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 **TOGETHER FOR
SOCIAL EUROPE**

SOCIAL RIGHTS MONITOR 2020



COUNTRY MONITOR: ITALY

Not yet recovered from the 2008 economic crisis, Italy has been severely hit by the Covid-19 pandemic. The National Strategy Group (NSG) observes that the current emergency has highlighted the weaknesses and shortcomings of the current policies on access to the labour market, equal opportunities and social inclusion. Due to the pandemic, the government has decided to temporarily suspend labour legislation and introduce extraordinary measures to guarantee social protection to 7.8 million workers¹ suspended from work, showing the inadequacy of the existing social safety net. However, the Covid-19 crisis also created momentum for advancing long-needed measures, such as the regularization of irregular immigrants working in specific sectors (e.g., agriculture). Though the NSG considers this change insufficient, it goes in the direction of an improvement in social and labour integration. Overall, problematic trends from previous years continue. The youth-unemployment

rate is still one of the highest in the European Union, at 29.2% in 2019.² In addition, in 2019 Italy was the EU country with the highest rate of NEETs (people not in education, employment or training): 18% of youths aged 15 to 24, according to Eurostat.³ Precariousness is one of the most persistent issues of the Italian labour market, and it affects mainly youth and women. Furthermore, the NSG considers Italy's institutional efforts to prepare a green transition inadequate and underlines the necessity of a clear strategy, in accordance with the Country Specific Recommendations of 2019.⁴ The great territorial divide and the ageing of the population are themes that transversally characterize the above-described picture. Among its more positive notes, the National Strategy Group in Italy mentions the Reddito di Cittadinanza [Citizenship Income] as a first measure to support the population in absolute poverty, as well as the reduction of labour taxes approved by the government in 2019.

1 Consulenti del Lavoro (2020) 7,8 mln di lavoratori a casa con il DPCM 22 marzo 2020 <http://www.consulentidellavoro.it/index.php/home/storico-articoli/12338-7-8-mln-di-lavoratori-a-casa-con-il-dpcm-22-marzo-2020>

2 Eurostat (2020) Youth unemployment rate by sex, age and country of birth <https://appsso.eurostat.ec.europa.eu/nui/submitView-TableAction.do>

3 Eurostat (2020) Young people aged 15-24 neither in employment nor in education and training (NEET), by sex - annual data https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsi_neet_a&lang=en

4 European Commission (2019) Country Specific Recommendation Italy 2019 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019DC0512&from=EN>

	2018	2019	EU-28 2019
Gini index ⁵	33.4	32.8	30.7
Unemployment ⁶	10.6%	10.0%	6.3%
Gender Equality Index ⁷	63.0 (2019)	63.5 (2020)	67.9 (2020)
In-work poverty ⁸	12.3%	11.8%	9.2%
Housing Overcrowding ⁹	27.8%	28.3%	15.6%
CIVICUS Civic Space Monitor ¹⁰		NARROWED	N/A

Selected indicators on the state of social rights

EQUAL OPPORTUNITIES AND ACCESS TO THE LABOUR MARKET

Income inequality in Italy is one of the highest in the EU, as reflected by its high Gini coefficient, which increased further in 2018, describing a more uneven distribution of income in the country.¹¹ Although Italy's tax-and-benefits system is one of the most ineffective in the EU, it is the main tool of mitigation of inequality, and it especially benefits pensioners.¹² In this context, the reduction of fiscal pressure on workers represents a positive development for 2020, according to the National Strategy Group. In fact, as a consequence of the approval of the Law Decree 5 February 2020 No. 3, workers with an annual income below EUR 28,000 will earn EUR 600 more in the last six months of 2020 and EUR 1,200 more in 2021.¹³

The new measure is an important step towards the reduction of fiscal inequalities that penalise workers. These result from widespread tax avoidance or evasion: the estimated tax gap was around EUR 108 billion¹⁴ in 2017.

Unemployment has been decreasing since 2012 and stood at 9.7% in August 2020. Despite a trend of increasing unemployment in the euro area, unemployment in Italy is lower than it was in 2019. However, the rate remains higher than the current average in the euro area.¹⁵ In addition, the rate of long-term unemployment in Italy is one of the highest among OECD countries,¹⁶ showing the difficulty of re-accessing the labour market. Two

5 Eurostat (2020). Gini coefficient of equivalised disposable income: http://appsso.eurostat.ec.europa.eu/nui/show.do?lang=en&dataset=ilc_di12

6 Eurostat (2020). Unemployment by sex and age: annual data: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_a&lang=en

7 European Institute for Gender Equality (2020). Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2020/country/IT>

8 Eurostat (2020). In-work at-risk-of-poverty-rate: <https://ec.europa.eu/eurostat/databrowser/view/tespm070/default/table?lang=en>

9 Eurostat (2020). Overcrowding rate by age, sex and poverty status – total population: https://ec.europa.eu/eurostat/databrowser/view/ilc_lvho05a/default/table?lang=en

10 CIVICUS (2020). Civic space monitor - Italy: <https://monitor.civicus.org/country/italy/>

11 European Commission (2020) Country Report Italy 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0511&from=EN>

12 Ibid.

13 Decree Law 5 February 2020, No. 3 <https://www.gazzettaufficiale.it/eli/id/2020/02/05/20G00013/sg>

14 Ministry of the Economy and Finance (2020) Documento di Economia e Finanza 2020 – Nota di Aggiornamento http://www.dt.mef.gov.it/modules/documenti_it/analisi_programmazione/documenti_programmatici/nadef_2020/Relazione_evasione_fiscale_e_contributiva_Allegato_NADEF_2020.pdf

15 Eurostat (1 October 2020) Euro area unemployment at 8.1% <https://ec.europa.eu/eurostat/documents/2995521/10663603/3-01102020-AP-EN.pdf/f45c24be-3304-e6b7-80c8-04eae7529519>

16 OECD (2019) Long-term unemployment rate <https://data.oecd.org/unemp/long-term-unemployment-rate.htm>

new policies have been introduced recently with the objective of strengthening the welfare system: the Reddito di Cittadinanza, RdC [Citizenship Income], which in 2019 replaced the Reddito di Inclusione (REI) [Income for Inclusion], which had been active since 2018; and the Assegno di natalità [Birth allowance], also called the “baby bonus”. The RdC aims to support citizens experiencing severe economic hardship and is combined with a job and a path to social reintegration.¹⁷ However, the job reintegration aspect has been more fully implemented than the social reintegration one, according to the National Strategy Group. The RdC has stricter cross-compliance rules, but it provides larger benefits than the REI and is provided to a wide number of recipients – almost 1.5 million.¹⁸ The critical points of the RdC concern the application of criteria that discriminate against large household and foreigners. Nevertheless, it tries to respond to the needs of the almost 5 million people affected by absolute poverty in 2019.¹⁹ The introduction of the Assegno di natalità increased the number of recipients over the previous birth allowance but shortened the period of eligibility, from three years to one from the time of birth, adoption or pre-adoptive fostering. The allowance is also available - albeit with a more limited amount- to families that have an annual income above EUR 40,000. The measure also provides an allowance 20% higher for every child that is born, adopted or fostered after or in parallel with the first child.²⁰

The government has approved a set of additional measures to tackle the consequences of the Covid-19 pandemic, focusing on three main areas: support for workers’ incomes, support for citizens in need excluded from other forms of assistance, and support for care givers in response to the closing of educational and care services. Around 12 million citizens

have benefitted from these extraordinary actions. In addition to these forms of support, regional governments have introduced other measures within their competences. The NSG highlights that all the measures mentioned so far are merely financial and fail to provide adequate responses to the needs of more-integrated social services.

GOOD PRACTICE HABITAT MICROAREE

The Project Habitat Microaree²¹ was realised for the first time in 1998 by the Municipality of Trieste together with Azienda Sanitaria (the local branch of the public healthcare provider) and ATER (the public organization in charge of public housing). Its objective is to improve the life conditions of people living in particularly deprived urban areas. The project aims to promote the active participation of the local population, improve people’s living conditions and health, strengthen prevention and care services for vulnerable categories and foster collaboration among local residents. Civil society organizations and citizens are actively involved in the project.

The project’s main activities are socio-cultural events organized in spaces open to the public with the objective of increasing the cohesion of local communities. Moreover, a series of help desks have been opened in the areas, with the function of providing information and support for living, health and care needs. Volunteering initiatives and public events have also been organized – albeit less frequently – in the framework of Habitat Microaree activities.

17 Ministry of Labour and Social Policies (2020) Reddito di Cittadinanza <https://www.redditicittadinanza.gov.it/>

18 INPS (2020) Osservatorio Reddito/Pensione di Cittadinanza e REM: dati al 6 ottobre <https://www.inps.it/nuovoportaleinps/default.aspx?itemdir=54288>

19 Istat (2020) Rapporto povertà 2019 https://www.istat.it/it/files/2020/06/REPORT_POVERTA_2019.pdf

20 INPS (2020) Assegno di natalità (Bonus Bebè) per i nati nel 2020 <https://www.inps.it/nuovoportaleinps/default.aspx?itemdir=53458>

21 Trieste Municipality (2020) Habitat Microaree <http://habitatmicroaree.comune.trieste.it/il-progetto/>

EDUCATION AND YOUTH UNEMPLOYMENT

Italy faces an emergency in terms of educational poverty and education failure, which are among the root causes of poor intergenerational social mobility. Despite the Country Specific Recommendations issued by the European Commission in 2019, which stressed the need to improve educational outcomes and upskilling,²² the National Strategy Group does not see any progress with respect to education in 2020. The Italian educational situation is marked by a dramatic regional divide that has led to wide differences in terms of qualifications and skills, with the north outperforming the south.²³ This applies also to the early school-leaving rate, which is significantly higher in the south and the islands (19%) than in the north (11%).²⁴ Overall, 62.2% of people in Italy aged between 25 and 64 have at least an upper secondary-school diploma,²⁵ 16.5 percentage points²⁶ less than the EU average. In addition, 19.6% of people in Italy have a university degree, compared with an EU average of 33.2%.²⁷ Moreover, Italy's PISA score for 2018 was below the OECD average in all the three categories of school performance for 15-year-old students: reading, mathematics and science.²⁸ In the light of these trends, the government has allocated substantial funds to reduce inequalities by strengthening territorial cohesion and fostering meritocracy within the national educational system. For the seven-year period from 2014-2020, EUR 3 billion were assigned through the PON (National Operational Plan) and POR (Regional Operational Plan).²⁹ In addition, in 2016 the Fondo per il contrasto della povertà educativa minorile [Fund to tackle

educational poverty affecting minors] was created through a partnership between the public sector and some private actors with the aim of tackling educational poverty affecting minors in Italy.³⁰ In spite of this strong financial support, the NSG stresses that educational poverty is still a serious issue and underlines the need for a more systemic approach that overcomes the fragmentation of interventions, which is a root cause of the poor national results. The National Strategy Group strongly encourages the Italian government to design a new national strategy to programme investment and structural funds with the objective of tackling poverty. The programming should be guided and implemented by an inter-institutional working group composed of experts in the field and accompanied by a permanent dialogue and collaboration with civil society organizations and social partners.

GOOD PRACTICE

FONDO PER IL CONTRASTO DELLA POVERTÀ EDUCATIVA MINORILE

The Fondo per il contrasto della povertà educativa minorile³¹ is a national initiative created in 2016 aimed at removing any social, economic or cultural obstacles that prevent minors from having full access to educational services. The fund was realised thanks to an agreement between Acri (the national association gathering all foundations of banking origin) and the government, with the collaboration of the National Forum of the Third Sector. It is implemented through tenders managed by the social enterprise

22 European Commission (2019) Country Report Italy 2019 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0511&from=EN>

23 European Commission (2018) Education and Training Monitor Italy https://ec.europa.eu/education/sites/education/files/document-library-docs/et-monitor-report-2019-italy_en.pdf

24 European Commission (2019) Education and Training Monitor Italy https://ec.europa.eu/education/sites/education/files/document-library-docs/et-monitor-report-2019-italy_en.pdf

25 Eurostat, 2020: <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00065&plugin=1>

26

27 Istat (2020) Livelli di istruzione e ritorni occupazionali – Report 2019 <https://www.istat.it/it/files/2020/07/Livelli-di-istruzione-e-ritorni-occupazionali.pdf>

28 OECD (2018), PISA 2018 results <https://www.oecd.org/pisa/publications/pisa-2018-results.htm>

29 Ministry of Education, Ministry of University and Research (2018) https://www.miur.gov.it/pon_2014-2020

30 Con i Bambini, Contrasto della povertà educativa minorile <https://www.conibambini.org/contrasto-alla-poverta-educativa-minorile/>

31 ACRI (2020) Fondo per il contrasto della povertà educativa minorile <https://www.acri.it/2020/02/10/fondo-per-il-contrasto-della-poverta-educativa-minorile-2/>

Con i Bambini, with high attention to transparency and reporting. The scope of the fund covers the whole country and progressively involves all age groups from early childhood to adolescence (0-17 years). In the three-year period 2016-2018, Acri members fed the fund approximately EUR 360 million. The 2019 Budget Law confirmed financing for the fund over the following three-year period (2019-2021), providing EUR 55 million of annual tax credits that apply to 65% of donations by foundations of banking origin. Projects that have been approved by the fund steering committee reached 480,000 children and youngsters.

The critical state of education is accompanied by a high youth unemployment rate. At 29.2%,³² Italy's youth unemployment rate is one of the EU's highest. Even more worrying is that Italy has the EU's highest percentage of youth aged 15-24 neither in employment nor in education and training (NEET),³³ in large part the result of early school leaving. Italy also has the EU's highest rate of NEETs among people aged 20-34.³⁴ Over the past 10 years, around 250,000 young people between 15 and 34 years of age have left Italy, mainly to find employment.³⁵ It is not expected that the situation of youth in Italy will improve if efficient measures to combat the consequences of Covid-19 are not created and implemented. Young people are the population group most penalized by the pandemic, as they were in the previous economic crisis.

At national level, the main measure applied to mitigate youth unemployment is the creation of extracurricular traineeships. However, from 2014 to 2018, only 60% of the nearly 1.5 million traineeships carried out resulted in actual job creation. Of those that did, the majority of trainees signed fixed-term contracts.³⁶ Since the adoption of the Youth Guarantee in 2014, the number of extracurricular traineeships carried out in Italy has increased.³⁷ Another common intervention aimed at combating youth unemployment is a first-level apprenticeship, an employment contract combined with training. In 2017, 324,902 people were working under an apprenticeship contract in Italy.³⁸ In consideration of the limited positive impact of traineeships on the labour market, in the National Strategy Group's opinion, the Youth Guarantee should introduce funding conditionality mechanisms that limit the use of traineeships to a certain quota (e.g., 25%). This has already been proposed by the European Confederation of Independent Trade Unions (CESI). Furthermore, the NSG identifies the Child Guarantee – described in Ursula von der Leyen's Political Guidelines and scheduled for adoption in 2021³⁹ – as a strategic opportunity to couple the fight against youth unemployment with that against educational poverty by adopting a more holistic and far-sighted approach. The objectives of such a dual approach would be to prevent the condition of early-school-leaver NEETs from becoming chronic and compromising their chances to re-enter the labour market or education and training. This approach should be designed to reach severely disadvantaged

32 Eurostat (2020) Youth unemployment rate by sex, age and country of birth <https://appsso.eurostat.ec.europa.eu/nui/submit-ViewTableAction.do>

33 Eurostat (2020) Young people aged 15-24 neither in employment nor in education and training (NEET), by sex - annual data https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfjsi_neet_a&lang=en

34 Eurostat (2020) Statistics on young people neither in employment nor in education or training https://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics_on_young_people_neither_in_employment_nor_in_education_or_training

35 Il Sole 24 Ore (8 October 2019) In 10 anni l'Italia ha perso 250mila giovani: la fuga all'estero costa 16 miliardi <https://www.ilssole24ore.com/art/in-10-anni-l-italia-ha-perso-250mila-giovani-fuga-all-estero-costa-16-miliardi-AC0kqkp>

36 Ministry of Labour and Social Policies et al. (2020) Il Mercato del Lavoro 2019 <https://www.lavoro.gov.it/documenti-e-norme/studi-e-statistiche/Documents/Il%20Mercato%20del%20lavoro%202019,%20verso%20una%20lettura%20integrata/Mercato-del-lavoro-2019.pdf>

37 ANPAL (2020) Garanzia Giovani in Italia – Rapporto quadrimestrale No.1 2020 <https://www.anpal.gov.it/documents/552016/762863/85-GG-quadrimestrale-1-2020.pdf/1c29ecdb-f637-3fc8-e3d0-460f0f20efe0?t=1601031594724>

38 INAPP (2019) L'apprendistato tra continuità e innovazione https://oa.inapp.org/bitstream/handle/123456789/439/INAPP_XVIII_Rapporto_Apprendistato_2019.pdf?sequence=4&isAllowed=y

39 European Commission (2020) Basic services for children in need - European Child Guarantee <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12565-European-Child-Guarantee->

young people and to support training programmes during work transitions that would result in professional qualifications. Ultimately, such a strategy should aim at a more general empowerment of workers in the framework of a wider citizenship education programme. In more general terms, collaboration is strongly

needed between the social partners and the managing authorities of the European Social Fund and the Youth Employment Initiative is needed. It would lead – in the view of the NSG – to the co-design of local activities and the co-implementation of such activities by multi-stakeholder groups.

FAIR WORKING CONDITIONS AND LABOUR RIGHTS

The dramatic impact of the current pandemic on the labour market has exposed the shortcomings of labour legislation and working conditions in Italy. This is particularly true with respect to social protection policies and protection measures in the case of unemployment, suspension or reduction of work. As highlighted also in the Social Rights Monitor 2019, the Jobs Act, the series of legislative measures introduced by the Renzi government in 2014 and 2015, has jeopardised workers' rights in the name of increased flexibility in the job market. At the beginning of 2020, the Council of Europe confirmed the opinion of CGIL and of the European Confederation of Independent Trade Unions, declaring the Jobs Act to be in conflict with Article 24 of the European Social Charter. The decision of the Council of Europe takes into account the modifications to the Act introduced in 2018, which are still considered insufficient to prevent violation of the Charter. The Council of Europe's decision, although not legally-binding, has strong political value and constitutes a sizable opportunity for a reform of current labour market legislation. In addition, the National Strategy Group highlights the inadequacy of the labour market legislation due to its extreme fragmentation, which has led to the paradox that it guarantees different rights under the same working conditions, particularly in regard to the social safety net. The Covid-19 emergency has pushed the government to take temporary measures in the form of bonuses or allowances to compensate for the lack of income of particularly unprotected categories. This situation has resulted in an awareness – shared by social partners and the government – of the need to reform all social safety nets and move towards a universal and mutualistic model flanked by another urgent reform of active labour policies. The level of investment in active labour policies is indeed below the OECD average.⁴⁰

The high rates of unemployment and in-work poverty – affecting self-employed workers in particular⁴¹ – as well as the low qualifications and skills mismatch that characterise the Italian job market are pressing issues that need to be tackled soon to improve working conditions in the country. Moreover, the NSG mentions that 10 million workers are still awaiting the renewal of national collective bargaining agreements and points out the necessity of defining union representation rules amid the increasing phenomenon of contracts signed by non-representative unions.

40 OECD (2020) Strengthening Active Labour Market Policies in Italy –Recent Trends in the Italian Labour Market https://read.oecd-ilibrary.org/employment/strengthening-active-labour-market-policies-in-italy_575fd92c-en#page2

41 ESPN (2019) In-work poverty in Italy file:///C:/Users/martina/AppData/Local/Temp/4/ESPN_IT_TR1_2018-19%20on%20in-work%20poverty_final.pdf

The national protocol⁴² on health and safety in the workplace that was approved during the Covid-19 crisis is welcomed by the National Strategy Group as a substantial improvement in working conditions during critical times. In particular, the co-operative approach taken by the government in the drafting phase of the document was particularly appreciated. The government involved social partners in the process and the result was particularly positive in the NSG's view.

Precarious work is among the features that characterise the Italian labour market. This is demonstrated not only by the high proportion of fixed-term contracts, but also by the increasing number of self-employed people working through occasional collaborations and the widespread use of internships that very often disguise real dependent work. The Decreto Dignità [Dignity Decree] was introduced in 2018 with the objective of limiting the creation of fixed-term contracts and instead favouring permanent contracts. However, since the measure was not flanked by the reorganization and simplification of contractual rules, it has had a very poor impact in preventing and reducing precarious work. Furthermore, it should be noted that irregular work is a widespread phenomenon that involves mainly women in the south of the country, young workers and workers during their last years of activity.⁴³ Women and youth are the two groups most vulnerable to precariousness. The number of temporary employees in the second quarter of 2020 was 2.5 million, compared with 15.1 million permanent workers. Female employees made up around half the temporary workers.⁴⁴

INCLUSION OF MIGRANTS

The economic situation of migrants in Italy is characterized by strong inequalities. There are nearly 1.4 million foreigners at risk of absolute poverty in Italy, or 26.9% of migrants. But 5.9% of Italian citizens are at risk of poverty, less than a quarter of the rate for migrants. Although non-Italian households represent only 9% of the overall total, they constitute more than 30% of the households (510,000) at risk of absolute poverty.⁴⁵

With respect to social integration, the Decreti Sicurezza⁴⁶ [Security Decrees] approved by the previous government dismantled the reception system in place (Sprar) for asylum seekers and replaced it with a more centralized one.⁴⁷ The previous system had been a capillary reception system, managed by municipalities and considered a virtuous practice in Europe. Furthermore, the decrees suspended humanitarian protection for asylum seekers, resulting in an increase in denials of protection requests. At the beginning of 2018 (before the Decreti Sicurezza), around 55% of requests of protection were denied in Italy, but in September 2019 the rate reached 80%. Since the application of the Decreti Sicurezza, the number of migrants in an irregular situation has increased. In October 2019, 26,722 out of ca. 93,000 migrants in an irregular situation were denied protection as a result of the above-mentioned Decrees.⁴⁸ However, thanks to a recent decree,⁴⁹ Decree Law 21 October 2020, No. 130, the provisions of the Decreti Sicurezza have been modified to increase inclusion. More precisely, the range of immigrants that can request protection has

42 Ministry of Health (2020) Covid-19 – Sicurezza dei Lavoratori: <http://www.salute.gov.it/portale/nuovocoronavirus/dettaglioContenutiNuovoCoronavirus.jsp?lingua=italiano&id=5383&area=nuovoCoronavirus&menu=vuoto>

43 Istat (2020) Rapporto annuale 2020 <https://www.istat.it/storage/rapporto-annuale/2020/Rapportoannuale2020.pdf>

44 Istat (2020) Occupati (migliaia): Dipendenti a tempo determinato/indeterminato, cittadinanza <http://dati.istat.it/Index.aspx?QueryId=26887>

45 Istat (2020) Rapporto povertà 2019 https://www.istat.it/it/files//2020/06/REPORT_POVERTA_2019.pdf

46 <https://www.gazzettaufficiale.it/showNewsDetail?id=1478&backTo=archivio&anno=2018&provenienza=archivio>

47 UNHCR – Italia (2019) Cambiamenti del “decreto sicurezza e immigrazione” <https://www.unhcr.org/it/risorse/carta-di-roma/fact-checking/2019-gennaio-cambiamenti-del-decreto-sicurezza-immigrazione/>

48 ISPI (2020) Migrazioni in Italia: tutti i numeri <https://www.ispionline.it/it/pubblicazione/migrazioni-italia-tutti-i-numeri-24893>

49 Decree Law 21 October 2020 No. 130 <https://www.gazzettaufficiale.it/eli/id/2020/10/21/20G00154/sg>

been widened and now includes those citing humanitarian reasons. Moreover, the Sprar system has been restored for asylum seekers.

Another measure that fosters social and labour integration has been introduced within the so-called Decreto Rilancio⁵⁰ (Relaunch Decree 19 May 2020 No. 34). Indeed, Art. 110 of the Decreto Rilancio foresees the possibility of regularizing irregular migrant workers in limited sectors such as agriculture, fishing and domestic work. According to the National Strategy Group, the envisaged measures show various inadequacies with respect to the selected economic sectors and the subjective conditions of the workers in question. As highlighted by INPS, out of 3.3 million irregular workers, the measure applies to only one third. Furthermore, in light of the low educational level of these workers, the administrative process of filing a request for regularization could represent a concrete obstacle.⁵¹ The NSG adds that the low number of regularization applications submitted – 207,542 as of 15 August 2019, mainly (85%) from domestic or care-sector workers⁵² – confirms these limitations.

GENDER EQUALITY

The female unemployment rate is still a greater problem in the Italian labour market than it is in other Western countries. Italy has the third highest gap between the male and female employment rates in the EU. In 2019, the female employment rate was 50.1%, compared to the 68% male employment rate.⁵³ As a consequence, although the gender pay gap in Italy is a relatively low 5 %, it cannot be said that the country has achieved a high degree of gender

equality. This results from the high disparity in the employments rate of men and women.⁵⁴ As concluded in a study on the Italian job market carried out by the OECD in 2020, there is still great potential to increase female participation in the labour force.⁵⁵ Women in Italy encounter obstacles in great part linked to their care duties within the household, which prevent them from entering the job market or actively looking for a job. Compared with men, 35.4% more women are inactive due to their care duties and responsibilities. Even when women work, they work fewer hours than men, as more women than men are in part-time employment. There is also a strong socio-economic component to the gender gap in employment rates: At 31.3 percentage points, it is drastically higher among people with a level of education below upper secondary.⁵⁶

Recently, several bills have been proposed to the Italian parliament with the objective of mitigating the gender employment gap. However, none of them is considered effective enough. Specifically, the Family Act, despite including some interesting measures, is grounded in the assumption that a woman's income is a family's second income; the bill does not feature a more structured plan aimed at boosting female employment. The Family Act also has the objective of increasing work flexibility to benefit families with children and improve the work-life balance of parents through extended parental leave.⁵⁷ Nevertheless, the NSG observes a continuation of gender-based stereotypes in the conception of the act, which seems to be based on a clear division of gender roles, with women remaining charged with most care and domestic duties. Furthermore, the National Strategy Group reckons that the emergency

50 Decree Law 19 May 2020, No. 34 <https://www.gazzettaufficiale.it/eli/d/2020/05/19/20G00052/sg>

51 INPS (2020) Nota Sanatoria 52020 https://www.inps.it/docallegatiNP/Mig/Dati_analisi_bilanci/Studi_e_analisi/NOTA_sanatoria_52020.pdf

52 Ministry of the Interior (2020) Emersione dei rapporti di lavoro: presentate più di 207mila domande <https://www.interno.gov.it/it/notizie/emersione-dei-rapporti-lavoro-presentate-piu-207mila-domande>

53 EIGE (2019) Gender statistics database https://eige.europa.eu/gender-statistics/dgs/indicator/ta_wrklab_lab_emprate_gen_lfst_r_ergau

54 EIGE (2019) What lies behind the gender pay gap? <https://eige.europa.eu/gender-statistics/dgs/data-talks/what-lies-behind-gender-pay-gap>

55 OECD (2020) Strengthening Active Labour Market Policies in Italy – Recent Trends in the Italian Labour Market https://read.oecd-ilibrary.org/employment/strengthening-active-labour-market-policies-in-italy_575fd92c-en#page2

56 OECD (2019) Gender differences in employment https://www.oecd.org/els/soc/LMF_1_6_Gender_differences_in_employment_outcomes.pdf

57 Presidency of the Council of Ministers – Department for Family Policies (2020) Riforma delle politiche della famiglia: approvato il Family Act <http://famiglia.governo.it/it/notizie/riforma-delle-politiche-della-famiglia-approvato-il-family-act/>

measures in support of families implemented in response to the Covid-19 crisis have been tailored to a traditional family model; they consequently make it harder for other family types to access them.

More generally, all the measures proposed so far to tackle gender inequalities focus primarily on social security contribution policies, which have very limited effectiveness in the medium and long term. The NSG emphasizes the pivotal importance of renewed support for the care economy and of investment in welfare and social services. Such actions would reduce

the burden of women's care duties and would represent significant progress towards gender equality. It is important to stress that according to a joint study by Istat and Eurostat, the gap between men and women who carried out household duties on a daily basis was 61 percentage points in 2016; it was 24 percentage points for childcare duties.⁵⁸ Only 24.7% of the potential demand for early childhood care (0-3 years old) is covered by both private- and public-sector services in Italy, with wide regional differences.⁵⁹ Therefore, it is clear that a stronger welfare system and better social services are sorely needed to advance gender equality.

58 Eurostat; Istat (2017) Cura dei figli e lavori domestici <https://www.istat.it/donne-uomini/bloc-3d.html?lang=it>

59 Istat (2020) Nidi e servizi educativi per l'infanzia - 0-3 anni <https://www.istat.it/it/files//2020/06/Infografica-servizi-infanzia.pdf>

SOCIAL PROTECTION AND INCLUSION

LIVING CONDITIONS AND HOUSING

Living conditions in Italy are still influenced by the consequences of the economic crisis of 2008 combined with a lack of social infrastructure capable of meeting citizens needs in full. An important element of living conditions in Italy is that they vary greatly depending on geographic area. Region and area of origin, together with a family's socio-economic conditions, determine people's opportunities for development. This translates into significant social inequalities, as shown by the National Institute for Statistics (Istat) 2020 Annual Report. The document identifies the inadequacy and fragmentation of the system for social protection and inclusion – due on the one hand to a lack of sufficient funding and on the other to a multi-level division of competencies among national, regional and local authorities, which are not clearly defined. In fact, the Italian Constitution and Law 328/2000 require the application of the so-called Livelli Essenziali di Prestazioni, LEP [Essential Levels of Services]. If these were appropriately defined and implemented, they would create a suitable regulatory framework for guaranteeing the enforceability of fundamental social rights throughout the territory, making them accessible to all.

If the effects of the pandemic are not tackled through drastic measures, living conditions in Italy will only worsen in the foreseeable future. The NSG places emphasis on the provision of income support and guarantee of public services to all to respond to the unprecedented situation the entire world is experiencing. Moreover, the demographic situation of Italy represents a major challenge from many

points of view, including living conditions. Italy is going through a demographic transformation process and becoming one of the oldest countries on the planet: in 2045 it is expected that people over 65 will constitute one third of the population, which will have decreased from the current 60 million inhabitants to 58.6 million, and it is expected that 78% of this future population will live in cities.⁶⁰ If these changes are not confronted soon and through a long-term approach, living conditions for a large part of the population, namely elderly people, will seriously worsen.

Housing is the policy category in which the Italian welfare system lags behind western standards. The European Commission in its 2019 Country Report specifies that only 4% of the population has access to housing with subsidized rent, while in 2017 the 28.2% of tenants who pay rent at market prices were overburdened by housing costs. In 2016, the housing deprivation rate stood at 11.1%, twice the EU average.⁶¹ According to Housing Europe's 2019 report, the emerging private social-housing sector is growing, but it needs to be boosted and integrated with existing public architecture to have a more significant impact. Moreover, more funding and support from the central government are needed.⁶² In the opinion of the National Strategy Group, the recent EUR 16 million re-financing of the rent support fund provided by Law 9 December 1998, No. 431⁶³ is not sufficient to respond to the high demand. A more sophisticated multi-dimensional approach should be encouraged in order to respond to the growth and changes in demand. In fact, there seems to be great difficulty in conceiving public policies that are flexible enough

60 Istat (2018) Il futuro demografico del paese https://www.istat.it/it/files/2018/05/previsioni_demografiche.pdf

61 European Commission (2019) Country Report Italy 2019 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX-52020SC0511&from=EN>

62 Housing Europe (2019) The State of Housing in the EU <https://www.housingeurope.eu/resource-1323/the-state-of-housing-in-the-eu-2019>

63 Law 9 December 1998, No. 431 <https://www.camera.it/parlam/leggi/984311.htm>

to adapt to a socio-economic context shaped by several rapid, major changes, including the following: increasing impoverishment of the middle class, economic difficulties among young people, fragmentation and changes in households, progressive aging of the population, growth of the population living in large urban areas and migration.

Ecological transition, protection of ecosystems and climate action are essential in Italy for improving living, health and safety conditions and for increasing job opportunities. However, clear, just transition plans and measures are needed in order not to leave any citizen, worker or community behind in the change. However, Italy does not have a transition strategy in place yet. To this end, the National Strategy Group urges the government to start a dialogue with social partners as soon as possible, using democratic participation in order to define the necessary plans, measures, investments and support tools. The European Commission, in its Country Specific Recommendations for 2019, identified a lack of investment and innovation as factors hindering the achievement of the 2030 EU energy and climate targets.⁶⁴

POLICIES TO TACKLE POVERTY

Although the risk of poverty and social exclusion in Italy declined to 27.3% in 2018, in-work poverty risk has been increasing since 2010 and reached 12.3% in 2018.⁶⁵ In 2019, 4.6 million people were living in absolute poverty in Italy⁶⁶ and 8.8 million in relative poverty.⁶⁷

Furthermore, social mobility has decreased in recent years. In some work sectors, downward social mobility has exceeded upward, and people born between 1972 and 1986 often have worse social conditions than their parents or grandparents.⁶⁸

Despite recent advances through policies aimed at combating poverty, namely the Reddito di Cittadinanza and the Reddito di Inclusione, the NSG evaluates Italy's national efforts as insufficient to eradicate the phenomenon. Indeed, the measures fail to recognize the multi-dimensional nature of poverty and to address it as such. On the contrary, the policies in place focus excessively on job placement, depriving beneficiaries of the support they need from municipal social services. The situation is made more critical by a consistent deficit in policies to combat poverty, due to constant underfunding and a weakening of public services, especially social services, at the local level. On a positive note, this trend has been partially interrupted by the Inclusion PON⁶⁹ and the plan for interventions and social services to tackle poverty, introduced in 2017. The PON is the national programme co-financed by the EU, which aims to support the implementation of a social infrastructure capable of combating poverty and marginalization and of spreading effective models of social intervention. The plan for interventions and social services to tackle poverty⁷⁰ is financed mainly by the Poverty Fund, which is in need of an increased endowment to make local-level social services capable of responding to the growing population suffering economic hardship, especially in view of the second wave of Covid-19.

64 European Commission (2019) Country Specific Recommendation Italy 2019 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019DC0512&from=EN>

65 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0511&from=EN>

66 Istat (2020) Rapporto annuale 2020 <https://www.istat.it/storage/rapporto-annuale/2020/Rapportoannuale2020.pdf>

67 Istat (2020) Rapporto povertà 2019 https://www.istat.it/it/files/2020/06/REPORT_POVERTA_2019.pdf

68 Istat (2020) Rapporto annuale 2020 <https://www.istat.it/storage/rapporto-annuale/2020/Rapportoannuale2020.pdf>

69 Ministry of Labour and Social Policies et al. (2019) Un percorso comune per la lotta alla povertà <http://poninclusionelavoro.gov.it/Documents/Eventi/PercorsoComuneLottaPovert%C3%A0/Tangorra.pdf>

70 Ministry of Labour and Social Policies (2020) Piano per gli interventi e i servizi sociali di contrasto alla povertà 2018-20 <https://www.lavoro.gov.it/temi-e-priorita/poverta-ed-esclusione-sociale/focus-on/Reddito-di-Inclusione-Rel/Documents/Piano-interventi-servizi-poverta.pdf>

HEALTHCARE

The quality and accessibility of healthcare in Italy are good overall, according to the OECD.⁷¹ However, equality is far from being achieved for several reasons. Firstly, people with poor levels of income and education encounter obstacles with respect to both prevention and treatment, especially when the latter requires the payment of a service ticket. The national institute for statistics estimates that more than 4 million people renounce treatment for economic reasons.⁷² Secondly, regional primary care services lack funds and, therefore, capacity. This has been particularly evident during the pandemic, with negative effects on the promptness of the response.⁷³ Consequently, intervention is needed to strengthen primary care, especially for elderly, chronic patients and people who are not self-sufficient. This point was made by the Italian Court of Audits.⁷⁴ Moreover, there are regional mismatches between the demand for healthcare services and their supply, which push people to migrate within the country and contribute to inequalities in the system.

The regional divide previously described in this report is also present in the healthcare system, which is regulated at regional level.

The central government regulates the Livelli Essenziali di Assistenza Sanitaria, LEA [Essential Levels of Healthcare Services], which define the level of performance and the services that regional governments must guarantee. The 2016 monitor of the LEA showed a vast gap between the north and the south of the country, with southern regions performing more poorly.⁷⁵ However, it is important to notice that, despite the good score of the northern region of Lombardy in terms of LEA, the region showed great weaknesses during the Covid-19 emergency.

HealthCare is a universal service in Italy, and Articles 32 and 33 of Law 6 March 1998, No. 40 establish that healthcare is guaranteed to migrants and minorities, even if they do not have a regular residence permit.⁷⁶ In particular, the law recognizes protection related to pregnancy and maternity, the protection of the health of minors, vaccinations in the context of collective prevention interventions, international prophylaxis interventions, prophylaxis and treatment of infectious diseases. Yet, the NSG points out that in some cases access to care is hindered by the lack of attention given to "cultural mediation", which is necessary to remove linguistic and cultural obstacles.

71 OECD (2019) Health at a glance Italy <https://www.oecd.org/italy/health-at-a-glance-italy-EN.pdf>

72 Istat (2019) Attività conoscitiva preliminare all'esame del disegno di legge recante bilancio di previsione dello Stato per l'anno finanziario 2019 e bilancio pluriennale per il triennio 2019-2021 <https://www.istat.it/it/files/2018/11/A-Audizione-DDL-Bilancio-12-nov-2018.pdf>

73 Corte dei conti (2020) Rapporto sul coordinamento della finanza pubblica <https://www.corteconti.it/Download?id=f900afd4-5f07-4a4b-81a1-273e14a4456a>

74 Corte dei Conti (2020) Memoria della Corte dei Conti sul decreto-legge n. 34/2020 recante misure urgenti in materia di salute e di sostegno al lavoro e all'economia (a.c. 2500) <https://www.corteconti.it/Download?id=89684b0a-9c96-4e29-90f4-446858b94e9d>

75 Ministry of Health (2016) Servizio Sanitario Nazionale: i LEA <http://www.salute.gov.it/portale/lea/dettaglioContenutiLea.jsp?lingua=italiano&id=5238&area=Lea&menu=monitoraggioLea>

76 Law 6v March 1998, No. 40 <https://www.camera.it/parlam/leggi/98040l.htm>

CIVIC SPACE

Based on the CIVICUS' Monitor, Italy presents a "narrowed" civic space.⁷⁷ The National Strategy Group added that in the last 24 months, anomalous conditions have influenced civic space in Italy. In 2019, as a consequence of the political climate that resulted in the approval of the Decreti Sicurezza [Security Decrees], forms of intimidation targeting civil society organizations were recorded. The Decreti Sicurezza, approved by the previous government, made it possible to file financial and administrative fines against NGOs working to rescue migrants in the Mediterranean Sea, as well as to ban them from territorial waters. Furthermore, the decrees specifically required civil-society organisations working in the field of migration to publish a report every three months on their activities and funding.⁷⁸ Thanks to the amendment of the Decreti Sicurezza by the above-mentioned Decree Law 21 October 2020, No. 130, NGOs can now only be denied access to territorial waters when they do not notify Italian authorities and their own national authorities of their operations. Administrative fines have been cancelled, as have financial penalties above EUR 50,000.⁷⁹

The exceptional nature of the Covid-19 emergency entailed a series of restrictions on civic space in Italy, as in the rest of the world. As a consequence of the great danger to public health, the Decree Law 9 March 2020, No. 14 suspended all forms of organized demonstrations and events in public or private places, including those of a cultural, recreational, sporting, religious or trade nature. The same decree also suspended demonstrations, events and shows of any kind, held in any place, both public and private.⁸⁰ In spite of the strong restrictions, the National Strategy Group highlights that, overall, Italian citizens did not perceive the new measures as a threat to their freedom. In

some limited cases, even during full lockdown, there were protests and strikes to demand that employers fully comply with health protection measures. In particular, metalworkers in Lombardy, one of the regions most affected by the pandemic, went on strike to protect their right to health.

Formally, the right of peaceful assembly, guaranteed by Article 17 and 21 of the Constitution, is respected in Italy and has been effective again since May 2020 after months of suspension due to the health emergency. However, SOLIDAR's National Strategy Group points out that new regulations (Circolare Gabrielli, national guidelines defining security criteria for public events and subsequent updates) were introduced in 2017 aimed at enhancing the security and safety of large public events. The rationale for the introduction of these rules was events in 2017, such as the rise of terrorism in Europe and the tragedy at the Piazza San Carlo in Turin, where 3 people died and 1,672 were injured in a stampede during the screening of a football match. Without a doubt, these measures have made the organization of large public events more difficult and economically burdensome from an organizational point of view. It is thus not surprising that such events are less and less frequent. Nonetheless, innovative gatherings took place in 2019 and 2020: in the winter of 2019-20 the protagonists of the so-called Sardine movement identified simple but still effective ways of involving large numbers of people in demonstrating their values and ideas.

As a general trend, the protection of freedom of speech has improved in Italy over the last year. The country gained two positions in the World Press Freedom Index in 2020: it is now 41st with a 1.28 points improvement over last

77 CIVICUS (2020) Monitor- Tracking Civic Space <https://monitor.civicus.org/>

78 Law 1 December 2018, No. 132 <https://www.gazzettaufficiale.it/eli/id/2018/12/03/18G00161/sg>

79 Council of Ministries No. 65 (06 October 2020) Comunicato Stampa http://www.governo.it/sites/new.governo.it/files/Cdm_65.pdf

80 Decree of the President of the Council of Ministers 9 March 2020 https://www.gazzettaufficiale.it/atto/serie_generale/caricaDettaglioAtto/originario?atto.dataPubblicazioneGazzetta=2020-03-09&atto.codiceRedazionale=20A01558&elenco30giorni=true

year, when it was 43rd.⁸¹ However, the number of journalists living under police protection doubled in 2019, and worrying episodes of violence against the press have been registered in some southern regions – Campania, Calabria, Puglia, Sicilia, but also in the area around Rome.⁸² In addition, the NSG points out that an offensive and threatening attitude towards the free press from a certain part of the political establishment can be observed.

SOCIAL DIALOGUE

The NSG reports that social dialogue has been particularly frequent and meaningful in the last year, especially in the context of the Covid-19 emergency. For instance, the drafting of a national protocol to guarantee safety conditions in workplaces has been fully shared among the government, trade unions and employers' representatives, creating a positive and effective model of collaboration. The government also involved social partners and international

organizations in the so-called General States of the Economy, held in June 2020. This aimed to define a strategy to relaunch the national economy and respond to the economic consequences of Covid-19. The NSG points out that the control room between the Social Policies Ministry and the National Forum of the Third Sector has never interrupted its work, even during the Covid-19 emergency. This allowed the civil society reform law to be advanced and emergency measures to be defined to enhance organizations' social work and reduce the impact of the crisis.

Despite the positive improvements in strengthening social dialogue, room for further improvement can be identified. The Constitutional Court, with its judgment No. 131, year 2020, confirmed that there is an opportunity for more collaboration between the third sector and public authorities. This judgment creates an even-more-solid basis for reinforcing the participation of CSOs in decision-making processes.

81 Reporters Without Borders (2020) World Press Freedom index <https://rsf.org/en/ranking>

82 A Buon Diritto Onlus (2020) Rapporto sullo stato dei diritti in Italia <https://www.rapportodiritti.it/>

COMPARISON WITH THE COUNTRY SPECIFIC RECOMMENDATIONS

The European Commission's Country Specific Recommendations for Italy focus in large part on encouraging an effective and sustainable mitigation of the impact of the Covid-19 pandemic on the socio-economic situation. The recommendations touch on several concepts mentioned by the National Strategy Group. The Commission stresses the need for a stronger social safety net that ensures adequate income replacement, especially for atypical workers and people in vulnerable situations. In line with the National Strategy Group's point of view, the *Reddito di Cittadinanza* is mentioned as a positive measure in this sense, but so is the necessity to improve its scope. In agreement with the findings of this Social Rights Monitor, the European Commission urges the integration of inactive young people and women into the labour market. It also highlights the risk of Italian regions being affected unevenly in the aftermath of Covid-19 and recommends that adequate measures be taken to prevent this.

The Commission's recommendations also include ways to improve the capacity of the Italian healthcare sector (strengthening staffing and infrastructure capacity, for instance) in the light of the pandemic's impact. Other items

include the fight against corruption and the informal economy, as well as improvements in the efficiency of the judiciary. Furthermore, the Commission stresses the beneficial role of a green transition for Italy, as this would positively impact the future recovery and the resilience of the country's regions. Much space is also dedicated to the importance of digitalizing public administration and reinforcing digital skills, especially as more people work and study from home. Though the crucial role of digital skills is undeniable, the Country Specific Recommendations for 2020 give too little space to the need to improve other skills and to the central issue of educational poverty in Italy. Similarly, the integration of migrants into the labour market is mentioned and encouraged, but no further attention is dedicated to their social inclusion.

In conclusion, the European Commission's Country Specific Recommendations generally reflect the priorities laid out by the NSG in this Monitor. Nevertheless, the Commission gives more space to the need for digitalization and for a green transition. On the other hand, the recommendations could be more specific with regard to social inclusion and access to education.

SOLIDAR's Social Rights Monitor 2020 has been developed in the framework of the Together for Social Europe programme co-funded by the EU Programme for Employment and Social Innovation (EaSI). It provides an insight into the state of social rights in 17 European countries. The Monitor assesses the state of social Europe in terms of equality of opportunities, fair working conditions, social protection, inclusion and civic space based on the observations of Civil Society Organisations working on the ground in combination with statistical data and scientific findings. It does so on the basis of observations of National Strategy Groups set up in each of these countries by a SOLIDAR member or partner. The 2020 Monitor also analyses to what extent these aspects are reflected in the Country Specific Recommendations of the European Semester process towards a socially sustainable recovery after the Covid-19 crisis.

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