

## COUNTRY NOTE

Database on Social Expenditure ([Social Expenditure Database \(SOCX\) | OECD](#))  
OECD - Social Policy Division - Directorate of Employment, Labour and Social Affairs

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### ITALY

#### *Nomenclature*

INAIL	National Insurance Institute for Employment Injuries
INPS	National Social Security Institute
SSN	National Health Service
TFR	Severance pay

#### *Monetary unit*

Social spending is expressed in millions of Euros (EUR).

#### *General notes*

By and large, the Italian system of social protection is organised along categorical provision of benefits. For each branch of social policy, e.g. pensions, there is a separate administrative body that is responsible for the collection of contributions and the provision of benefits. Government departments are responsible for the supervising the implementation of legislation and other operational aspects of social protection delivery.

The individual country notes of the OECD tax-benefit model ([How do countries calculate tax liabilities and social benefit entitlements? | OECD](#)) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

#### *Break in series*

Data for 1990 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1989 and 1990) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set to “missing” from 1990 onwards; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-89.

Data on public expenditure are underestimated for the period 1980-89 because data on public expenditure on ALMP are available only from 1990 onwards.

Health Data refer to *OECD Health Statistics* since 1988 and to estimates from 1988 backwards from previous national accounts health spending series.

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*Secretariat estimates*

### *Sources*

#### **1980-89**

EUROSTAT (1995), *Social Protection Expenditure and Receipts 1980-1993*, Luxembourg.

EUROSTAT (1996), *Digest of Statistics on Social Protection in Europe – Old Age and Survivors: an update*, Luxembourg.

#### **1990 onwards**

Data provided by EUROSTAT (ESSPROS database), except for:

**1980 onwards**      4. Health: OECD Statistics ([OECD Health Statistics | OECD](#))

**1998 onwards**      5.2.1.3 Childcare (pre-primary education): OECD Education database ([OECD Data Explorer • Full dataset - Indicators, source, destination and nature of expenditure on education](#))

**1990 onwards**      6. ALMP: OECD Labour Market Policy database.

(See Table “Passage from ESSPROS to SOCX” next page).

### ***Background information***

European Social Statistics, Social Protection, ESSPROS qualitative information

[Qualitative information - Eurostat](#)

MISSOC, Mutual information system on social protection in the Member states of the European Union and of the European Economic Area

(<http://ec.europa.eu/social/main.jsp?catId=815&langId=en>)

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 Passage from Esspros to SOCX (public / mandatory-voluntary private)

ITALY, in millions of Euro

ESSPROS/SOCX		Code	1990	2000	2010	2015	2016	2017	2018	2019	2020	2021	
(1)	<b>ESSPROS</b>	<b>Social protection benefits</b>	<b>1100000</b>	<b>160,520</b>	<b>282,184</b>	<b>439,612</b>	<b>473,658</b>	<b>476,045</b>	<b>483,245</b>	<b>493,735</b>	<b>507,808</b>	<b>551,780</b>	<b>560,355</b>
-	(2)	- ESSPROS Disability	Economic integration of the handicapped	1121114	0	0	0	0	0	0	0	0	0
				1121122	0	0	0	0	0	0	0	0	0
				1122114	0	0	0	0	0	0	0	0	0
				1122122	0	0	0	0	0	0	0	0	0
-	(3)	- ESSPROS Sickness	Benefits in kind	1111200	38,767	63,384	104,447	102,922	103,815	104,868	107,289	108,502	114,960
				1112200	0	0	0	0	0	0	0	0	0
-	(4)	- ESSPROS Unemployment	Cash - Vocational training allowance	1161114	0	0	0	0	0	0	0	0	0
				1161121	0	0	0	0	0	0	0	0	0
				1162114	0	0	0	0	0	0	0	0	0
				1162121	0	0	0	0	0	0	0	0	0
			Benefits in kind	1161200	0	6	5	166	163	158	35	131	61
				1162200	0	0	0	0	0	0	0	0	0
+	(5)	SOCX / Health	HEALTH Public benefits in kind	380.10.4.0.0.0	41,555	68,141	112,495	109,132	110,086	111,117	113,591	114,691	121,404
+	(6)	SOCX / EDU-EAG	FAMILY Services	Child care (pre-primary education)	m	5,375	6,954	7,871	7,503	8,176	8,397	8,740	7,942
+	(7)	SOCX / ALMP	ACTIVE LABOUR MARKET PROGRAMMES	380.10.6.0.0.0	1,618	6,797	6,716	8,310	10,732	10,339	7,430	4,907	5,624
-	(8)	<b>= SOCX</b>	<b>MANDATORY PRIVATE SOCIAL EXPENDITURE</b>	<b>380.20.90.0.0.0</b>	<b>10,922</b>	<b>13,913</b>	<b>19,710</b>	<b>17,249</b>	<b>16,613</b>	<b>16,801</b>	<b>16,926</b>	<b>17,289</b>	<b>17,173</b>
		ESSPROS	Scheme 18	Assicurazione sociale obbligatoria gestita dai datori di lavoro del settore privato	10,697	13,913	17,963	15,559	15,072	15,206	15,310	15,560	15,362
				Paid sick leave	3,376	2,862	3,717	3,772	3,916	4,043	4,192	4,282	3,953
				Severance pay for private sector employees	7,321	11,051	4,809	3,160	3,310	3,312	3,299	3,346	3,385
				Rededuncy compensation	0	0	9,437	8,627	7,846	7,851	7,819	7,932	8,024
-	(9)	<b>= SOCX</b>	<b>VOLUNTARY PRIVATE SOCIAL EXPENDITURE</b>	<b>380.30.90.0.0.0</b>	<b>3,508</b>	<b>5,340</b>	<b>9,009</b>	<b>12,864</b>	<b>13,544</b>	<b>14,531</b>	<b>15,480</b>	<b>16,313</b>	<b>16,058</b>
		ESSPROS	Scheme 19	Assicurazione sociale prevista per contratto gestita dai datori di lavoro del settore privato	2,441	1,785	2,921	3,087	3,445	3,577	3,224	3,747	3,653
		ESSPROS	Scheme 22	Fondi pensione	328	2,374	3,974	5,896	5,910	6,327	7,260	7,172	7,192
		ESSPROS	Scheme 26	Interventi di assistenza sociale delle Istituzioni senza scopo di lucro al servizio delle famiglie a favore di:	404	338	681	805	822	922	1,016	1,048	1,035
+	(10)	SOCX / Health	HEALTH Voluntary private insurance, benefits in kind	380.30.4.2.0.0	335	843	1,433	3,076	3,367	3,705	3,980	4,346	4,178
=	(11)	<b>SOCX</b>	<b>PUBLIC SOCIAL EXPENDITURE</b>	<b>380.10.90.0.0.0</b>	<b>150,831</b>	<b>280,697</b>	<b>434,039</b>	<b>468,846</b>	<b>473,597</b>	<b>480,224</b>	<b>487,403</b>	<b>498,257</b>	<b>542,676</b>

Notes:

- (1) "ESSPROS / Social protection benefits" are Total ESSPROS expenditures (1000000) less Administration costs (1200000) and other expenditure (1400000, property income and other).
- (2) The ESSPROS data within "Disability / Economic integration of the handicapped" are not included in SOCX database to avoid double counting with SOCX "Active Labour Market Programmes / Measures for the disabled".
- (3) The ESSPROS data within "Sickness / Benefits in kind" are not included in SOCX database to avoid double counting with SOCX "Health / Benefits in kind".
- (4) The ESSPROS data within "Unemployment / Cash Vocational training allowance" "Unemployment / Benefits in kind" are not included in SOCX database to avoid any double counting with SOCX "Active Labour Market Programmes".
- (5) SOCX Health benefits in kind are from "OECD Health Data (www.oecd.org/health/healthdata)".
- (6) SOCX includes public spending on pre-primary education from OECD education database, unless such data are already included in "5.2.1. Day care services".
- (7) SOCX Active Labour Market Programmes are from "OECD database on labour market programmes".
- (8) Spending on some programmes recorded under the schemes below are categorised as Mandatory private in SOCX.
- (9) Spending on some programmes recorded under the schemes below are categorised as Voluntary private in SOCX. (9) Includes (10).
- (10) SOCX Private insurance Health benefits in kind are from "OECD Health Data (www.oecd.org/health/healthdata)".
- (11) = (1) - (2) - (3) - (4) + (5) + (6) + (7) - (8) - (9) + (10)

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<b>Code</b>	<b>Title of the programme</b>	<b>Description of the programme and attached notes</b>
<b>1. OLD AGE</b>		
380.10.1.1.1.1	General scheme for employees (INPS)	Worker aged 64 (men) or 59 (women) and over are entitled to an old age pension if he/she has contributed to the programme for at least 15 years (19 years since 1 January 1999). The general pension scheme grants pension payments to those who retire prior to the specified ages, provided that certain contribution conditions have been met. From 1990 onwards, pension's payments are disaggregated between different schemes under the title "Old age pensions".
380.10.1.1.1.2	Other special professional schemes	Data under "Other special professional schemes" include data on expenditure on pension payments for employees of private gas companies, employees of private electricity companies, employees of public transport companies, mariners, miners, airline personnel, employees of the public telephone company, Inland Revenue employees, former employees of the Exercise Duty Office, self-employed (farmers, craftsmen, tradesmen), members of the clergy, miscellaneous pension schemes for employees in the public sector as administered by the Treasury and miscellaneous pension schemes for self-employed and employed persons.
380.10.1.1.1.3	Special voluntary schemes	Data under "Special voluntary schemes" include data for collective pension insurance (shipping registry), and voluntary insurance (housewives, etc.).
380.10.1.1.1.5	Supplementary pension schemes for various occupational scheme	These payment concern employees of various public institutions and private sector employees. The latter payments are private social expenditures, and are therefore outside the present scope of SOCX. However, separate data are not available.
380.10.1.1.2.2 to 380.10.1.1.2.10	Anticipated old age pension	After the reform of pension system set up in 1995, the provision of anticipated old age pension is characterised for the existence of different rules concerning eligibility criteria as well as the formula for the evaluation of benefit. For people employed after the 1 January 1996, the pension is computed on the basis of the value of contributions credited. For workers having at 31 December 1995 at least 18 years of credited contributions, the pension is computed on the basis of the previous PAYG method. For workers having at 31 December 1995 less than 18 years of credited contributions, the pension is computed with a mixed system (contributory and PAYG). Up to 2011, the anticipated retirement (before 65 years) is allowed if the pensioner has 40 years of contributions; since 2012, the threshold grew to 42 years + 1 month for men and 41 years + 1 month for women (the age requirement will grow according with the growth of life expectancy).
380.10.1.1.3.1	Lump-sum payments by pension agencies	Lump-sum payments to survivors are included.
<b>2. SURVIVORS</b>		
380.10.2.1.1.1	General scheme for employees (INPS)	Data under "General scheme for employees (INPS)" include data for the occupational accidents and illness scheme (INAIL).
380.10.2.1.1.2	Other special professional schemes	See 1.1.1.2
380.10.2.1.1.5	Supplementary pension schemes for various occupational groups	See 1.1.1.5
380.10.2.1.1.6 to 380.10.2.1.1.17 and, 380.10.2.1.1.19 to	Survivors' pension	From 1990 onwards, survivor pension's payments are disaggregated between different scheme. The benefit is provided to survivors in occurrence of the death of the insured person, already retired or of a person being yet in activity; in the later case, the provision of the benefit is conditioned to the existence of an history of employment lasting at least

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380.10.2.1.1.20		15 years or, alternatively, of the payment of contribution for at least 5 years, 3 of which within the five years before the retirement. The beneficiaries could be the spouse, sons, parents, nephews, brothers and sisters. The benefit is divided among the different beneficiaries according to the followed percentages: 60% to the spouse, 80% to the spouse with a child, 100% to the spouse with two or more children. Different percentages of the remuneration are provided to the remaining categories of relatives
<b>3.</b>	<b>INCAPACITY BENEFITS RELATED</b>	<b>(Disability, Occupational injury and disease, Sickness)</b>
380.10.3.1.1.1	General scheme for employees (INPS)	Data under "General pension scheme for employees (INPS)" include spending on the monthly allowances to pensioners in need of care.
380.10.3.1.1.2	Special professional schemes	Expenditure data under "Special professional schemes" include payments for self-employed (farmers, craftsmen, tradesmen), employees of electricity companies, employees of gas companies, employees of public transport companies, mariners, airline personnel, employees of the public telephone company, members of the clergy, former employees of the Excise Duty Office, and employees of the Inland Revenue service.
380.10.3.1.1.3	Victims of war	Expenditures recorded under "Victims of war" include outlays on disability grants and short-term disability allowances to victims of war prior to 1990.
380.10.3.1.1.7	Disability pension (non means-tested)	Payable when the incapacity rate is adjudicated to be 100 per cent.
380.10.3.1.1.8	Disability pension (means-tested)	The provision and the value of the benefit is conditioned to the evaluation of the disability degree. The benefit is provided after a means test, the income threshold being different with respect to the different kind of disabled people concerned, according to law. The value of the benefit is different, according to the nature of the disability.
380.10.3.1.1.11 to 380.10.3.1.1.21	Early retirement benefit due to reduced capacity to work.	Divided between : <ul style="list-style-type: none"> <li>1) Ordinary disability allowance: the benefit is provided to people which have credited contributions to the scheme for at least 5 years, 3 of which being located within the last 5 years. The provision of the benefit is conditioned to the verification of the existence of a status of invalidity equal at least to 2/3 of the standard working capacity. The benefit has a temporary nature (maximum 3 years) and can be renewed for three times. After three renewals, the allowance is changed in a permanent benefit. When the beneficiary reaches the standard retirement age, the benefit is converted in an old age pension.</li> <li>2) Ordinary disability pension: the benefit is paid to people being recognised as completely unable to work as a result of physical or mental illness; the benefit is provided under the condition of the payment of contributions to the scheme for at least 5 years, 3 of which should be within the 5 years before the pension's request.</li> <li>3) Privileged disability allowance and Privileged disability pension: these benefits are provided to people incurred in an injury while performing his working activity, even when the standard insurance and contribution requirements are not fulfilled. All disability benefits presented above are tax exempt.</li> </ul>
380.10.3.1.2.1	Occupational accident and disease	Data under "Occupational accident and disease" include spending on supplements for dependants when permanent incapacity benefit is paid. Injuries occurring during travel to and from work do not usually give rise to compensation.

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380.10.3.1.4.1	Civil servants daily benefit, employees daily benefit, and manual workers tuberculosis insurance	The (public) employer is obliged by law to continue payment of wages for at least three months.
380.10.3.1.4.5	Paid sick leave: Employees' temporary benefits	Paid to workers during an episode of illness, in substitution of the standard remuneration. The benefit is equal to 50% of standard remuneration for the first 20 days. After this period, the value of benefit is augmented to 2/3 of remuneration. The benefit can be paid for a maximum of 180 days.
380.10.3.1.5.2	Discretionary allowances	Payable when the incapacity rate is at least equal to 66 per cent.
380.10.3.1.5.3	Periodic care allowance for disabled	Monetary allowance provided in favour of people having a reduced degree of independence and mobility (due for example to a total disability), with the aim of guarantee the payment of a person helping in the daily activities. The benefit is provided without a means test and for 2016 is equal to €512.34.
380.10.3.1.5.8	Other cash lump sum benefits (non means-tested)	Invalidity pensioners who need help to move around or who need permanent attendance to accomplish daily tasks are entitled to a monthly allowance equal to that paid under the employment injury scheme.
380.10.3.1.5.9	Other cash periodic benefits (means-tested)	See 3.1.5.4
380.10.3.2.2.1	Rehabilitation for disabled	The National Institute for Social Protection (INPS) can provide medical care, etc. to prevent or reduce invalidity and to restore capacity for work.
380.10.3.2.3.1	Miscellaneous social services	Payable to persons at least 55 years of age who are socially or financially in need.
<b>4.</b>	<b>HEALTH</b>	
380.10.4.2.0.0	Public expenditure on health	See <i>OECD Health Statistics</i>
<b>5.</b>	<b>FAMILY</b>	
380.10.5.1.1.5	Family or child allowances	Income-tested cash transfers.
380.10.5.1.2.1	Income in the event of childbirth	The maternity allowance (only if wage is discontinued) is payable two months before the presumed confinement date and three months thereafter. There is an option for a further 6 months of parental leave, which can be used by the father if the mother does not claim it or if the father has sole charge of the child. From 1990 onwards disaggregated between different schemes under items 380.10.5.1.2.2 to 380.10.5.1.2.7.
380.10.5.2.1.1	Day nurseries	Data under "Day nurseries" include spending on holiday camps.
<b>6.</b>	<b>ACTIVE LABOUR MARKET PROGRAMME</b>	
	See OECD Labour Market Policy database.	
<b>7.</b>	<b>UNEMPLOYMENT</b>	
380.10.7.1.1.1	Unemployment benefits	From 1997 onwards, unemployment compensation and early retirement for labour market reasons include some "fictitious" contributions. From 1990 onwards, unemployment benefits payments are disaggregated between different schemes.