the six social categories and the allowances and benefits system are taken into account.

Trajectories, categories, benefits	Continuity from NAP 2001 to May 2003
Social services (reform and related plans)	<i>Limited:</i> even though Regions followed the NAP path, they received less resources from the State; there is not a clear support to reform and plans
Health services (reform and plans)	<i>Limited:</i> Regions followed the NAP path, but there was a reduction of funds from the State, even though a new National Plan was recently approved

Trajectories, categories, benefits	Continuity from NAP 2001 to May 2003
Employment (reform of labour market management and placement procedures)	<i>Limited</i> : the orientation towards labour flexibility was increased without a coherently reform of the security system; the approach is moving from welfare to workfare with a reduction in social protection
Education and training (education and training)	<i>Limited</i> : the orientation of further devolving competences to the Regions is facing a significant reduction of resources from the State; the tendency is towards services' privatisation and outsourcing
Minors and their families	<i>Ongoing</i> : Regions followed the path on rights and opportunities for minors and some support is given for specific plans (e.g. in-firm-nurseries)
Immigrants	<i>Superseded by a different measure</i> : the principles of the NAP path were modified by more restrictive norms on immigration
Young people	<i>Ongoing</i> : actions are still following the attention focused by NAP inclusion on this social category
Disable people	<i>Limited</i> : no other significant initiatives were taken apart from those of the NAP inclusion; some of them are ending or are not supported; labour flexibility was introduced also for this social category
Convicts	<i>Limited</i> : no specific actions were further initiated apart from those enunciated in the NAP inclusion
Allowances and benefits for individuals and families	<i>Limited</i> as an overall evaluation: the system remains fragmented and without a clear approach towards poverty and exclusion relief. <i>Suppressed</i> : the minimum income allowance for social insertion (RMI) was practically eliminated even though it represented the first attempt to move towards an universal approach with selectivity

Debate on policy changes in social policies

In February 2003 the Ministry of Labour and Social Policies, providing the basic orientation for the next NAP inclusion, elaborated an Italian White Paper on Welfare. Two priorities were identified:

- demographic transition (Italy has a very low fertility rate below the replacement level, whilst the rate of ageing population is increasing)
- family centrality (family is considered the pillar of the Italian social “model”)

Basically, the document suggests the adoption of family-friendly policies aimed at raising the fertility rate: housing policies (credit facilities for young families to buy their first house); conciliation of work and family times; services for childhood (finance support to employers for in-firm-nurseries); taxation relief. Emphasis is concentrated on the latter measure: monetary transfer by tax deduction to lessen the “children-cost”.

More specifically, the RMI (minimum income for social insertion) will be substituted by a new tool called “reddito di ultima istanza” (final application for a minimum income), but no indication is given on how it will work, its relationships with the other allowances and benefits, their expected reform.

Lastly, a “Family Observatory” will be created, maintaining the Information System on Social Services developed by the Law N° 328/2000.

A wide debate followed considering the White Paper as a generic proposal without timed-objectives for social and labour insertion. It was argued that the strong emphasis on taxation relief is misleading because the poorest families and people are not taxable and therefore cannot receive fiscal compensation and aids (in Italy they are called “incapienti”). According to recent estimates (*Commissione di indagine sull’esclusione sociale, 2002*), one in five of the taxpayers would not receive any advantage from the fiscal benefits: nearly 20% of taxpayers are totally or partially “incapienti” and they constitute 13-14% of the Italian population.

The White Paper suggested that the national and regional government together should identify the main objectives of an Italian Social Agenda (adopting the open co-ordination method experimented by the European Union). The debate underlined that responsibility for social policies has been nearly completely devolved to regional and local authorities, but nothing was written in the White Paper on territorial solidarity (inter-local equity) and inter-regional co-ordination (evaluation, programming and decision-making according to the subsidiarity principles).

Concern has been voiced over the possibility that the basic law (328/2000) of welfare reform could be subverted by proposed measures such as: the regional and local plan of social services will be no longer supported by national resources and policies; monetary supports will be distributed instead of services in kind; the local public systems of social services will be progressively substituted by vouchers to be spent on private services.

In parallel with this debate, there was a strong confrontation between regional authorities and the national government on the allocation of the resources provided by the National Fund for Social Policies (Law N° 328/2000).

An agreement was reached in May 2003 but reduction in funding still affected the most vulnerable people, for instance: RMI (minimum income for social insertion) was practically suppressed, housing allowances (National Fund for house renting) consistently lowered, disable pupils will receive less assistance (decrease in the number of support teachers). These effects are also the results of the recent financial laws (2003 and 2002) that cut the finance transfer from the State to the regional and local authorities.

The reductions, substantially, regard the amount and quality of services delivered to the citizens, also because of a “lame duck” situation determined by the incompleteness of the devolution process (regional and local authorities have full responsibility in policy fields) that is not yet supported by a structural reform aimed at enforcing the “fiscal federalism” required by the Constitution (art. 119).

Recent research on social inclusion policies

The above-mentioned debate was nurtured by several publications, from which the following books were selected.

The state of the art in the social policies field was presented by Bini, P. C. (Ed.) (2001), *Lo Stato Sociale in Italia*, Donzelli Editore, Roma. The book offers an interesting analysis of the role played by Law N. 328/2000 in the Italian scenario, considering the interconnection of social policies with education, training and health policies.

The law, while reforming the social services, provided a new “model” to be further developed with the renovation of the assistance system, an equilibrium between monetary support and service delivery, a homogeneous diffusion of basic services throughout the national territory, the creation of a networked system of services. Differentiated systems should be created to address local diversities and needs. In this ambit, subsidiarity is the driving force for: diversity within institutional unity; stakeholder’s involvement; participative decision-making.

The analysis of the Italian scenario is followed by the report on the policies against poverty and social exclusion, elaborated by the Commissione d’indagine sull’esclusione sociale: Saraceno C. (Ed.) (2002), *Rapporto sulle politiche contro la povertà e l’esclusione sociale 1997 – 2001*, Carocci, Roma. The book presents the advancement of the above-mentioned reform of the social services, considering also the National Plan of Social Services 2001-2003 and the experimentation with RMI (minimum income for social insertion). A detailed analysis is made on the poverty (relative and absolute) trends looking at specific social categories (e.g. homeless). The analysis of the effects of monetary tools quantify aspects of the “incapienza” problem, giving the estimates already quoted. Territorial unbalances were once more underlined and the increasing poverty within the new generations (minors) was presented as an extremely serious problem, especially diffused in the southern regions.

The analysis of territorial poverty is finalised by the book of Ranci C. (2002), *Le nuove disuguaglianze sociali in Italia*, Il Mulino, Bologna. Geographical changes in the poverty conditions are examined.. North-West poverty is associated to loneliness conditions: single retired people (44%), one-parent family with minors (34%). North-East and Centre poverty is principally characterised by: single retired people (36%); families with welfare allowances but without children (9%); single employed (9%); families with minors and only one breadwinner (8%); one-parent families with children (about 8%) or minors (about 8%). South poverty presents, on the contrary, the following aspects: families with only one breadwinner prevail being them constituted by one-parent with minors (29%), couples with minors (18%), couples without children (17%) or single employed (13%); single retired people fall to 23%, 21 points less than North-West. Summing up, North-West poverty is due to the lack or weakening of familiar and social relationships, mainly related to the population ageing and family structure breakdown. South poverty is closely related to unemployment that disadvantages the largest families. Centre and North-East are nearer to North-West than South.

The analysis indicates that it is the family that plays a key role in facing the risks derived from economic, social and individual (education, health, social participation, etc.) vulnerabilities.

Vulnerability (as a condition where autonomy and capacity of self-organising are permanently jeopardised by unstable insertion into the principal systems of social integration and resources distribution) acts in different ways according to the above-mentioned territorial poverty profiles: unemployment and family load (more in South), unstable and temporary work (more in Centre and North-West), housing prices and evictions (more in North-West), personal catastrophes, e.g. sickness, job losses (more in North-East).

Looking at the research results, Saraceno C., who wrote the foreword of the book, underlines the inadequacies of the existing protection policies, for instance: incentives to buy a house instead of fair rent ensured by an adequate housing supply; incentives to family for incorporating domestic and care services instead of providing adequate and efficient social services; household solidarity for dependent people (e.g. elderly) instead of a socially networked solidarity supported by adequate and efficient services. Saraceno explores the negative effects of labour flexibility, not only individualism and exclusion from social networks but especially the “compulsory familism” representing a constitutive aspect of the vulnerability in the Italian context: a risk that affects both the present and future generations.

The interesting analysis elaborated by Ranci on the territorial poverty dynamics is linked to the discussion on social, inter-local and inter-generational equities. These issues are further developed the considerations of Gorrieri E. (2002), *Parti uguali fra disuguali*, Il Mulino, Bologna. Gorrieri considers topics concerning freedom and equity within the Italian policies against poverty and social exclusion. He affirms that social equity should be based on citizens' empowerment in terms of capacity to reach the threshold of “well-being”, understood as adequate participation in the society. His analysis of poverty confirms what is written in the above-mentioned books, but he develops the issues of social citizenship, universalism and selectivity. He suggests a kind of “magna charta” for a locally articulated welfare in order to meet the multiplicity, variety and diversity of social needs. Looking at the innovative experimentation with RMI (minimum income for social insertion), Gorrieri is in favour of the universalism approach (both for monetary tools and social services) combined with selectivity criteria and based on the economic situation of the beneficiaries.

Income support is examined also by Boeri T. and Perotti B. (2002), *Meno pensioni, più welfare*, Il Mulino, Bologna. In Italy the pension expenditures are higher than those regarding other welfare benefits and allowances. This is used as a starting point to affirm that a more balanced solution should be found to face both social and labour exclusion. The analysis of the current situation is developed on the issues commented by the writers previously mentioned. Boeri and Perotti underline that: the Italian system of social protection is basically formal, supported by a dense flow of laws; tools for social protection interact with each other and affect the labour market mechanisms; any reform of social welfare should respect the current macroeconomic constraints. Based on these consideration, a series of monetary tools are formulated: minimum income allowance; incentives related to employment, supported by a minimum wage system determined by law; a general system of unemployment insurance; a system of family allowances that substitutes the current fragmented subsidies and fiscal relief; a system of sickness and disability insurance; a differentiated system of employment systems concerning the beneficiaries of the unemployment insurance and of minimum income allowance, as well as young people; a coherent system of sanctions linked to the above measures.