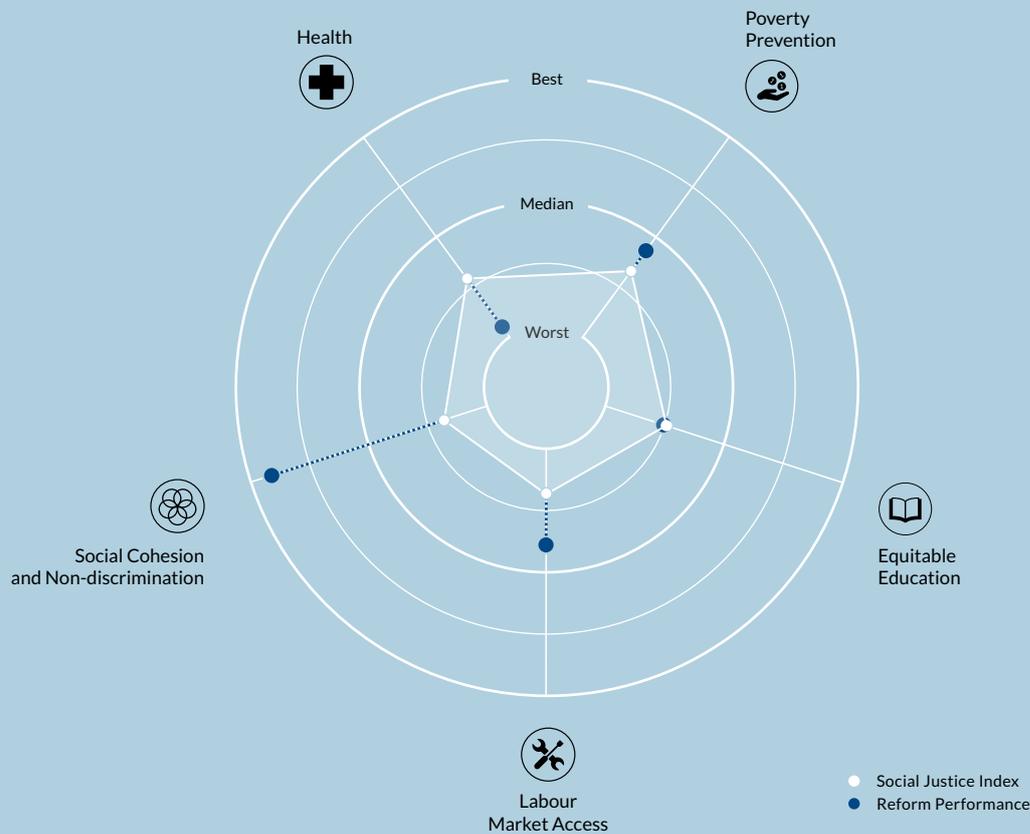


Findings by Country



How does the country rank in the EU?



Overall Findings

Need With an overall score of 2.31, Italy ranks 19th among the 23 EU countries examined regarding the need for social reforms. This clearly reflects Italy's poor performance in the 2015 Social Justice Index (SJI), where the country ranks among the worst performers in the EU (rank 25). As Italy ranks in the bottom third in all five dimensions, it is hardly surprising that the experts see an urgent need for improvement in all dimensions, with the exception of Health. Deficits can be seen especially in the fields of Labour Market Access (2.58), Social Cohesion and Non-discrimination (2.48) and Poverty Prevention (2.32). In the dimension Equitable Education, the need is only slightly lower, with a score of 2.26 (15/22). Concerning health policy, a need score of 1.91 is shown, making reforms in this policy field the most developed of all and ranking the country 6th in this dimension. Regarding all dimensions, the following would be of greatest importance:

Overall Reform Performance Ranking



Overview of Reform Barometer Scores



- tackling youth unemployment (3.00)
- improving labour market access for women (2.92)
- reducing temporary and project-based labour contracts (2.80)
- preventing early school leaving (2.73)
- improving integration of refugees (2.71)

Activity According to the experts, 37 percent of the overall reform need has been addressed in improving social inclusion in Italy. The country ranks 18th out of 23, way behind the leading countries (e.g. Luxembourg 65%) and behind the EU average (46%). Looking at the individual dimensions, the activity rates differ strongly. Quite high activity rates can be stated in the areas Social Cohesion and Non-discrimination (58%) and Labour Market Access (54%). In the other three dimensions, the activity was much lower (between 20 and 25%).

When considering the reforms that are most needed, the experts' opinions on how these were addressed do not show a homogenous picture. They

report that 100 percent of the need to reduce youth unemployment has been addressed. Equally, the issue of ‘reducing temporary and project-based labour contracts’ has been addressed, with an activity rate of 89 percent. The activity rates were much lower, but still relatively high compared to other countries, when it comes to improving job chances for women (51%) and the integration of refugees (58%). With regard to early school leavers, only a third of the reform need has been addressed.

Quality The experts assessed the overall reform quality slightly positively, with a score of 0.53 (Italy ranks 14/20), which is below the EU average (0.69). While the experts expect the initiatives to reduce Poverty (1.19, rank 3/24) and to improve Social Cohesion (0.96, rank 3/12) to have quite positive effects, the assessed quality for Labour Market reforms is much lower (0.26, rank 11/17). With regard to Equitable Education, the experts do not expect the reforms to change the situation at all (0.09, rank 19/22). Looking at the main pressing challenges, the reform quality differs strongly in their assessments. While the reforms aimed at improving labour market access for women (1.0) and the integration of refugees (0.64) are expected to have quite positive effects, the quality of reforms concerning youth unemployment is much lower (0.33). Furthermore, the experts expect the activities concerning the number of early school leavers (-0.67) and precarious employment (-0.08) to (slightly) exacerbate the situation.

Dimension Findings



Poverty Prevention

Need The experts reported a relatively high need to reduce poverty within the total population (2.19, rank 23) and an even more pressing need to reduce poverty among specific societal subgroups, such as refugees (2.67), children (2.61) and single parents (2.35).

Activity Considering refugees, the activity rate is below 5 percent, representing a very low willingness/capability on the part of the government to address this policy field. The activity rate in reducing poverty among single parents is significantly higher (19%) but still relatively low. In the case of preventing poverty among young people, the activity rate is much higher (42%). Reforms mentioned by the experts are the “bonus €80”, which entitles low-income workers to this amount every month, and the introduction of a new social card, which is a pilot scheme of minimum income support for poor families with children.

Quality Looking at the overall population, the experts expect the reforms to have a strong positive effect (1.19). The respective reform initiatives for children (1.2), senior citizens (1.37) and single parents (1.0) are likely to be effective, as well. Most experts recommend implementing a universal minimum income scheme.

Equitable Education

Need The experts see a rather pressing need for improvement with regard to all policy objectives in this dimension, as all scores are above 2.0. The highest need can be seen in the fields of ‘improving structural conditions regarding finances and human resources’ at the level of tertiary education (2.62) and ‘reducing the number of early school leavers’ (2.73). Equally, in weakening the link between socioeconomic background and children’s learning success, the experts see a rather high need (2.55) for improvement, though Italy ranks a respectable 4th in the 2015 SJI in this regard.

Activity Activity rates are quite low despite the high needs in the above-mentioned fields: 13 percent in the case of ‘improving structural conditions’ at the level of tertiary education, and 32 percent aimed at reducing the number of early school leavers. With regard to social mobility in the education system, the activity rate is only 7 percent.

Quality The experts expect the activities concerning the number of early school leavers (-0.67, rank 17/17) to exacerbate the situation.

Labour Market Access

Need Italy’s overall unemployment rate is 12.4 percent (as of April 2015), but it is 39.1 percent among 15- to 29-year-olds. Accordingly, the experts see a very urgent need in various segments of the labour market. The biggest need is seen as reducing youth unemployment (3.00), but promoting women’s employment (2.92) and reducing long-term unemployment (2.69) are likewise of high importance. Furthermore, the experts see an urgent need to tackle precarious employment (2.8) and in-work poverty (2.67).

Activity The activity rate towards raising employment among the entire population is 67 percent, especially targeting youth unemployment (100%) and reducing precarious employment and/or temporary contracts (89%). With regard to women and the long-term unemployed, about half (51%) of the reform need has been addressed, while the activity rate is only 17 percent with regard to in-work poverty. Most relevant reforms reported by the experts are the ‘Jobs Act’, which quite radically modifies dismissals (for new entrants), contractual arrangements and unemployment benefits, as well as the introduction of a youth guarantee programme, which supports young people by increasing awareness of existing jobs and training offers.

Quality While the quality scores with regard to women’s employment (1.0), low skilled employment (1.08) and long-term unemployment (1.26) are quite promising, the experts are much less optimistic about those for young people (0.33). With regard to precarious employment, the experts expect the reforms to very slightly worsen the situation (-0.08). Experts who rated the reforms positively think the Jobs Act will reduce labour market rigidity and favour the transformation of temporary contracts into open-ended contracts. The more sceptical experts complain that the Act gives an incentive to dismiss new entrants too easily, which will lead to a (further) segmentation of the labour market and increase the risk of poverty, especially among young

people. Furthermore, they are not satisfied with active labour market policies and public employment services in Italy, as they consider them inadequate and ineffective. Suggestions provided by the experts are to make temporary contracts more expensive to employers than open-ended ones and to implement a “new pink deal” in order both to foster demand for women’s labour and supply better services for working mothers. As in the dimension of Poverty Prevention, many experts recommend introducing a minimum income scheme in order to tackle in-work poverty. Some experts think there should equally be reforms addressing the demand side of the labour market in order to create new jobs.

Social Cohesion and Non-discrimination

Need The experts see an urgent need for improvement for all four policy objectives in this dimension, as all need scores are 2.3 or more. The most pressing need is seen in improving the integration of refugees (2.71).

Activity The related activity rates are quite high for all four policy objectives (between 50 and 63%), ranking Italy among the top 10 countries. With regard to refugees, the experts report that the registration of asylum-seekers has been improved. Furthermore, a guarantee of a residence permit for six months and the possibility of working after only two months (instead of six) have been introduced. With regard to gender equality, the ‘Jobs Act’ is seen as the most relevant reform initiative.

Quality According to the experts, the measures aimed at safeguarding gender equality are expected to have strongly positive effects (1.4, rank 1/13), as they are expected to give greater protection for self-employed women and, furthermore, to provide incentives for companies to use teleworking models. For refugees, the experts are less optimistic. Though the quality score is slightly positive (0.64), some experts complain that the possibility of working after two months is not feasible because of asylum-seekers’ poor language skills, the inefficiency of Italian employment centres and services, and the effects of the economic crisis. The reforms aimed at reducing the number of NEETs are expected to have positive effects (1.0).