



2nd December 2015

Summary

Istat presents the third edition of the "Report on equitable and sustainable well-being (Bes 2015)". The report is not only a publishing product but a line of research, a process that is based on the multidimensionality of well-being and describes all aspects that contribute to the quality of life of citizens through the analysis of a large number of indicators.

This project was planned, with Cnel, following a shared approach, involving experts, broad sectors of civil society and direct consultation with citizens. Since its start in 2010, the strength of Bes has been its shared approach and the ability to create a direct relationship between data production and policies which are relevant to the Country's future.

Measuring well-being is widely debated around the world and now several international experiences give account of the multidimensionality of well-being and of the progress of societies. Among other things, the UN approved recently the Sustainable Development Goals for 2030. The debate preceding their approval has highlighted the importance of using reliable and timely data for the success of any strategy to ensure the growth, not only economic, of societies.

"For the next few years, Istat has already outlined some lines of improvement – said President of Istat, Giorgio Allewa – most importantly, the enhancement of data coverage at local level but also the improvement of the timeliness with which the information is made available. To implement them, permanent censuses, the processes of modernization and integration of administrative and sample data and the integration of new data sources (such as Big Data) will play a key role. In terms of content one of the lines of study on which ISTAT intends to invest is the issue of equity, which is the analysis of distribution of determinants of well-being among different social groups, with the aim of identifying areas of greatest hardship and the most vulnerable segments of the population."

Also this year, the Bes report analyzes factors that have a direct impact on human well-being and on the environment across 12 domains - health, education and training, work and life balance, economic well-being, social relationships, politics and institutions, security, subjective well-being, landscape and cultural heritage, environment, research and innovation, quality of services - divided into 130 indicators.

In addition, this edition features a new section which describes the path of Bes project with particular attention to methodological aspects. Moreover, composite indicators are calculated to provide an assessment on the performance of each domain and an exploratory analysis of the indicators of each domain is presented.

HEALTH

Average life expectancy is increasing, healthy life expectancy is stable

Life expectancy in Italy is among the highest in Europe (first place with 80.3 years for men and third for women with 85.2) and longevity continues to increase. Infant mortality keeps decreasing (30 deaths per 10 thousand live births in 2012) as well as mortality from transport accidents of young people (0.8 victims per 10 thousand residents) and that for malignant tumors among adults (8.9 deaths per 10 thousand residents).

Physical health conditions also improved compared to 2005, and the proportion of cigarette smokers and alcohol consumers at risk keeps decreasing. Among the critical issues, the quality of survival does not improve and psychological well-being worsen. The increase of mortality for dementia and nervous system diseases among the elderly is confirmed (27.3 deaths per 10 thousand inhabitants), especially among the very old. The burden of care that these disorders carry for families and social and health services has negative consequences for the quality of life, both of the sick and of their families.

Unhealthy habits are still frequent: a sedentary lifestyle involves 4 out of 10 people, excess body weight involves more than 4 in 10 people, and an inadequate consumption of fruits and vegetables affects more than 8 out of 10 people. Women, always advantaged in terms of survival, are more likely to do prevention and have healthy lifestyles but are more often penalized by diseases leading to limitations in activities. Over time, these gender differences have narrowed, even for the progressive increase in average years lived by men.

Regional differences are growing. The South, partly as a result of the crisis, increased its disadvantage in life expectancy (81.5 years versus 82.5 years in the North), in quality of life (55.4 years of healthy life expectancy against 60 years in the North), in infant mortality, in the physical and psychological health and risk factors related to lifestyle (sedentary lifestyle, excess body weight and unhealthy eating habits). Social inequalities in lifestyles remain also marked: people with higher educational qualifications, controlling for age, enjoy better physical and mental health and generally adopt healthier behaviors.

The composite index of health, incorporating indicators of life expectancy (at birth, healthy at birth, without limitations in activities at 65 years) and of physical and psychological health status, amounted to 102.6 in 2013, it improved from 97.6 in 2009.

EDUCATION AND TRAINING

The gap with Europe on education and training is decreasing, the level of cultural participation is increasing

The gap between Italy and the European Union average on education and training is wide but it is decreasing. In particular this is due to the increase of graduates, of people who have carried out lifelong learning and the significant reduction in the rate of early leavers from education and training registered in 2014. A little positive sign is also the proportion of NEETs that, after years of growth, remained stable between 2013 and 2014 (26%). Although the steady improvement in education and training the growth rates are still too low to fill the gap with the European Union. Moreover the first-time entry rate to university by cohort of upper secondary graduates in 2014/2015 decreased, from 49.7% to 49.2%. A sign that must be monitored to ensure that this does not indicate the beginning of a troubling moving away from the university.

Cultural participation, which had experienced a downward trend during the period of crisis, has improved in 2014, especially for the growth of visitors to museums, exhibitions and archaeological sites.

To improve equal opportunities in access and participation in education and training and cultural participation is of paramount importance to increase the human capital of the country. In fact, despite the increase in the average level of education, young people from certain areas of the country and socioeconomic background still have a clear disadvantage compared to others.

The South is strongly disadvantaged and this depends also on the shortcomings of the school system. For example, the early school leavers from education and training are 19.3% among people aged 18-24 years in the South against 12% in the North, while the percentage of people aged 30-34 years who have obtained a university degree is 25.3% in the North and 19.7% in the South. Moreover, in Italy the social class of the family continues to heavily influence the outcomes in education and training of children. The children of parents with high education level or skilled occupations drop off much less from the education system, are less likely to become NEET, have higher levels of IT expertise and participate in cultural activities more frequently than the children of parents poorly educated or with low professional profiles. Investing in equal opportunities and inequalities reduction is important because the qualification attained continues to play a crucial role for the participation in the labour market and the people with a high level of education have been the more resilient to the negative effects of the crisis.

The composite index of education and training¹ improves from 97.7 in 2008 to 105.3 in 2014. The standardized index of cultural participation, by contrast, shows a sharp decline with only a slight recovery in 2014 (from 96.6 in 2008 to 91.4 in 2014).

WORK AND LIFE BALANCE

Signs of recovery but still strong gender gaps and exclusion of young people

The employment rate shows first positive signs in 2014; the share of people aged 20-64 employed in Italy increases to 59.9% in 2014 (+0.2 percentage points compared to 2013), but the gap with the Eu continues to increase. The recovery in Italy has been slower compared to the main European countries.

Positive also the decrease in the rate of employees who fear losing their work and the high stable rate of satisfaction with the work (almost half of employees declare to be very satisfied). Of paramount importance the decrease in the differences between the employment rates of women with children and without children. Nevertheless, problems of work and life balance remain important for foreign women and those with low qualifications.

The quality of jobs, worsened in recent years, improved only in some respects. The percentage of employed people with temporary jobs for at least 5 years decreased slightly from 20.3% in 2013 to 19.8% in 2014; the share of employees with below 2/3 of median hourly earnings is stable (10.4% in 2013 to 10.5% in 2014). Increase the share of over-qualified employed persons - from 21.9% in 2013 to 23% in 2014 - and in involuntary part-time - from 11% in 2013 to 11.7% in 2014. Despite the positive economic signals, the historical gaps that characterize the Italian labour market remain an important problem.

The gender gap in participation in the labour market, although it is shrinking as a result of greater drop in employment in sectors dominated by men, remains among the highest in Europe (69.7% of employed men against 50.3 % of women). To fill this gap, at least an additional 3 and a half million women should enter the labour market. Even the quality of labour is worse for women, more often employed in the service sector and in low-skilled occupations (particularly foreign women).

Italy continues to be characterized for the strong youth exclusion from the labour market while the employment rate of people aged 55 and over continues to grow. Although an increasing number of years in education and training delays the entry into the labour market, the decrease in the employment rate of the young depends mainly on the difficulties in finding a job, especially a permanent one. The condition of young people is exacerbated by a worse quality of work and a greater fear of losing it.

The disadvantage of the South increases; it is the only part of Italy where the employment decreased even in 2014 (employment rate to 45.3%) and where the quality of work is the lowest. At the local level there is a

¹ Based on the following indicators: participation in early childhood education; people with at least upper secondary education level; people having completed tertiary education; early leavers from education and training; participation in long-life learning; people with high level of IT competencies

strong link between quantity and quality: in regions where there is more employment, it is also of better quality with a lower presence of non-regular employees, employees with low pay, long term temporary jobs and involuntary part time. These conditions determine a greater satisfaction for the characteristics of the work and a lower sense of insecurity of losing the work and not being able to find another one. The standardized employment rate declined sharply in 2009 and 2013 and then it showed a positive signal in 2014 but not enough to recuperate the previous losses. Placing 100 the year 2010, the standardized employment rate dropped from 103.2 in 2008 to 98.1 in 2014.

The composite index of quality of work partially follow the dynamics of the employment rate. It fell sharply in 2012 and 2013 and showing a light positive sign in 2014: from 101.9 in 2008 to 94.9 del 2013, to 95.2 in 2014.

ECONOMIC WELL-BEING

The economic well-being of the families improves but the South is affected by strong inequalities

In 2014 and particularly in the first months of 2015, the economic situation improved first in the North of Italy and in a second moment in the rest of the country and this improvement had an impact on all households.

Disposable income and purchasing power are increasing (+0.7% in 2013 and +0.1% in 2014); Final consumption expenditures are growing too but slower as a result of the slight increase in the propensity to save. Fewer and fewer families implement strategies of spending reduction while a higher percentage of households perceive that their economic resources are adequate.

Risk of poverty and, especially, absolute poverty stopped the upward trend (from 4.4% in 2011 to 7.3% in 2013, absolute poverty decreased to 6.8% in 2014); severe deprivation decreased for the second consecutive year, going back to 2011 levels (11.6% people lives in families with severe deprivation). A slight improvement for the subjective indicator: the percentage of individuals in households that, considering all the available income, declare to get to the end of the month with great difficulty decrease to 17.9% after reaching the maximum value of the decade in 2013 (18.8%).

The proportion of individuals living in households with very low work intensity is the only indicator showing a negative trend: after declining between 2004 and 2007, it increased in 2010 until 2014 (12.1%). The situation worsened mainly for the people up to 30 years old, while there are some improvement for the people aged fifty and over. Nevertheless even in this age group, the indicator remains at high levels, especially among women (for which is approximately double than men).

The South, has an average disposable income per capita significantly lower than the North and the Centre, and it is also the region with the highest income inequality: income possessed by 20% of the population with the highest incomes is 6.7 times the income owned by the 20% with the lowest incomes; in the North the ratio is 4.6.

The composite index of income inequality improves gradually until 2008, following the increase in the level of income and the reduction of inequality, before declining in the following years; the trend stopped only in 2014 when the index increased by 0.2 points. Placing 100 at the year 2010, the composite index is 99.4 in 2011, down to 97.5 in 2013 and 97.7 in 2014. In parallel, the composite index of economic distress, which until 2010 remained substantially stable, decreased noticeably in 2011 and 2012 and continued to decline for the two following years. Placing 100 the year 2010 the index of economic distress is down to 94.5 in 2014.

SOCIAL RELATIONSHIPS

Trust in others is increasing, political participation is falling

In Italy social networks have always played an important role for quality of life of population, particularly for the most disadvantaged and vulnerable segments. In 2014, the positive trend of indicators on social participation strengthens the slightly positive signs that were already registered the previous year. This shows the start of a recovery of social cohesion, weakened by the difficult years of the crisis, and a glimpse of a positive climate of confidence about the possibility to take action even at a time of economic downturn. Although still low, trust in others is increasing (from 20.9% in 2013 to 23.2% in 2014) together with the perception of being able to rely on their network of relationships (from 80,8% to 81.7%). Financial support to associations and the involvement in voluntary activities is also increasing (from 12.9% to 14.5% and from 9.4% to 10.1% respectively).

Social participation, after three years of steady decline, stabilizes in 2014 (23.1%). Political participation (speaking about politics, keeping up with politics news, on-line participation), on the contrary, after the growth recorded in the previous two years, shows a significant drop especially in the Centre-North and among the youngest. In particular the decrease concerns the percentage of people aged 14 and over who talk about politics (from 48.9% to 42.9%) and who keep up with politics news at least once a week (from 64.3% to 62%). Political participation through the web remains stable: the percentage of people aged 14 and over who read or post opinions on the web is 12.1% in 2014.

Geographic differences remain particularly marked, with a great disadvantage for the South of the country. In this area social networks appear weaker than in the rest of the country both for the voluntary activity component (13.2% of people who have worked as volunteers in the North against 6.5% in the South) and for family support networks (83.4% of people who have relatives, friends or neighbors they can rely on in the North against 78.5% in the South).

The composite index of social relationships (based on indicators on: satisfaction with family and friends relations, people to rely on, social participation, civic and political participation, voluntary activity, associations funding and generalized trust) decreased between 2010 and 2013, going from 100 to 97.5, and showed a slight recovery in 2014 (98.9). The recovery is generalized to all areas of the country, although it was stronger in the central regions.

POLITICS AND INSTITUTIONS

More women in economic and political decision-making positions, high the distrust in institutions.

The most dynamic element in the political institutions domain is the increasing presence of women in political and economic decision positions. After the last European elections, the gender gap decreased significantly and in Italy for the first time the percentage of women in the European Parliament went beyond the EU average (40% versus 37%).

The presence of women in national parliament and main institutions is also growing, although in some regional councils, which were renovated in the last three years, the presence of women decreased. The greater presence of women has contributed to the lowering of the average age of members of parliament (47.2 years and 55.3 years in the Parliament House and in the Senate). In fact, the elected women are considerably younger than their male colleagues. The gender gap decreased also on the companies' boards, where the presence of women has been steadily increasing as a result of recent gender-based laws (from 17.8% in 2013 to 22.7% in 2014).

Positive signs also emerged for the judicial system. The latest data on civil proceedings of ordinary cognisance discussed in ordinary courts points to a marked decrease in the average duration of the processes (-12.2%), but regional differences are considerable.

Remains still high the distrust in political parties (average 2.4), Parliament (average 3.5), local institutions (average 3.7), and judicial system (average 4.2); the mistrust affects all areas of the country with no significant gender or age difference. The only expressions of trust are for the fire brigade and police (average 7), a sign that citizens reward those who put the protection of the common goods before their own safety.

SECURITY

Growth of crime is slowing down, violence against women is decreasing but its severity is on the rise

Burglaries, pick pocketing and robberies, which had decreased significantly since the 90s, reversed the trend by recording a sharp increase especially in the years of economic crisis. Burglaries, doubled in 10 years, are now stable (17.9 per 1,000 households) but at a lower level than that reached before the year 2000. Also robberies are stable in 2014 (1.5 per 1,000 inhabitants), while pickpocketing are slowly rising. Positive signs but they are still too weak to be considered a real improvement.

Italy is the European country with the lowest homicide rate (0.8 per 100,000 inhabitants), due to the downward trend of recent years. The fact that this trend did not reverse with the crisis testifies the solidity of our social fabric. The progressive decrease of homicides involved particularly those committed by men on people of their own sex, rather than those of men against women.

Improvements are registered for physical, sexual and psychological violence against women. The percentage of women aged between 16 and 70 years who have experienced physical violence in the last five years has dropped from 7.7% in 2006 to 7% in 2014; while the percentage of those who were victims of sexual violence dropped from 8.9% to 6.4%. The decrease concerns also violence by the partner (from 6.6% in 2006 to 4.9% in 2014), especially the less severe forms. The most serious forms of violence, such as rapes and attempted rapes, are not affected by the decrease and are stable over the years.

The perception of security of the population is on the rise again - from 54.1% in 2013 to 56.2% in 2014 - although it has not returned to the levels reached in 2010. The regional pattern is diverse, but some changes led to an improvement in security in some regions of the South and to the worsening in some regions in the North and Center.

The composite index of safety (based on the burglary rate, pick-pocketing rate, robbery rate and fear of crime rate) worsened over time. Setting the year 2010 equal to 100, the indicator decreased to 92.2 in 2013, to improve slightly in 2014 (93.1) thanks to the subjective indicator on fear of crime. The homicide rate remains stable overall, with a slightly positive trend in 2014 (101.8), indicating an increase in security.

SUBJECTIVE WELL-BEING

Growing optimism towards the future, life satisfaction remains stable

Although the Country has not yet left the crisis behind, in 2014 optimism towards the future grows (27% of people aged 14 and over feel that their situation will improve in the next five years, comparing to 24% in 2013). Young people confirmed the most optimistic group of population, and registered the greatest increase despite being among the social actors who were most affected by the crisis. Furthermore, regional differences are decreasing due to the greatest reduction of the share of pessimists where it was higher: from 23.9% in 2013 to 19.3% in 2014 in the South.

More positive signs can be read also in increasing satisfaction for leisure time (63% in 2013 to 64.6% in 2014) and for the economic situation, which grew after years of decrease (from 40.1% in 2013 to 43.4% in 2014), although it remains below the levels reached before the crisis.

These positive trends do not translate yet into an increase in overall life satisfaction: after the sharp fall recorded between 2011 and 2012, subjective well-being remained stable in 2013 and 2014. The uncertainty generated by a long and intense crisis seems to make people more cautious, though a significant proportion of people assess they are satisfied with their lives (35.4%).

For this domain it was not calculated a composite index but the single indicator on life satisfaction was adopted as a synthesis of subjective well-being. In particular it has been standardized to make it comparable to composite indexes of other domains. Life satisfaction shows a positive trend between 2010 and 2011 (from 100 to 103.2) and a sharp fall in 2012, when it drops to 89.1; it then stabilizes around 89 in 2013 and 2014.

LANDSCAPE AND CULTURAL HERITAGE

Insufficient progress in the protection of common goods

For this dimension a change of setting occurred, due partly to the economic crisis of recent years and to some revitalization of the agricultural sector. The collapse of the construction sector has in fact reduced the pressure of urbanization on the territory, while the last Census records, for the first time since 1970, a halt in the loss of agricultural land (Sau). At the same time other threats arose, linked to the evolution of agriculture itself - from an acceleration in the dynamics of abandonment in the inner areas to an expansion of industrial monocultures – which calls for new forestry policies and specific measures for the protection of rural landscapes.

Wide regional inequalities persist in the protection of common goods, and especially of the territory; another effect of the crisis is the survival of illegal building, whose incidence has no match in other advanced economies. In 2014, every 100 buildings authorized, 17.6 have been produced illegally throughout Italy, and more than 40 in the South. Expenditure of Municipalities for the management of cultural heritage was 10.1€ per capita nationwide in 2013, 4.3€ in the South.

The crisis is also linked a sharp contraction of public investments in the protection and promotion of cultural heritage. Despite the overall stability of public spending, it should be remembered that the current levels of investment are clearly inadequate in relation to the exceptionality of the Italian cultural heritage, being well under the average of European countries: Italy spends 0.3% of GDP, compared with 0.8% in France and 0.5% in the EU.

Finally, the share of people expressing an utterly negative judgment on the landscape of their place of life keeps increasing (from 18.3% in 2012 to 20.1% in 2014) - a clear sign of deterioration of urban landscapes that is associated, mostly in the South, with inconsistency of policies of regeneration of old town centers. These policies, on the other hand, proved to be at last effective in much of the country: in 2011, 61.2% of the older buildings (realized before 1919) already surveyed in 2001 were still in excellent or good condition.

The composite index for landscape and cultural heritage (composed by indicators on: current expenditure of Municipalities for the management of cultural heritage, illegal building rate, erosion of farmland from urban sprawl, erosion of farmland from abandonment, and conservation of historic urban fabric) shows a general – although not dramatic – deterioration trend. Setting the value of Italy in 2001 equal to 100, the index dropped to 98.4 in 2011.

ENVIRONMENT

Some steps forward although the management of natural resources and the quality of environment is still critical

Environment protection is a key element in the choices of the Country and even of individual citizens. Through a development plan linked to renewable energy and energy efficiency, the actions of

environmental protection, sustainable management of natural resources and fight against climate change can add value and protect the territories, support the society and the economy.

Although in recent years, with the impetus of the regulations and European constraints, steps have been taken forward in monitoring natural systems policies, many differences still characterize the various areas of the country and the different environmental aspects.

The availability to the public of urban parks and gardens is increasing: in regional capitals they accounted for 2.7% of the territory in 2013 (+ 0.7% comparing to the previous year), that is on average 32.2 square meters per capita. Air pollution is decreasing in several cities, in fact in 2014 the number of provincial capitals where the limit value set for PM10 was exceeded for over 35 days went down from 44 to 35. Energy provided by renewable sources increased, reaching 37.3% of the total in 2014 (it was 33.7% in the previous year). Families are increasingly sensitive to the issue of energy efficiency: 22 out of 100 have invested money over the last five years to purchase new equipment to rationalize consumption. Greenhouse gas emissions decreased (under 8 tons of CO₂ gas), also as a result of the economic crisis.

It is still evident, however, the need for substantial action for the protection and management of the environment. The percentage of municipal waste sent to landfill is decreasing but it is still more than a third of the total (31.5% in 2014), confirming the delay compared to other European countries. The leakage of drinking water from the municipal distribution networks also remains a big issue, particularly in certain regions of southern and central Italy, accounting for 37.4% of the volumes placed on the network. Equally serious is the presence of 39 contaminated sites to be purified throughout the country, these cover an area of 121 thousand hectares. Also the hydrogeological risks produced by landslides and flooding of rivers remains high in many parts of the country, whereas in fifty years, between 1964 and 2013, these events have caused more than 2 thousand victims.

The composite index of environment (based on indicators on sewage treatment, landfill of waste, areas of special naturalistic interest, renewable energy, satisfaction with different dimensions of the environment - air, water, noise) stood at 104, 1 in 2012, starting from the base of 100 in 2008.

RESEARCH AND INNOVATION

Stable situation with some slight improvement

Despite a slight increase in the share of GDP spent on research (+1.31% in 2013 compared with +1.27% in 2012), Italy is well below the European average and far from the Europe 2020 objectives (1,5%). The national patenting activity is declining and the patent applications per million inhabitants confirm the gap with the rest of Europe (71.6 against 112.6 EU).

Some positive notes come from innovation in enterprises. During the years 2010-2012, the percentage of firms with at least 10 employees that have introduced technological, organizational or marketing innovation registers a slight increase comparing to the previous 3-year period (from 50.3% to 51%), although it decreases in different industries.

Less encouraging signals on investing in new products: only 24.9% of Italian companies introduced a product innovation and, in view of an increase in services, we report a deterioration in industry and construction.

The investments in high tech manufacturing are stagnant; Italy remains in 20th place in the European ranking for employment in these sectors, followed only by Greece, Portugal and countries of Eastern Europe. At the regional level, Lombardy, Piedmont, Veneto and Emilia-Romagna are the most dynamic regions in terms of research and innovation. Lazio and Tuscany also perform well. The South, however, is still in delay and shows no signs of recovery.

QUALITY OF SERVICES

Gradual improvements in water, electricity and gas supplies and in waste treatment, critical issues remain for social services, mobility and prisons

The quality of public utilities - supply of electricity and water in homes and the number of families served by the network of distribution of natural gas - is slowly but gradually improving. Also the separate collection of municipal waste made further progress especially if considered in a long-term perspective (from 22.7% in 2004 to 45.2% in 2014).

Less flattering the assessments on health and social services, both those intended for the elderly population (the percentage of elderly persons assisted rose from 3 in 2004 to 4 in 2012) and those offered to families with children.

After a period of slight but steady increase, integrated home assistance service and the offer of beds in residential health care facilities remained stable (6.2 the number of beds in residential health care facilities per thousand inhabitants in 2012, 6.5 in 2011). The supply of crèches, micro-crèches or supplementary and innovative services for early childhood decreased, firstly because of the reduction of resources available to municipalities (from 13.9% in 2011/2012 to 13% in 2012/2013).

Mobility remains a critical issue: travelling times and the difficulties of access to essential services referred by citizens do not seem to decrease (81 minutes travelling time on average in the Center of the Country, 74 minutes in the South). Greatest hardships are recorded particularly in large metropolitan areas, despite the better availability of infrastructures on average.

Prison overcrowding remains an unresolved issue: the decrease in the number of prisoners and the increase in the number of beds has eased the problem significantly but not completely: from 131.1 prisoners per 100 places of regulatory capacity at the end of 2013, to 108 in 31 December 2014.

Regional divide between the North and the South of the Country is particularly severe and affects all types of services covered, helping to exacerbate the differences caused by economic factors. The volume of supply of services to individuals and families in the South is systematically lower than the national average.