

5 – SOCIAL WELFARE AND SOCIAL SECURITY

Many public and private subjects (individuals, families and businesses) are certainly affected by official data published with regard to social welfare, social security and voluntary work; reference is made to these subjects when evaluating economic and social policies and the quality of social security. In this chapter some of the most significant indicators are recorded.

With reference to the labour market, as regards the hours authorised by the Redundancy Fund (Cassa Integrazione Guadagni) for salary integration in the industry sector in Sicily, data shows that, after exceptional growth in 2003, there was a marked cumulative reduction in the following two-year period (-25.3% in 2004 and -3.1% in 2005), a slight recovery in 2006 (+3%) and a collapse in 2007 (-40.3%). The final balance in 2007 shows a considerable increase in routine interventions (10.1%), which, as is widely recognised, are linked to problems of a short-term nature, and a marked fall in the number of extraordinary interventions (-51.3%). About a third of the hours authorised and recorded in 2007 regarded the Province of Palermo, where the FIAT Termini Imerese works, and connected activities, are located. During the four-year period 2003/2007 the number of hours granted by Gestione Industria (Industrial Management) fell overall by 55.5%, and more specifically, by 55.2% for manual workers and by 57.3% for white-collar workers.

The number of accidents reported in 2006 fell to 28,551 (-15.4%), with reductions of 9.2% in agriculture, and 17.4% in industry, whereas in the State sector figures were more or less stable. The highest number of accidents with regard to agriculture was recorded in Ragusa (862), with regard to industry in Catania (5,997), and in Palermo with regard to accidents reported in the State sector (534). Between 2002 and 2006 the number of reported accidents in industry dropped appreciably, and more moderately in agriculture, whereas there was a rise in accidents reported in the State sector.

The number of pensions paid out in Sicily in 2006 rose to 1,681,000 (+0.8%), whilst overall expenditure amounted to 13,677 million Euros (+3.6%). The average pension recorded in Sicily was 8,400 Euros annually, which is about 1,300 Euros lower than the corresponding national figure (+13.7%). There were a little over 1,165,000 IVS pensions, the same as in the previous year, with a 3.4% rise in pension pay-outs. Social welfare pensions, disability and non-contributory pensions, increased to a rather more appreciable degree (+3.9% in numerical terms and +5.8% in monetary terms), whereas the so-called indemnity allowances (resulting, above all, from accidents at work, occupational illnesses and war pensions etc.) experienced less marked falls when compared to previous trends.

In 2005, the last year with data available for the Provinces, 17.4% of pensions in Sicily were paid out in the province of Palermo, 13.7% in the Province of Catania and 12.2% in the Province of Messina. The unit cost oscillated between 10,600 Euros in Siracusa and 8,000 Euros in Agrigento. Between 2001 and 2005 the number of pensions paid out in Sicily rose by 3.4%, against a 17.9% growth in expenses; therefore, in the four-year period, the unit cost registered an increase of about 1,000 Euros. Examination of the data by type for the four-year period reveals a marked increase in social welfare

pensions, a more moderate advance for IVS pensions and a decline in indemnity allowances. Several characteristic ratios might provide additional elements regarding the role of pensions in the economic and social context. The percentage of pension expenditure out of the gross domestic product might have some significance, as might the retirement-rate and the relative benefit-index. In 2005, the total amount of expenditure as a percentage of the GDP was 14.3%, whilst the figure for Italy as a whole was a little lower (13.7%). At the Provincial level the indicator hovered between a maximum in Messina (16.4%) and a minimum in Trapani (12.5%). As for the retirement-rate (calculated from the ratio of the number of pensions to the population at the end of the year), its level remained steady in 2005, at around 24.8%, which was lower than the figure for the country as a whole (31.6%). The Provincial figures ranged from 21.3% in Catania to 31.1% in Messina. Finally, the relative benefit-index (i.e. the relationship between the cost of the single pension and the GDP per inhabitant) in 2005, stood at 57.8%, as against a lower figure at the national level (43.2%). On the Provincial level Trapani had the minimum and Palermo the maximum.

On Dec 31, 2005, in Sicily there were 488 residential-care homes (-12.4% over 2004) with a total of 15,522 beds; these were occupied by 11,571 persons, more than 55% of whom were elderly. The residential structures in the Region represent almost 5.5% of the total in the country as a whole, which with 338,750 beds provided space for 298,251 persons.

As regards voluntary organisations registered in the Region in 2003, there were almost 650 structures, with an average number of 32 registered members per structure (39 volunteers per organisation at the national level).

Glossary

IVS pension – pension for invalids, old-age and war-veterans

Pension: a periodic and continuous benefit paid out individually by public and private companies after: reaching a specific age, annuity maturing following payment of contributions for a set period of time, failed or reduced working capacity due to congenital and subsequent infirmities, death of a protected person and special merit for services to the nation.

Provincial administrations: local bodies whose functions consist in looking after the interests and promoting development over a large inter-Communal area or the whole Province.

Redundancy fund: an instrument through which the Government can intervene in support of businesses, which, finding themselves in difficult straits, have been forced to cut down or temporarily suspend their operations. This intervention consists in INPS allocating benefits (as substitute for salary) to workers suspended from work, or subject to a reduced work-load in terms of hours. The Redundancy Fund interventions are of two kinds:

1) Ordinary management

- *ordinary interventions*, i.e. those linked to a company's temporary difficulties
- *extra-ordinary interventions*, i.e. those arising from the temporary suspension of business activity owing to re-structuring, re-organisation or re-conversion of the company or when there is a state of crisis, which might be of social relevance for the employment situation;

2) Special management

- special management for the building sector, pertaining to construction and Stoneworking enterprises (including craftsmen). Extra-ordinary interventions include the number of hours authorised to those working in commercial outlets of industrial companies in a state of difficulty.

Social assistance: sector in which social benefits are linked to inadequacy of economic resources or to situations of hardship (disability, neglect) and are financed through general taxation.

Social benefits (European system of accounts, SEC 95): current transfers, in money or in kind, allocated to households to provide benefits covering costs of unexpected, specific events (illness, old-age, death, invalidity, unemployment).

Voluntary organisation: organisation which (in accordance with law no. 266 of 1991):

- to a great and decisive extent, avails itself of the voluntary and unpaid work of its adherents.
- uses paid workers or autonomous services "exclusively within the necessary limits for regular functioning, or where an activity that has already been completed needs to be qualified and specialised".
- in any agreements between adherents, in its company act or statute, stipulates clearly "its non-profit making nature, the democracy of the structure, official posts being up for election and unpaid, as well as the free voluntary help of adherents, the criteria for admission and exclusion of adherents and their duties and rights.
- complies with the obligation of having a regular balance-sheet showing assets, contributions, bequests received, as well as the modality for approving the budget by the general assembly of all adherents.

Further reading

Publications

Italian Statistical Yearbook 2008- ISTAT

Social security and social assistance statistics– Pension payments – 2005 – ISTAT

Social security and social assistance statistics – Recipients of pension benefits – 2004 - ISTAT

Final balances of Social Security companies– 2005 - ISTAT

Organisation of voluntary work in Italy– year 2003 – ISTAT

Internet

www.istat.it

Residential welfare and social security in Italy - 2004

Italian Statistical Yearbook 2008 – Chapter 4 “Social security and social assistance”

Second census and survey on social operations and services in town councils – 2004

Work, social security and social welfare causes – 2000-2004

www.inps.it

Statistics data-banks– Pensions: general statistics

www.fivol.it

Data about voluntary organisations in Sicily

www.lavoro.gov.it

Longitudinal sample of activities and pensioners (CLAP): updating of data-base and future developments

www.disabilitaincifre.it

Statistical informational system regarding disabilities