

ASSESSMENT OF SOURCES AND METHODS USED IN THE PROVISION OF BASIC INFORMATION FOR THE CALCULATION OF SPECIFIC INDICATORS FOR A65 PURPOSES

COUNTRY: IT 

Version: 29 March 2017

CONTEXT

1. This report is written in the context of the implementation of Article 65 and Annex XI of the Staff Regulations of Officials and Conditions of Employment of Other Servants of the European Union, as most recently amended by Regulation 1023/2013 of the European Parliament and of the Council.
2. Article 12 of Annex XI states that "*...It shall be the task of Eurostat to monitor the quality of basic data and statistical methods used to work out the factors taken into account for the update of remuneration. In particular, it shall make any assessments or carry out any studies required for such monitoring...*"
3. A methodology manual has been developed to describe the calculation of specific indicators in accordance with Article 65 of the EU Staff Regulations. There have been various editions over time; the most recent version is document A6465/14/26rev2, dated May 2016.
4. This methodological documentation is supplemented with interpretation guidelines and specific agreements for individual Member States reached during each annual data collection exercise.
5. With effect from 2010, detailed documentation is drawn up for each Member State which aims to give a full description of the manner in which basic data is compiled and transmitted to Eurostat to allow the calculation of Specific Indicators.

Twenty-two of these draft "inventories" (at different stages of completion) were presented at the meeting of the Working Group on Articles 64 and 65 of the Staff Regulations in Luxembourg in March 2015. A further progress report was reviewed at the meeting in Luxembourg in March 2016.

6. Previous assessment reports for this country have been prepared as follows: [None](#)
7. The current assessment report is based on the following information:
 - a. [pro-forma document A6465_16_03](#) ;
 - b. data provided by the national statistical authorities in the Standard Remuneration Questionnaire for the year [2015](#) ;
 - c. the "inventory", version dated [18.3.2016 \(status: validated 18.3.2016\)](#) ;
 - d. other resources identified in connection with the work to establish Specific Indicators, including [the Ministry of Economy and Finance](#)

ORGANISATIONAL ISSUES (SUMMARY)

8. The name of the national delegate to the Working Group on Articles 64 and 65 is communicated to Eurostat by the Ministry of Economy and Finance.
9. The national data required for the calculation of Specific Indicators is transmitted to Eurostat by the delegate of the Ministry of Economy and Finance.
10. The national data is compiled from the following national sources:
 - Salaries of public sector employees are made up of two parts: a fixed amount defined by the National Collective Bargainings and a variable one due to the Complementary Bargainings defined for different administrations. The Brunetta decree (Legislative Decree n.150/2009) established rigid criteria linked to organisational and individual performance in order to calculate this variable element (IT1102049I 8). In the agreement of 11 May 2012, the government and the social partners have recognised the need to rationalise and simplify this system of measurement, evaluation and premiums. The hope is that better overall evaluation will give organisational performance a more significant role against individual performance. The agreement aims to evaluate the application of these criteria in relation to the characteristics of the various sectors.
 - See also 12. with Conto Annuale.
11. This compilation involves collaboration with the following organisations:
 - <http://www.contoannuale.tesoro.it>
 - ARAN (www.aranagenzia.it)
 - <http://www.inps.it>
 - <https://noipa.mef.gov.it>
12. The following information is publicly available:
 - The “Conto Annuale” is an official yearly census survey conducted by the State General Accounting Department, collecting information on public sector employment and labour costs (for the year preceding the one in which the survey is run), and covers all the institutions that are part of the "Public Administration" aggregate. The information collected through the survey is the official information base for Parliament and Government decisions concerning public sector employment. The data are also made available to the Court of Accounts (Corte dei Conti) for the drafting of the annual report to the Parliament on the management of the financial resources assigned to public sector personnel. For more information see website <http://www.contoannuale.tesoro.it>
13. The standard remuneration questionnaire for the year 2015 was transmitted via *eDamis* on 6.8.2015.

14. The following tables in the standard remuneration questionnaire for the year 2015 were incomplete:

T4

NOT
complete

Comment : Table 4. Worked example empty

"see Italy manual"

15. The national validation of the Specific Indicator calculated by Eurostat for the year 2015 was transmitted via eMail on 16.09.2015.

OVERALL ASSESSMENT



Comply

QUALITY ASSESSMENT – STAFF NUMBERS

16. Comments regarding the sample population for which staff numbers are supplied:

- The official data about the total number of civil servants are taken from the “Conto Annuale”.

17. Comments regarding the total population from which the sample is selected:

- For Art. 65 purposes the abovementioned data are cleaned up in order to take into account only the civil servants serving at central government level (corresponding to sub-sector S.1311 of the ESA 2010 – European System of Accounts).

18. Comments regarding supply of the number of employees for the total central public administration (ESA 2010 s.1311) :

- Currently, around 160.000 civil servants are taken into account for Art. 65 purposes.

QUALITY ASSESSMENT – GROSS SALARY DATA

19. Comments regarding the supply of a figure for gross remuneration for each grade:

- For Art. 65 purposes data relating remunerations to the above mentioned grades are those indicated in the various collective bargainings.

- Data sources : ARAN (www.aranagenzia.it)

- There are no special rules for senior management or technical professionals.

20. Comments regarding additional payments eg. state benefits:

- Allowances, bonuses, payments, are not considered as part of gross remuneration: The 13^a mensilità (Year end allowance) is included in the remuneration and it is entirely paid at the end of year. The Year end allowance is determined on some remuneration components only (basic salary, Administrative allowance, etc.) and it is not a proper allowance.
- The following remuneration components are included for Art.65 purposes for Italy ⁵ :

Aree Funzionali (Functional Areas):

- Basic salary (“*Stipendio base*”);
- Year end allowance (“*13^a mensilità*”);
- Administrative allowance (“*Trattamento accessorio fisso*”)

Dirigenti (Senior Civil Servants):

- Basic salary (“*Stipendio base*”);
- Year end allowance (“*13^a mensilità*”);
- Retribuzione di posizione parte fissa (working position remuneration – fixed part)
- Retribuzione di posizione parte variabile (working position remuneration – variable part)
- Retribuzione di risultato (Productivity remuneration).

Senior civil servants’ remuneration is comprehensive of “all functions, tasks and assignments performed in relation to their office”.

- NB. Family allowances (“*assegni familiari*”) are paid apart from the salaries and are not included for Art.65 purposes.

- How are elements calculated? Multiple factors: apply an agreed average? Elements which form the gross remuneration refer to data included in collective agreements.
- Social benefits to be included in gross remuneration (e.g. child benefits not provided by employer): No social benefits separately paid are considered as part of gross remuneration. *Eg. Refunds of transportation fees, medical expenses, etc. are not considered in the basic salary; they are assigned on demand, with distinct amounts for different Ministries.*
- Non-cash income to be considered for “Conto Annuale” survey: for “Conto Annuale” survey non cash income are considered
The Food vouchers, with a present value of € 7 each, are not considered for the purposes of Article 65 because they are neither a salary component nor a legal right. They are linked to the working time.
- Earnings’ adjustment due to unpaid absences. “Conto Annuale” consider the adjustment of earnings affected by unpaid absence. *For the purpose of art.65 data it doesn’t take into account any basic salary reduction, (e.g. for related absences or part-time working time, etc.).*
- Adjustment of remuneration of non-full-time employees. This adjustment is considered in the “Conto Annuale” survey. *The provided salary data, as mentioned before, are not corrected with earnings’ adjustment for absences, part-time etc.*

- Family types? Right now single and married with 2 children. For “Conto Annuale” survey the family types are not detected.

- Which steps are covered? (1st, last and median // 1st and last only // median only)

The Data transmitted for Art. 65 purposes include, for each grade, only the minimum and maximum values. The difference between maximum and minimum is currently due to a specific remuneration component called RIA (“Retribuzione Individuale di Anzianità”), linked to the seniority service, which was “frozen” in 1990 and it is still paid to only those civil servants already in service at the end of 1996. As a consequence, RIA will be finally erased in few years.

Currently about 55% of the staff art. 65 reference population still receiving RIA.

Which elements are taxable, and which ones are exempt? All elements are taxable.

QUALITY ASSESSMENT – STATUTORY DEDUCTIONS

- Which deductions are obligatory and have to be considered for net remuneration, which not? Social insurance and pension contributions, taxes have to be considered for net remuneration.

- Reference legislation :

Fiscal legislation D.P.R. 917/1986 (Approvazione del testo unico delle imposte sui redditi¹⁾)

Social security legislation Legge 335/1995 (“Riforma del sistema pensionistico obbligatorio e complementare”)

21. Comments regarding the calculation of personal income tax:

- Income tax (“Imposta sul reddito”);

22. Comments regarding the calculation of occupational pension contributions:

- Italian state pension schemes were significantly reformed in 1995. Post 1995 recruits pay into a defined-contribution scheme (“*Sistema Contributivo*”). Pre-1995 staff with at least 18 years service continue to pay into a defined-benefit scheme (“*Sistema Retributivo*”). A hybrid scheme (“*Sistema Misto*”) applies to remaining pre - 1995 staff.

- Finally, the Decree Law n. 201/2011 introduced new elements in order to realize significant savings, among which the increase of the average retirement age.

23. Comments regarding the calculation of medical insurance contributions:

- Social security contribution (“Previdenza sociale: Istituto Nazionale di Previdenza per i Dipendenti dell’Amministrazione Pubblica (INPDAP)”);

- The contribution rate is set by law and covers a variety of benefits, including health insurance, unemployment insurance, family allowances and retirement pension.

24. Comments regarding the calculation of other social security contributions: [N/A](#).

25. Comments regarding the calculation of other statutory deductions: [N/A](#).

QUALITY ASSESSMENT – OTHER ASPECTS

26. [N/A](#).

ACTION POINTS

27. [See 14](#).