

Chapter 4: Inequalities, equity and services for citizens

Growth and inequality

1. Over the past thirty years, according to OECD data the gap between rich and poor has increased in most advanced countries, including those which have historically paid more attention to equality, including the Scandinavian countries. In Italy inequality increased over the early 1990s, before stabilising in the following decade.
2. In the EU a positive association is observed between equity and growth: with few exceptions, the countries that were more egalitarian in 2005 were also those which grew faster between 2005 and 2010, and which had a higher GDP per capita at the end of the period.
3. Fewer employment opportunities and lower earnings for women, together with the job instability, are among the main causes of inequality in Italy. The probability of finding work for mothers compared with fathers is nine times lower in the North, ten times lower in the Centre and fourteen times lower in the South. Job instability generates inequalities above all for young people, who run a higher risk of working for longer in non-standard employment.
4. The income gap between men and women is wide, starts from the low-to-middle income range and becomes wider as income increases.
5. Much of the redistribution effect of income tax (Irpef) is achieved through tax allowances for employment. These income tax allowances total 1,230 euros on average for people on low incomes (less than 15,000 euros), fall to 720 euros for those with an income between 28,000 and 55,000 euros and then vanish. Deductions for dependent family members are very small for low individual incomes, on average 166 euros, and reach their highest level, 434 euros, in the 28,000-55,000 euro income bracket, before decreasing for higher incomes.
6. While tax allowances mainly benefit lower-income households, deductions from taxable income particularly favour high-income families and reduce tax progressivity. They are highest (approximately 5,700 euros) for taxpayers who declare incomes of over 75,000 euros and lowest (880 euros) for those who declare less than 15,000 euros.
7. Household income being equal, the burden of direct taxes for households with only one earner is greater than for those with two or more earners, due to the application of the progressive tax rates to individual incomes and the absence of forms of household-based taxation.
8. Households with just one earner of income from self-employment of less than 15,000 euros pay more income tax (Irpef) – given the same income – than others. In contrast, among families with two or more earners, those with incomes from self-employment of over 25,000 euros pay less than others, as a result of deductions from taxable income.
9. The system does not provide for any monetary benefit for taxpayers when the sum of allowable deductions is higher than gross income tax payable (the so-called phenomenon of “*incapienza*”, i.e. the final balance being insufficient to recoup the deductions to which the taxpayer would be entitled). More than 4 million taxpayers lose 594 euros per capita, a total of about 2.6 billion euros.
10. Italy is at the bottom of European rankings for women’s contribution to married couples’ income: 33.7 per cent of women aged between 25 and 54 do not earn income (compared

with the EU27 average of 19.8 per cent). In Scandinavian countries couples in which the woman does not earn income make up less than four per cent of the total, while in France the figure is 10.9 per cent and in Spain 22.8 per cent.

11. The division of economic roles and the sharing of care work between partners still does not favour women: in one couple out of three the woman does not earn and takes care of the family practically by herself, while in one couple out of four the woman earns less than her partner but works far more for the family. In one couple out of five, despite earning as much as her partner, the woman performs most of the housework and care duties. Only in one couple out of twenty do both partners share housework and contribute to income equally.
12. In couples where the woman does not work (30 per cent of the total), cases occur more frequently in which she has no access to a current account (47.1 per cent, as against 28.6 per cent of men), is not free to spend money on herself (28.3 per cent), does not share in important decisions with her partner (approximately 20 per cent), and is not the owner of the dwelling (more than 50 per cent).
13. Couples who share paid work and housework equally have the lowest risk of economic hardship: only two per cent of such couples are at risk of poverty, compared with 40 per cent of those in which the woman does not earn.
14. Separated and divorced people are at greater risk of poverty (20.1 per cent) than married people (15.6 per cent). Former wives are at greater risk of poverty (24 per cent on average) than former husbands (15.3 per cent on average). Only for women in full-time work does separation or divorce have the same financial effects for both ex-spouses (a 13 per cent risk of poverty for both).

Living conditions and opportunities

15. The absolute social mobility of daughters and sons compared with their parents is high, as a result of structural changes in the economy in recent decades. However, social fluidity is low. Parents' social class continues to be a powerful influence on the fate of the children.
16. Comparing young people belonging to those generations that have entered the labour market by the age of 25, opportunities to improve on their fathers' social status increased through to the generations of the 1950s and subsequently declined, with the risk of attaining a lower social status than their fathers increasing.
17. The probability of middle-class children remaining in their class of origin is greater than the probability of children from other classes attaining middle-class status. Cases of people moving between social classes which are distant from one another are rare. Only 8.5 per cent of individuals with a working-class father are able to achieve high-status positions, such as in the managerial, entrepreneurial or independent professional spheres.
18. The social class of parents continues to influence children's education. With regard to universities, selection takes place already at the admission stage: of the generation born in the 1980s, 61.9 per cent of the children of the well-off classes enrolled at university, compared with 20.3 per cent of working-class children. With regard to upper secondary education, differences between social classes in terms of enrolment rates are now minimal, while the dropout rate is much higher among students from less well-off classes (30 per cent of working-class children born in the 1980s, compared with 6.7 per cent of children of managers, entrepreneurs and independent professionals).

19. Women have improved their level of education more than men: of the generation born between 1940 and 1949, 10.6 per cent of men and 7.3 per cent of women obtained a university degree, while of those born between 1970 and 1979, 21.7 per cent of women and 15.2 per cent of men graduated. The phenomenon applied to all social classes.
20. The number of workers in non-standard employment (for example temporary employees, contractors or providers of occasional work) as a proportion of total employment is steadily increasing: 44.6 per cent of individuals born in the 1980s and after began in non-standard employment. For the generation born in the 1970s, their first job was non-standard in 31.1 per cent of cases; for the 1960s generation this was true for 23.2 per cent, while for older generations it was the case in approximately one-sixth of cases.
21. Ten years after their first non-standard employment, almost one third of employees are still in insecure employment while one in ten is unemployed. The transition to standard employment is easier for individuals belonging to higher social classes, while 29.7 per cent of those who began as blue-collar workers in non-standard employment are still in insecure employment ten years later, while 11.6 per cent of them have lost their jobs.
22. In the South, although absolute mobility is in line with that observed in the rest of the country, difficulties in scaling the social ladder are greater. Net of structural changes, the southern middle classes are those who have most effectively safeguarded their children's preservation of high-status positions, with a relative mobility index of 2.14. In the South it is harder to gain stable employment in the years following the commencement of non-standard employment. Ten years later, only 47.6 per cent had found a stable job (in the North this figure is over 70 per cent).
23. Mortality risks are higher for people in lower social classes, especially for women. 25-to-64-year-olds with lower levels of education have a mortality risk which is nearly twice as high as for their peers with higher educational qualifications; for men in the same age group, a low education level entails an 80 per cent higher risk of dying compared to the better educated.

Services for citizens: an unequal country

24. In 2010 Italy's national health service spent 111 billion euros, equivalent to 1,833 euros per capita. At the regional level, there is a gap of about 500 euros per capita between the autonomous province of Bolzano, which spends an average of 2,191 euros on each resident, and Sicily, which spends 1,690 euros.
25. The proportion of elderly people receiving integrated home care has increased over time (from 2.0 to 4.1 percent between 2001 and 2010), but there are regional imbalances. All regions of the South, with the exception of Abruzzo and Basilicata, fall short of the 3.5 per cent target set by the National Strategic Framework 2007-2013.
26. Residential facilities for the elderly offer greater availability in the regions of the North (over 37 beds per 1,000 elderly residents), while shortfalls in the South persist (10 per 1,000 elderly residents). The gaps in the provision of beds for people with disabilities are more closely related to the demographic size of municipalities.
27. The highest quality levels measured in terms of the appropriateness and effectiveness of and satisfaction with hospital services can be found in Piedmont, Valle d'Aosta, the autonomous province of Trento, Veneto, Emilia-Romagna and Tuscany, while the lowest levels are found in Campania and Sicily.

28. In 2011, satisfaction with various aspects of admission (medical, nursing and toilets) varies sharply from region to region: it is higher than the average in all regions of the North (except in Liguria) and in Umbria, while in the South dissatisfaction is extremely widespread and in some regions regards 80-90 per cent of people who have been admitted to hospital.
29. In 2009 spending on social programmes and services provided at the municipal level totalled 7.2 billion euros (0.46 per cent of GDP), up 5.1 percent compared to 2008. However, social spending in the South fell by 1.5 per cent, while it rose by six per cent in the North-east, 4.2 per cent in the North-west and five per cent of the Centre.
30. Municipalities spend an average of 116 euros on social services per capita, ranging from a minimum of 26 euros in Calabria and a maximum of 295 euros in the autonomous province of Trento. The gap has widened since 2008, when the respective values were 30 and 280 euros per capita.
31. Municipalities spend an average of 2,700 euros per year on each disabled person, but for disabled residents in the South the figure is about eight times lower than that of the North-east (667 euros per year compared to 5,438 euros).
32. To care for the elderly, Italian municipalities spend an average of 117 euros per year on each resident over 65, with a minimum of 52 euros per capita in the South (seven euros less per capita than in 2008) and a maximum of 164 euros to the North-east.
33. Provision of public crèches remains low, with significant regional differences: the service is provided by 78 per cent of municipalities in the North-east (83 per cent in Friuli-Venezia Giulia and Emilia-Romagna), about 48 and 53 per cent of municipalities in the Centre and North-west, respectively, while in the South and the Islands only 21 and 29 per cent of municipalities respectively have offered the service in the form of municipal or subsidised facilities.
34. During the 2010-2011 school year, for every one hundred children aged 0-2, the number of users of crèches or additional services for infants ranged from 29.4 in Emilia-Romagna to 2.4 in Calabria, next to a national average of 14. The target set for 2013, 12 per cent for the southern regions, so far has been achieved only by Sardinia.
35. In the space of a decade citizens' dissatisfaction with disruptions in water supply has diminished. However, in 2011, almost one family in 10 still complains about irregularities in water distribution, especially in the South (Sicily and Calabria, where the share of dissatisfied users is 27 and 32 per cent respectively).
36. Overall leakage, that is, the amount of water introduced into the municipal water distribution network which does not reach end users, is 32 per cent (about 120 litres per capita per day). The most inefficient networks are found in Puglia and Sardinia, where leakage exceeds 40 per cent.
37. In the provincial capitals each resident consumes an average of 183 litres of water daily. In the last decade, the attention of citizens towards more responsible consumption and reducing costs has led to a reduction in consumption. In 2010, Turin was the most virtuous city; compared to 2001, its daily per-capita consumption fell by 96 litres.
38. In Italy almost one family in three reports not feeling safe drinking tap water. The percentage rises to 60 per cent in Sicily, 53 per cent in Sardinia and 48 per cent in Calabria. 60 per cent of Italian households buy bottled water.

39. In Italy 533 kilos of municipal waste is produced per capita each year, 23 kilos above the EU average. The central regions record higher figures than the national average (about 600 kilos per capita), while in the South, the quantity is lower (485 kilos per capita).
40. Nationally, in 2009 about half of domestic waste collected is disposed of in landfill sites, four percentage points down from a year earlier. In Sicily, Liguria and Lazio more than 80 per cent of waste still ends up in landfills. In the South only Sardinia, with 42 per cent, complied with the EU directive to reduce levels of waste disposed of in landfill sites to below 230 kilos per capita.
41. Of the regions that allocate the most financial resources to waste management, Lombardy is one that uses landfill disposal the least (34 kilos per capita), while Sicily is the one which uses it the most (456 kilos per capita).
42. Separate waste collection on average covers about one third of municipal waste. In 2010 the service was offered in all provincial capitals, with collection rates of over 40 per cent in the North, 28 per cent in the Centre, 21.3 per cent in the South and 15 per cent in the Islands. However, the municipalities that achieved the most significant improvements are almost all located in the South; of the cities that have reduced the overall amount of waste while increasing recycling, particular mention should be made of Salerno, Avellino, Benevento, several of Sardinia's provincial capitals, Pordenone and Belluno.
43. Lazio and Campania are the regions where people are most likely to complain about litter in the streets (over 40 per cent).
44. In 2010 demand for local public transport in provincial capitals as a whole had risen by 13.6 per cent compared with 10 years before. This increase in demand outstripped the increase in supply, with the exception of the South where, in addition to the fact that the supply of public transport is lower, the quality of service provided is insufficient in several respects. Sicily and Campania remain at the bottom of the rankings regarding citizens' satisfaction with a number of aspects of the service, such as frequency, cleanliness of vehicles, convenience of stops, and fare prices.
45. The urban sprawl that characterises Italy is an unsustainable urbanisation model from the environmental and economic point of view as it diverts land away from other purposes or functions. It impoverishes the value of landscapes, compromises traditional historic features and gradually erodes peoples' cultural rootedness in the area in which they live. In terms of quality of life, it restricts accessibility to services on the part of individuals.
46. Italy consumes more land than the rest of Europe, with 7.3 per cent of the land area artificially covered, against the EU average of 4.3 per cent. The land area covered by urban and residential areas, about 20,300 square kilometres (an area greater than that of the entire Puglia region), grew by 8.8 per cent between 2001 and 2011 (that is, an area equal to that of the province of Milan). Over the decade the average rate of land consumption was approximately 45 hectares per day.
47. Lombardy (12.8 per cent) and Veneto (12.7 per cent) are the regions with the largest urban and residential areas, while Basilicata (+19 per cent) and Molise (+17 per cent) are the regions in which the urbanisation has occurred most rapidly. In addition to the South, high positive changes also characterise municipalities around the main metropolitan areas (+9.1 per cent in the first ring and +10.9 per cent in the second).
48. The Centre-north is the area in which existing population centres are expanding most rapidly, while in the South a larger number of new population centres are being established, especially in Puglia (where 17 per cent of towns did not exist in 2001), Sicily (10.2 per cent)

and Sardinia (12.1 per cent), that is, in those regions where the incidence of urbanisation has always been weak in the rural context and new pressure of urbanisation is likely to alter the traditional balance between landscape and urban settlement.