

Sixteen Months in Government – an account of work done

This is a brief summary of work done by Professor Elsa Fornero during her mandate as Italian Minister of Labor, Social Policies and Equal Opportunities under the Monti Government (November 2011- March 2013) in implementing major reforms.

The reforms span from social security to the labour market, the latter being enhanced, among others, by the revision of instruments for income protection (Aspi); from policies directed to fighting poverty to those related to the protection of families, minors, and immigrant workers; from measures aimed at the promotion of gender equality, especially in the labour market, to actions against any forms of discrimination: the following paragraphs provide a short in-depth analysis of each domain of action.

Welfare ([art. 24, Decreto Legge n. 201/2011 'Salva-Italia'](#))

The pension system reform package aims at enriching and improving the regulatory framework set up by the previous reform of our social security system, which dates back to the 1995, which now can be considered fully operative. It includes the following main elements: a general and immediate application of the DC system to every pensions; the abolition of seniority pensions; the gradual harmonization of entry criteria between sexes and the application of retirement age indexation to life expectancy. All these measures aim at achieving the goal of **intergenerational equity**, since they aim at creating a pension system able to guarantee pensions also to future generations, contributing at the same time to the **general equilibrium of the national budget**.

Protection measures have been adopted in order to safeguard workers which are close to pension and that are experiencing particularly unfavorable working conditions (i.e. under mobility, in voluntary progression, under a resolved working contract and so on). For those workers, pension requirements established by the previous reform will be applied. The Ministry had to work in absence of an adequate network of information, both on collective and on individual legal agreements, which nevertheless have implications also on public finances. In order to avoid those problems in the future, we stated that agreements have to be collected by territorial divisions of Labor (**Decreto Legge 83/2012**).

Around 130,000 workers have been safeguarded thanks to the full application of the pension reform. To them, 10,000 workers falling under previous safeguarded provisions have to be added.

The "Salva Italia" decree has also established to merge Inpdap and Enpals institutes to INPS, in order to improve the efficiency and the effectiveness of administrative

actions in the welfare sector, to lower the costs and increase the transparency and the comparability among different management systems.

Moreover, thanks to the collaboration of Inps, the Ministry launched a **communication campaign** on pension savings and financial education in order to improve workers' knowledge on their future retirement funds.

Labor Market ([Legge n. 92 del 2012](#))

The reform of the Labor Market, strictly connected to the Pensions one, aims at creating **a more inclusive and dynamic labor market**, able to tackle with the current segmentation and rigidities and to favor employment opportunities and enhance productivity. The **goals** of our measures are: to improve conditions for creating **more stable working relationships for young people**, focusing on **apprenticeships** and contrast the incorrect use of some contractual typologies; overcome exit rigidities, favoring conciliation procedures, reducing the dualism between over-protected workers and workers with almost no protection at all, such as women and young, redistributing safeguards measures more equally across categories and connecting them to active measures, in order to favor the **employability** of people and a more efficient match between job offer and demand.

The reform is based on four main pillars: rationalization of the several contractual forms currently in place, exit flexibility, social security cushion measures, and active measures.

Special attention has been devoted to **gender equality**, even if financial resources were scarce, thanks to the introduction of specific norms against the custom of forcing a working woman to sign an undated letter of resignation contextually to her working contract, the introduction of parental leave for men and the economic support of specific **initiatives in favor of working mothers**.

The reform addresses extensively the topic of **lifelong learning**, considering that a modern social protection system is mainly based on individual knowledge and competences. Because of that, it focuses on the **validation of formal and non formal educational systems as critical tools for the implementation of a more dynamic labor market**. Eventually, the Government approved significant measures in order to boost growth, including the ones involving **innovative start-ups** leaded by young and brilliant entrepreneurs.

Equal opportunities

The [D.M. 4 Dicembre 2012](#), signed by the Minister Elsa Fornero, enforced a revision of the structural organization of the Department of Equal Opportunities which, in turn, revised tasks and functions of each Office and Service of this Department, in order to support the activities of the Ministry more efficiently. Those activities range from fighting violence against women, pedophilia, pedo-pornography, human trafficking and

female genital mutilation to promoting equal opportunities and treatment at the national level; to enhance equal access to goods and services; to support women entrepreneurial activities, to remove racial discrimination.

Social policies

The enforced “Action and Cohesion Plan” has financed with 730 million euros family services within those Regions which are covered by the EU Regional Policy Programme (Objective: Convergence). The **programme enhances nursing services for children below three years old and domestic assistance services for not self-sufficient elderly people**. Under the perspective of public expenditures, the Ministry provided additional resources to the **National Fund for Social Policies** and to the Fund for not self-fulfilling people with 300 and 275 million euros respectively in the year 2013.

Moreover, the Minister adopted the “Guidelines for the departure of minors from their families of origin, enhanced the **regulation concerning migrant workers from non EU-countries** and finally set up the **National Fund for the hospitality of not-accompanied foreign minors**. Alongside these reforms, the formula for the calculus of ISEE was revised, the IT systems of social services was reformed and a trial programme for fighting absolute poverty among families with minors, with no jobs and with other unfavorable conditions, was financed by 50 million euros.

International relations activities

In a EU perspective, the Minister provided for the realization of the EU Strategy for Employment objectives, within the programme of EU 2020 and the European Semester, in addition to participating actively to the debate on the social dimension of the European and Monetary Union, as required by the European Council. A very meaningful achievement has been the adoption of **the recommendation on Guarantees for Youth**, strongly sustained by the Italian Government and the reorganization of the European Social Fund (ESF). We also raised a fruitful partnership with the European Commissioner Laslo Andor, reaffirmed many times, included during the meeting “Job for Europe: the Employment Policy Conference” in September 2012.