Itinerari PREVIDENZIALI

Report n.12 2025

The italian Pension System

Financial and demographic trends of the pension and welfare system in 2023

Curated by the Research and Study Centre Itinerari Previdenziali

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Introduction

The Report on the ***Accounts of the Italian pension system***, now in its twelfth edition, is the only publication today that can provide, in a single document, an exhaustive overview of the complex pension system in Italy and of how it is financed; it provides a detailed analysis of the system managed by the INPS funds and by the privatized pension schemes and of the welfare benefits paid by the public system, with a ***reclassification*** of ***pension*** and ***welfare expenditure*** within the national accounts. In this way, analysts, policy makers and the media can be provided with a series of useful data on pension expenditure which accounts for about 51% of the entire public expenditure, with peaks up to 55% and which sees Italy in second place along with Austria in terms of social expenditure/GDP ratio.

Until 2012, this Report, in an abridged version only devoted to pension funds, was drafted by the Social Security Expenditure Evaluation Unit (Nuvasp) under Act no. 335/1995 (Dini reform) and submitted every year to the Minister of Labour and then through the Minister to Parliament. For a number of reasons, Nuvasp ceased its activity in May 2012[1] and this void was only partially filled by other publications that deal with this topic but not in an exhaustive way. In order to bridge this gap, a larger database of the Italian pension system was rebuilt through a long and complex "data entry" effort and the support of private players, with the addition of ***welfare*** and ***temporary benefit schemes,*** health funds and private complementary welfare schemes. Since 2014, the task of processing the data and of drafting the Reports has been fulfilled by the Technical and Scientific Committee and by the experts of the Research and Study Centre of ***Itinerari Previdenziali*** (many of whom were members or collaborators of Nuvasp). This Report is made available free of charge in Italian and English to the Government, to Italian and international institutions and to all social security stakeholders.

The ***XII report*** has been drafted on the basis of a rigorous collection of data from the financial accounts of pension institutions and funds. It illustrates pension expenditure and contribution revenue trends and the balance of the compulsory public and private pension schemes in Italy. The observation period of the main pension variables begins in 1989, the first year to allow for a comparative analysis on the basis of homogeneous time series[2].

The retrospective analysis has been conducted over this period up to 2023, the last year with available and complete data on the financial statements of the entities that make up the Italian pension system. This Report uses ad hoc indicators to describe and evaluate the trends of the public funds integrated into INPS, the only public pension institution[3] in Italy and of the privatized professional pension schemes under Legislative Decrees n. 509 del 1994 and n.103 del 1996. In order to assess the performance of the different funds, we have looked into their main variables, such as number of active

[1] The Pension Expenditure Evaluation Unit (Nusvap) ceased to exist following the resignation of the President and of the members with a letter sent to Minister Elsa Fornero, member of Nuvasp. In addition to monitoring and controlling pension expenditure, validating the transformation coefficients and coordinating the "general registers of active workers, pensions and pensioners", Nuvasp drafted the "*Report on the financial performance of the pension system*"; the last Report featured data until 31 December 2010. In 2012, Nusvap's large library was lost together with its enormous data bank created in over 15 years. Its web site too, is no longer visible. It featured the historical series of the reports and the database with the complete trends from 1989 to 2010.
[2] Nuvasp, which operated from 1997 until May 2012 within the Ministry of Labour and later the Itinerari Previdenziali Research and Study Centre reprocessed the data in order to compare homogeneous time series.
[3] Art. 21 of Law Decree no. 211 of 6/12/2011, transposed into Act no. 214 of 22 December 2011 "Urgent provisions for growth, equity and adjustment of national accounts".

members, number of pensioners, average contributions, average pensions and economic and demographic ratios, which contribute to determining their current and medium and long-term financial and economic results.

The accurate investigation of the performance of each fund is preceded by a general analysis of total expenditure, contribution revenues and account balances of the statutory pension system over a ***35-year*** period ***(the only one of its kind***) in order to highlight its short and medium-long term trends in terms of financial sustainability, total expenditure-to-GDP ratios and pension adequacy.

Finally, the Report analyses the performance of the ***Welfare Benefit Scheme (GIAS)*** and of the ***Temporary Benefit Scheme*** **(GPT)** and the income support benefits they provide that are financed by employers and workers and by tax revenues, the results of INAIL and health expenditure. All this makes it possible to fine-tune the separation between the welfare and the pension system in order to develop more targeted interventions on individual expenditure items and to better understand these phenomena also at the EU level. A special analysis is devoted to active and passive support measures for workers through solidarity, inter-professional and bilateral funds. After the medium-term forecasts, the Report illustrates the '***replacement rates***' of the national pension system with projections for different career paths and economic scenarios.

This twelfth edition of the Report follows the publication of the seventh edition of the Report '*The Regionalisation of the Italian pension system* ' curated by the Itinerari Previdenziali Study and Research Centre with the application of the 'cash flow' technique[4], as well as the eleventh edition of the Observatory on Tax Revenues and Welfare Sustainability.

The last chapter provides the description and the quantification of private complementary and supplementary welfare schemes that are increasingly crucial to ensure the sustainability of the system in an ageing society, that did not really change much in 2023. Finally, the Appendix provides a review of the main changes and regulatory innovations up to 2024.
The time series from 1989 to 2022 used in the Tables can be found on the web version of the XII Report and in the statistical appendix.

[4] The Regionalisation Report drafted on the basis of the data taken from the official accounts of the funds using the cash flow technique (actual revenues per place of work and pension and welfare expenditure per place of residence of pensioners, as well as the contribution and tax funding arrangements for each region) can be found on www.itinerariprevidenziali.it.

1. The Italian compulsory pension system: results and trends from a 35 year-long analysis from 1989 to 2023

Foreword

The compulsory pension system is managed by INPS in terms of benefit expenditure and contribution revenues (97%). Following several legislative provisions enacted over the last 30 years, almost all pension funds and schemes have been integrated into INPS; most recently, Art. 1, paragraph 103 of Act no. 234 of December 30, 2021 (2022 Budget Law) provided that "*As of July 1, 2022, the social security function performed by the substitutive Pension Fund for Journalists (INPGI) shall be transferred to INPS*[1]*, limited to its substitutive function*". The remaining part of the pension system is managed by the ***privatised schemes for the liberal professions***, illustrated in Chapter 3.

The data presented in this Report on the INPS funds (Chapter 2) and on the privatised schemes (Chapter 3) related to contribution revenues, benefit expenditure, balances and assets, have been taken from their financial statements and illustrate their economic and financial results; instead, the data related to the number of ***active workers*** differ from the ones provided by Istat (Table 6. 1), since the INPS funds consider active workers paying contributions also those who just pay a single contribution in the year considered, at times even in more than one scheme, thus giving rise to duplications, which is rarely the case for the privatised schemes; most data related to ***pensions*** refer to the benefits paid and not to the pensioners who may also benefit from two or more pensions; instead, the exact number of recipients of pensions, welfare benefits and other annuities (merit-based and INAIL) is shown in the analysis of the INPS Registry in Chapter 5.

The accounting data of the Italian pension system for 2023 are set out in ***Tables 1.a, B.35.a*** and ***B.35.b*** at the end of the chapters, while those related to INPS and to the privatised schemes for the liberal professions that provide substitutive compulsory social security services[2]are detailed in the following chapters. The analysis of the system is completed in Chapter 4, with a focus on the schemes providing temporary (income-support) benefits only for workers employed in the private sector, and on GIAS, the scheme that provides welfare benefits out of the State transfers, with a significant increase in benefit expenditure over the years.

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[1] Over time, the following funds and schemes have merged into INPS: as of July 1, 1995, SCAU (Unified Agricultural Contribution Service); as of January 1, 1996, the Autoferrotramvieri fund for public transportation workers, the funds for workers employed in the electricity sector and in the telephony sector (former funds replacing the general compulsory insurance); as of January 1, 2000, the FFSS fund for railway workers, with many early retirements; as of January 1, 2003, INPDAI (the pension fund for executives in industrial companies); as of May 31, 2010, IPOST (the fund for postal workers); as of January 1, 2012, INPDAP (the fund for public-sector workers) and ENPALS (the fund for entertainment and show-business workers); many other minor funds such as those for consumer tax collectors, mine workers and Genoa dockers and others. In 2022, the substitutive fund for employed journalists managed by Inpgi was also integrated into INPS.

[2] The compulsory system also includes the complementary or additional pension schemes managed by INPS and by the privatized schemes, such as ENASARCO, the fund for commercial agents, ENPAIA, which provides supplementary benefits to agricultural workers, and FASC, the fund for haulers and couriers

1.1 The compulsory pension system in 2023: accounting and financial results

In 2023, the *pension expenditure* of all pension funds and schemes amounted to 267,107.5 million euros (247,578 million in 2022) net of the GIAS transfers; an increase by 19.53 billion (+7.88%, compared with +3.9% in 2022 over 2021), which can almost entirely be attributed to the adjustment of pensions to inflation[3] and partly to the increase in the number of pensioners due to the early retirement measures launched by the different governments over the last 10 years. The overall financial picture of the compulsory pension system is shown in *Table 1.a et seq*. which illustrate benefit expenditure, contribution revenues, operating balances and the pension benefits provided by GIAS; we also provide the figures for all the privatised schemes under Legislative Decrees no. 509/94 and no. 103/96 which are part of the compulsory system, but are substantially financed by the State budget (the detailed tables can be viewed both at the end of the chapters and on the special web section of the Report)[4].

Contribution revenues: after the decline in 2020 due to the COVID-19 pandemic (-195,400 million), contribution revenues picked up again due to the growing number of active workers, reaching 236,685.7 million in **2023**[5]**.**

As has been the case for many years, the ***balance*** between ***contributions*** and ***benefits*** showed a deficit of 30,421 million euros in 2023, back to the 2021 level (-30,006 million against **22,645** million in 2022).

In 2023, as extensively discussed in ***Chapters 5*** and ***6***, the number of pension and welfare benefit recipients and of people employed increased and the same was true for their income following the renewal of many national contracts, partly adjusted to inflation. This was also accompanied by an increase in the nominal value of pension-related incomes, especially for recipients of benefits up to 4 times the minimum pension.

The following considerations can be made about the financial and economic results of the overall system and of the individual funds in 2023:

a) The data in ***Tables 1.a*** and ***B.35.a*** show that four INPS compulsory funds ran a surplus: ***FPLD*** with 15,107.9 million[6]; the ***Fund for retailers*** with 1,154 million; the ***Fund for workers in the entertainment and show-business sector*** (former ***ENPALS***) with 468.71 million, improved with respect to the previous years, and the ***Fund for the so-called atypical workers***, with 8,627 million, which showed a steady improvement also due to its still low number of pensioners and low pension benefits.

b) The schemes for the liberal professions too ran a surplus (***Table 1.a)*** with an overall positive result of ***4,318* million euros** and an upward trend. And like the fund for the atypical workers,

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[3] Pensions are adjusted to the inflation observed in the previous year; since 1997, numerous laws have reduced the indexation of pensions above the minimum benefits or their multiples (3 or 5 times the minimum benefits); in 2022 and 2023, the reduction of medium/high pensions was even more pronounced (for further details please see the tables and commentary in Chapter 6 and Appendix 1).
[4] Visit the www.itinerariprevidenziali.it website.
[5] In previous years, the additional contribution of 10,800 million euros from the State was not included in the revenues (see Note 2 to Table 1.a).
[6] As explained below, the funds for private-sector employed workers, which include FPLD and the so-called special funds (see Table 7 a), are burdened by the deficits of these special funds merged into them (a total of 9,921 million).

- **c)** The overall contribution of the funds running a surplus equal to **29,675.6 million** made it possible to contain the total deficit between expenditure and revenues at 30,421.8 million. Without these surpluses, the deficit of the pension system would have reached **60,097.4 million**.
- **d)** All the other pension funds ran a deficit: the highest was that of civil servants, with a steady deterioration over the years, with a ***negative balance*** of **44,021.8 million**; this figure would be lower if the revenues also included the 10,800 million euros' worth of additional contribution by the State to these pension funds. As illustrated in more detail in the next chapter, next in line in terms of deficit level are the fund for artisans, the fund for farmers, tenant farmers and sharecroppers and the fund for journalists, which was merged into INPS, again with a negative balance of 272.78 million in 2023, one of the worst operating results considering the small number of active workers paying contributions and the number of pensioners. It was not possible to correctly assess the negative results of these special funds, which were already very poor and progressively worsening when they were merged into FPLD; the reason is that the newly-hired workers have been registered into FPLD since this merger, while the growing number of pension benefits have been provided by these former special funds, with a major impact on their results. The funds of former F.S.S. and of the Postal Service feature very negative results.

1.2 The main pension innovations in 2024

The 2024 Budget Law (December 29, 2023) has provided for a number of pension and welfare related provisions which are more restrictive in terms of retirement requirements and more favourable for low and middle income earners. As to the **103 Quota** (the possibility to retire at 62 years of age with 41 years of contributions) introduced by the 2023 Budget Law, which replaced the previous 102 Quota (64 years of age and 38 years of contributions), the benefits are entirely determined according to the calculation rules of the contribution-based method for those who have become eligible in 2024. In addition, the gross monthly ceiling of the benefits has been reduced and can never be above four times the minimum pension, until the statutory old-age pension requirement is reached, currently 67 years of age (in 2023 this ceiling was five times the minimum pension); exit windows are more stringent too: the time from when the eligibility criteria are fulfilled to when the pension is paid is extended from 3 to 7 months for private-sector employed workers and from 6 to 9 months for those working in the public sector. Those who choose to opt out after having met the requirements may instead request that their contributions, equal to 9.19%, be included in their pay cheque, while the employers continue to pay their share to INPS; these contributions do not increase their pensions. Those who opt for the 103 Quota (as for the 100 and 102 Quotas) are not allowed to work and hence combine their work income with their pension income until they reach the age of 67. Those who have fulfilled the Quota 103 requirements by December 31, 2023, are able to apply for a pension in the following years while maintaining the conditions of the current regulations. Those who have reached the requirements of the 100 Quota (62 years of age and 38 years of contributions by December 31, 2021) and of the 102 Quota (64 years of age and 38 years of contributions by December 31, 2022) can no longer exercise their right in 2025. The **Women's option,** already significantly reformed in 2023, is accessible only for the following categories of female workers: a) the ones laid off or employed in companies with an ongoing crisis negotiation with the Ministry; b) those with disabilities equal to or above 74%; c) the ones who have been assisting for at least 6 months disabled persons living with them, or severely-disabled first or second degree relatives according to Act no. 104 of 1992. In the latter case, the subjects above 70 years of age are eligible for an extension in the age requirement in 2024 from 60 to 61, reduced by one year for each child until two years of age, while the required 35 years of contributions remain unchanged. In this case too, the pension is entirely calculated with the contribution-based method and with a 12-month moving window for female employed workers and an 18-month window for the self-employed women.

The **Social APE s** (welfare pension) was again extended to 2024, with the following eligibility criteria: ***63 years*** and ***5 months*** of ***age***, 5 months more than in 2023; being unemployed with at least 63 years and 5 months of age and 30 years of contributions following the termination of employment due to dismissal, including collective dismissal, resignation for just cause or consensual termination; being employed in companies with an ongoing crisis negotiation with the Ministry; being no longer eligible for unemployment benefits, such as Naspi; subjects with 63 years and 5 months of age and with 30 years of contribution with disabilities equal to or over 74% and recognised as disabled civilians; workers also aged 63 years and 5 months and with 30 years of contributions, who have been assisting for at least 6 months disabled people living with them or severely-disabled first or second degree relatives under Act no. 104 of 1992 (only over 70 years old); employed workers with so-called "heavy" jobs with at least 63 years and 5 months of age and 36 years of contribution and who, at the time of applying for the Social APE, have worked in one or more of the occupations listed in Annex 3 to Act no. 234/2021 for at least six years in the last seven or for at least seven years in the last ten. In 2024**,** the eligible subjects can no longer ***combine*** their ***pension benefits*** with their employment or self-employment ***income***, with the exception of temporary work up to a maximum of 5,000 euros per year.

In the ***contribution-based system*** (due to come into force after 2035), it is no longer required to have a pension that is at least 1.5 times the amount of the social allowance to retire with 67 years of age and 20 years of contributions; under this system, in order to be able to retire at 64 and with 20 years of contributions, the pension amount has been changed from 2.8 to 3 times the amount of the social allowance with a maximum of 5 times the minimum benefits until the age of 67 and with a 3-month window. This requirement remains at 2.8 for women with one child and at 2.6 for women with two or more children. The so-called ***Contribution Peace*** has been confirmed and, in 2024 and 2025, it allows workers who are under the full contribution-based system to redeem "contribution gaps" on a subsidised basis. A system similar to the degree redemption. A maximum period of five years may be redeemed, either as a lump sum or through a maximum of 120 monthly instalments of no less than 30 euros. In addition, the ***cut*** in the so-called ***contribution wedge*** has been envisaged for the whole of 2024, with a 7% reduction in social security contributions for incomes up to 25,000 euros and 6% for incomes up to 35,000 euros. The ***extra adjustment*** of ***minimum pensions*** is also extended for 2024 (in 2023 it was 1.5% for pensioners under 75 and 6.4% for those over 75; in 2024, it is 2.7%) but with a décalage over the next three years; instead, this adjustment has been restored for the pensions over 4 times the minimum benefits: 100% up to 3 times the minimum benefits, 90% between 3 and 5 times the minimum benefits and 75% on the portion of pensions exceeding 5 times the minimum benefits. The early retirement windows under the ***Expansion Contracts*** and the ***Isopension*** are extended until 2026.

1.3 Different periods in the 35 years of analysis from 1989 to 2023

In order to contextualize and analyse the evolution of the pension system over the thirty-five years for which homogeneous statistical data exist, the entire time span has been divided into four **periods. Their length is similar but they** have different features in terms of main economic variables and pension expenditure trends and determinants**,** operating results and the financial sustainability of the entire system. The four periods identified are as follows:

- ***1989-1997*** characterised by the first significant reforms of the pension system introduced by the Amato Government in 1992 and then by the Dini government in 1995. They started a process of harmonisation of the pension funds and schemes for several categories, in particular the pension fund system of public-sector employed workers, with respect to that of private-sector employed workers, with a gradual increase in the retirement age, years of contribution and with substantial changes in the calculation and adjustment of pensions;
- ***1998-2006*** nine years after the adoption of the comprehensive Dini reform (Act no. 335/95), with the gradual application of the new contribution-based calculation method, plus the effects of the measures provided for under other reforms adopted by the Prodi Government in 1997 (change in the retirement age, harmonisation of the rules between public and private-sector employed workers, etc.) and by the Berlusconi Government in 2001 (increase in the age and contribution seniority requirements with a deferred effect, incentives for voluntary continuation of work after reaching the retirement requirements, etc.);
- ***2007-2014*** marked above all by a long financial and economic crisis, characterised initially by the distorting effects of reduced controls on the financial markets that gave rise to the real estate bubble and the collapse of subprime securities, then followed by the serious sovereign debt sustainability crisis. This period was characterised by another two pension reforms mainly launched for fiscal adjustment requirements; the first under the Berlusconi government and the second under the Monti government, the so-called Fornero reform, both designed to introduce more stringent retirement requirements;
- ***2015-2023*** with the first signs of a slight economic recovery, which was drastically reversed by the effects of the pandemic in 2020. The sharp fluctuations continued with major rebounds in the following two years, in turn undermined by the negative impact of the conflicts in the Ukraine and the Middle East, with a rapid and sharp rise in prices, thus pushing most European countries back to very low economic growth rates. This period did not feature substantial changes in the pension system, except for the adoption of several measures to "mitigate" the requirements of the Fornero reform[7], i.e. new forms of early retirement options, with a negative effect on the initially planned expenditure reduction[8].

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[7] The measures to mitigate the requirements of the Fornero reform (Art. 24 of Law Decree no.201/2011) and introduce new early-retirement options include: the "nine safeguard" measures for some workers for whom these more stringent criteria would result in the loss of both salary and pension benefits; the measures of the 2015 Budget Law aimed at reducing the penalties of the Fornero Law on the pensions paid to individuals under the age of 62, penalties definitively abolished by the 2017 Budget Law; a much-discussed early-retirement measure adopted by the first Conte Government known as the "100 Quota", in force the 2019-2020 two-year period, and then partially reviewed with more restrictive requirements in the following three years from 2021 to 2023. Detailed information on these changes can be found in the Annex to this Report.

[8] A quantification of the economic impact of the early-retirement measures can be found in the latest Report by the Ministry of Economy and Finance (MEF) and by the General Accounting Office (RGS), which adopted the so-called

1.4 The accounting analysis of the pension system in in 2023 and its economic variables

In 2023, the last year of this Report, the ***pension expenditure*** of the compulsory pension system[9] (the funds managed by INPS and the private pension schemes) amounted to **267.1 billion**, an increase at the current value by 7.9% over the previous period (***Table 1 a et seq***.). This increase was partly due to the higher number of pensions paid out, 17.375 million in 2023 compared to 17.364 million in 2022 (+0.07%), but especially to the adjustment of pensions to the inflation that had surged the previous year, an adjustment mostly favourable for the minimum benefits (+8.1%). Instead, the equalisation caps for pensions over four times the minimum benefits resulted in expenditure savings of about 3.6 billion in 2023 (2.2 net of taxes) and of an estimated 6.8 billion (over 4.4 net of taxes) for 2024; the consequence was a loss of the pension income purchasing power that exceeded 10% in the last two years for pensions over six times the minimum benefits. These figures are related to the years characterised by significant price increases, and given the particular mechanism of the pension adjustment to inflation[10], it is more appropriate to use real rates of change to understand the actual trend of expenditure. In this case, in 2023, the real growth in expenditure turned out to be 2.5% based on the FOI index (blue and white collar households) and 2.2% on the NIC index (the Consumer Price Index for all)[11].

It should be noted that, even in real terms, these changes exceeded the average 2015-2023 figures discussed later, which were below 0.4% per year on average, calculated with both indices. In order to grasp the magnitude of these increases, in the 2022-2023 two-year period, the average inflation rate was 8.1% and 5.4% respectively and that, due to the lag in price adjustments, pension expenditure decreased in real terms by 4.2% in 2022. This means that the change in 2023 was largely attributable to the recovery of the spending capacity of pension income and not so much to a reversal of the low growth rates that characterised the post-crisis years from 2008 to 2014[12]. As to ***contribution revenues***, the **236.7 billion** reached in 2023 was equivalent to a nominal increase by 5.2% over 2022, and to a negative balance between contributions and pension expenditure equal to -30.4 billion, net of welfare benefits and to an expenditure of 11.4%, very close to the 2015-2023 average of 11.1%[13].

“national scenario”; for the period from 2019 to 2023, they estimated a higher expenditure GDP ratio “equal on average to more than 0.4% per year”. See: Ministero dell'Economia e delle Finanze, Dipartimento della Ragioneria Generale dello Stato, Le tendenze di medio-lungo periodo del sistema pensionistico e sociosanitario, Aggiornamento 2024, Rome, June 2024.

[9] The 'pension expenditure' considered in this Report is the one originally adopted by the Nucleo di Valutazione della Spesa Previdenziale (Pension Expenditure Evaluation Unit), which ceased to operate in 2012. For differences with other definitions of pension expenditure see Appendix 2 of this Report (Definition of the various expenditure aggregates) and (A quantitative comparison for the period 1999-2020), where the differences are also expressed as percentage of the pension expenditure/GDP ratio. MEF–RGS, Medium to long-term trends of the pension, welfare and health system, Rome, July 2023.

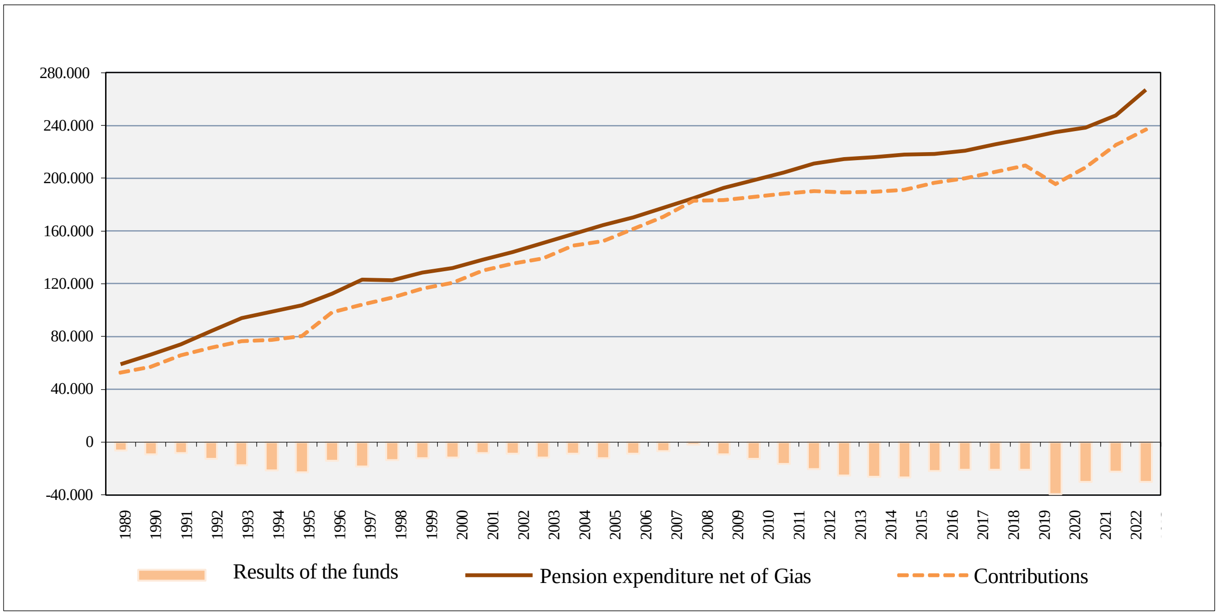
[10] Each year, pensions are adjusted on the basis of the average consumer price index calculated by Istat for blue- and white-collar households for the previous year. The percentage adjustment is indicated provisionally and then it is implemented in the following year. In addition to this systematic delay in the adjustment of pensions to inflation, the medium-high pension benefits, i.e. more than four times the minimum pension (about 2,270 euros per month before taxes) have suffered a significant reduction in their adjustment rates, which has resulted in slashing the pension adjustment from 80% to 22% of the ISTAT inflation rate to be applied to the amount of the entire pension.

[11] Consumer price indices: for blue and white-collar households (FOI) and for the entire national community (NIC).

[12] The recovery of purchasing power of pension incomes in 2021 alone would have entailed a level of expenditure of almost 258 billion euros two years later, i.e. in 2023, compared to an actual expenditure of 267 billion.

[13] If we add to pension expenditure the share of welfare expenditure of 43.829 billion, disbursed in the form of pension benefits and transferred by the State to the INPS fund for the provision of welfare benefits (GIAS), the total expenditure rises to 310.937 billion.

Figure 1.1 – Trends of the pension fund system (millions of euros)



The analysis of the ***contribution revenues, pension expenditure*** net of the welfare benefits, and of the relative ***balance*** for the entire time period considered (***Figure 1.1***) suggests that the system has always been characterised by operating deficits but with differing intensities and trends. In detail, during the three worst economic slumps (1992-93, 2008-2014 and 2020), these gaps tended to widen, while in the years following the most incisive pension reforms (from 1996 onwards and after 2012), the results improved or, in any case, the income and expenditure trends realigned. The underlying relationship between economic trends and the financial equilibrium of the pension system is also highlighted in the following pages. However, it is important to recall that it is not only benefit expenditure that weighs on the operating results, as the media usually tend to emphasise, but also the trends of contribution revenues, which are often given little or no consideration.

Therefore, if we focus on the recent contribution trends, it is possible to see that in the two-year period of high inflation, in 2022 and in 2023, the revenues had a negative performance in real terms (- 0.1% in 2022 and -0.5% in 2023) that differs from the average real increase (+0.62%) in the 2015-2023 period, notwithstanding the very negative impact of the pandemic. Considering that the contribution trends are supposed to be positively correlated to the employment trends, the figures for the last two years are nevertheless difficult to explain. ***Figure 1.2*** shows the annual rates of change of contributions in real terms and of employment. In the first decade, this relationship is unclear because of the frequent regulatory provisions related to the contribution rates for employed and self-employed workers, even though these external interventions had an effect on the normal flow of contributions. However, the concomitant changes in the number of employed persons and in contribution revenues have emerged more clearly since the beginning of this century: periods of growth in employment have been matched by increases in revenues; on the contrary, as in the years of the 2008-2013 crisis or even more so in the year of the pandemic slump, when the rate of employment and the number of hours worked have fallen, contributions have gone down or have stagnated.

Figure 1.2 - Contribution revenues and number of people employed (real annual rates of change)

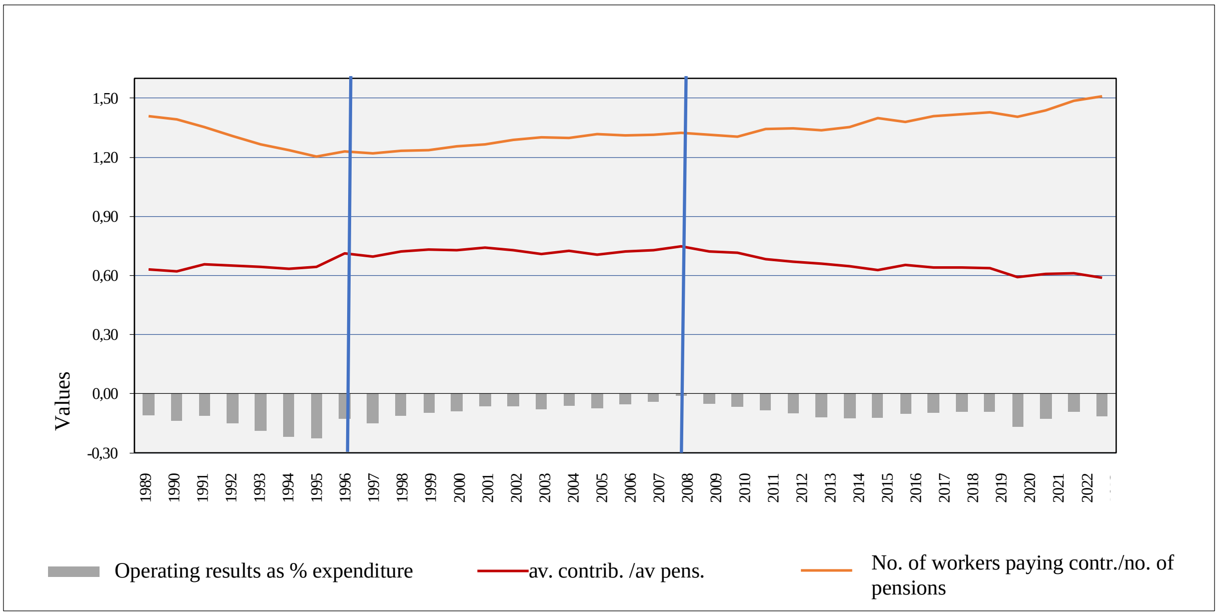
However, this relationship is not reflected in the trends of the last two-year period (2022-2023) when the number of employed persons grew by more than 2% per year, but with a reduction in the real values of contribution revenues. This two-year period was not characterized by significant changes in the nominal value of the employment rate and in the percentage composition between employed and self-employed workers; so, the decrease in contribution revenues can be attributed to two main reasons: the first is related to the trends of labour income, which was slow to adjust to the sudden increase in prices and hence in inflation, thus losing its real value with a negative impact on the real value of the contributions paid; the second to the recognition in the accounts of the contribution exemption provided for under Article 1, paragraph 281, of the 2023 Budget Law; to this end, INPS set up a special account within GIAS[14], thus reducing the flow of contributions from enterprises by an equivalent amount.

Returning to the long-term trends, it can be observed that over this thirty-five year period, the average annual increase in pension expenditure in nominal terms was 4.5%, compared to a nominal GDP growth over the same period by 3.6% per year. Over the same period (1989 - 2023), the welfare expenditure paid in the form of pension benefits by INPS through GIAS increased from 12.493 billion to 43.829 billion, an average increase by 3.7% per year. These differences in the pension and welfare expenditure growth rates led to long-term increases in expenditure; in 2023, pension expenditure was 4.5 times the initial figure and welfare expenditure 3.5 times. However, in this case, the welfare benefits considered account for only part of all the welfare benefits provided, the part given in the form of pension benefits; it is important to add to this other items of expenditure borne not only by the central government (including the reduction in the contributions to be paid) but also by local governments (see Chapters 5 and 6), thus bringing the total welfare expenditure financed by general taxes to over 160 billion, with an average growth rate by around 7% compared to 2008.

[14] See: INPS, Circular no. 7 of January 24, 2023. Such an accounting choice is questionable since pension benefits are different in nature from welfare benefits. This subject is discussed in detail in the following parts of this Report. However, a clear distinction between the two types of benefits is that the former are financed by the contributions paid by would-be beneficiaries (either directly or through withholding taxes), while the latter are borne by general taxes.

But with the data examined so far, it is not possible to compare the operating results over time since the nominal values of income and expenditure are affected by price changes, which have a strong impact in the long term. A relative parameter such as the *ratio of operating deficits vs. pension expenditure* is therefore a more appropriate indicator to compare the extent of financial imbalances.

Figure 1.3 - Operating results as % of pension expenditure



This parameter (***Figure 1.3***) shows that, the impact on the volume of expenditure over time is different with respect to the trends of the above-mention current values. In fact, the operating deficits became a greater burden in the years of the crisis (after 2008) and in the abnormal situation caused by the pandemic (-16.8% in 2020), even though they were lower on average than in the pre-reform period (-22.4% in 1995), when the pension expenditure growth rate was difficult to sustain[15]. It should be pointed out that the impact of deficits on benefit expenditure decreases when two crucial indicators for the balance of the system rise, namely the average contribution/average pension ratio and that of the number of active workers paying contributions vs. the number of pensions paid out[16]. The charts show that the latter ratio, which had deteriorated in the years preceding the reforms, started to rise again in 1996, partly due a higher employment rate but mainly to the retirement age extensions provided for under the law. The average contribution/average pension ratio reached its highest levels in the years after the 1995 reform until 2008.

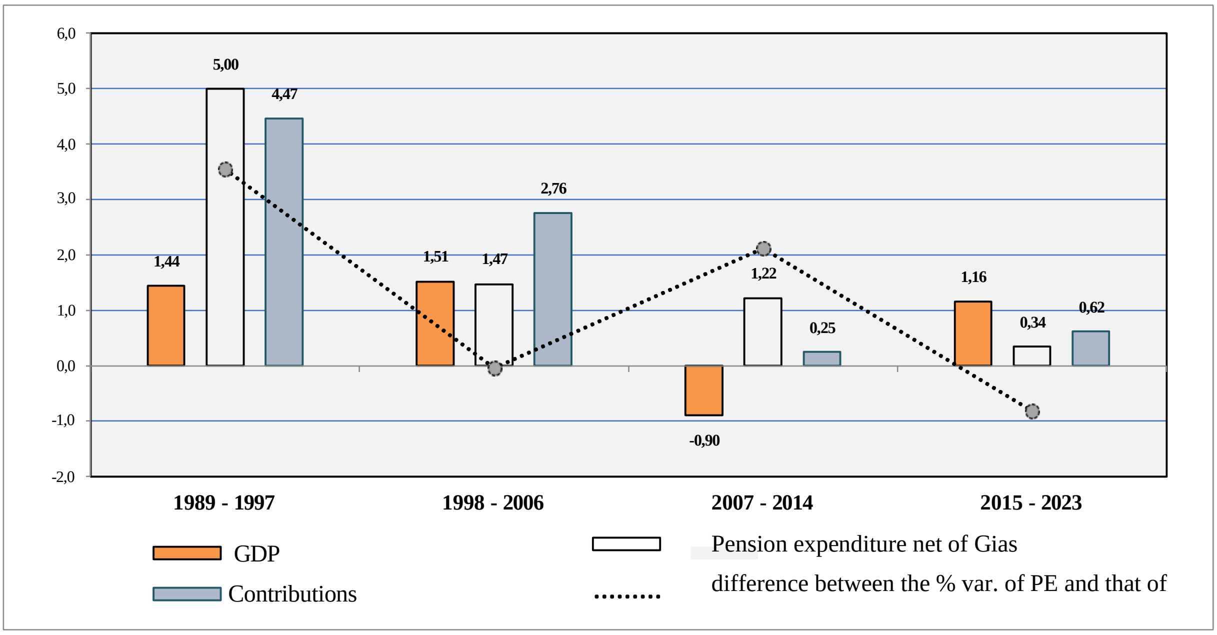
After that date, the trend reversed for two reasons: the first reason was a substantial drop in the growth of wages and contributions due to the crisis and to the slump in the economy; the second reason was the increase in the flow of retirements of workers with more structured careers and higher average pensions. It is possible to obtain further information on the performance of the public pension system over the same time frames from the average annual rates of change in pension expenditure,

[15] The pre-reform measures that had the greatest impact on pension expenditure were: the uneven application of the income-based calculation system, the low retirement age, the baby pensions in the public sector, early retirements, and the indexation of pensions to the nominal wage growth.

[16] If E = C - Sp operating balance, C contribution revenues, Sp pension expenditure, L number of active workers paying contributions, c average contributions, R number of pensions paid, p average pensions, we obtain have the impact of the operating results on expenditure: E/Sp = (c/p. L/P) – 1.

contributions and GDP, as shown in ***Figure 1.4.*** In order to compare different periods of time and avoid the effect of the inflation rates, all values provided are in real terms[17].

Figure 1.4 – Average rates of change over the period in real terms



These data suggest that, from 1989 to 1997, the average annual increase in pension expenditure (+5%) was more than three times that of GDP (+1.44%); instead, contributions grew (+4.47%) more than GDP, thanks to a relative expansion in employment and to the higher contribution rates introduced with the 1995 reform, but less than pension expenditure. This resulted in an increase of pension expenditure and in a deterioration of the operating results of the welfare system[18].

From 1998 onwards, the reform measures have managed to considerably contain the growth of pension expenditure, whose real average rate of change until 2006 fell from 5% to 1.47%, slightly below that of the GDP growth. In this same period, another economic and financial balancing factor was the real annual growth of contributions by 2.76% on average thanks to higher rates and to a larger taxable base linked to rising employment. These trends led to a substantial stability in the ratio of pension expenditure to GDP, as well as to an improvement in the operating results of the system, which almost reached an equilibrium in 2008.

The period from 2007 to 2014 was characterised by a further slowdown in the average growth rate of pension expenditure (+1.22% on average per year), but also by a very adverse phase in the economy, with GDP falling by -0.9% on average per year in real terms. The resulting decline in the number of employed persons, a loss of 1.112 million people or 4.8% from 2008 to 2014, led to the stagnation of contribution revenues (+0,25% per year on average). This caused in turn a rise in the value-added weight of pension expenditure and a to new gradual deterioration of the results of the pension system.

In the most recent phase, from 2015 onwards, the growth in pension expenditure experienced a further

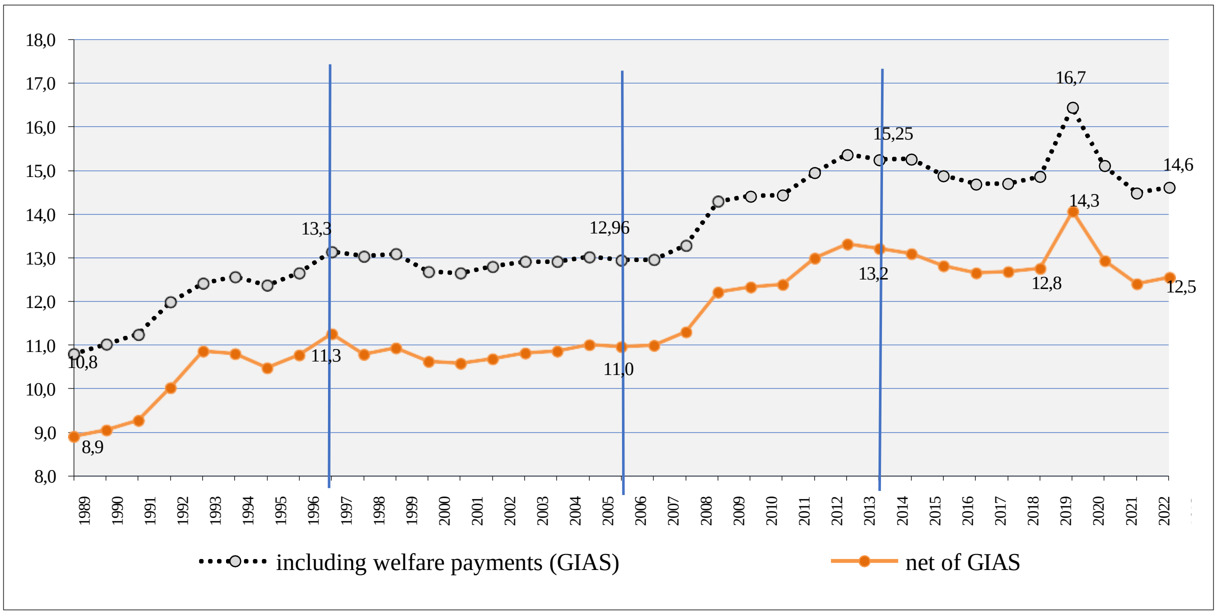
[17] The real values are taken from the new Istat 2020 chain-inked GDP series, while pension expenditure and contributions are deflated with the NIC price index, which refers to the expenditure of the entire community for the calculation of inflation.

[18] In the figure, the difference between the rates of change of pension expenditure and of GDP is visualised by the indicators connected by the dotted line.

drop, (+ 0.34 per year on average), but grew more with respect to GDP (around 2%) than in the pre-crisis years. From 2015 to 2023, notwithstanding the heavy effects of the 2020 pandemic (- 9% for GDP and - 6.7% for contribution revenues), GDP increased at an average annual real rate of 1.16% and contribution revenues by 0.6% on average per year over the same period. As a result, pension expenditure did not have a further increase with respect to GDP except in 2020, the year of the lockdown, while the financial and economic results of the pension system fluctuated more.

Figure 1.5 shows the ratio of pension expenditure to GDP without and with the addition of welfare payments (GIAS) for the entire time span (1989-2023), a useful indicator for assessing the financial sustainability of the pension system in the long term.

Figure 1.5 – Pension expenditure as % of GDP



The figure shows the same time intervals previously used to compare the average annual real growth rates. Over the entire period, it is possible to see that the ratio of pension expenditure vs. GDP ranged from 10.8% in 1989 to 14.6% in 2023 before GIAS transfers and from 8.9% to 12.5% net of GIAS. The growth of this ratio was very different in the different time periods. Driven essentially by this significant and fast growth of pension expenditure, this ratio increased significantly in the early years from 10.8% to 13.3% (from 8.9% to 11.3% net of GIAS transfers). The reforms of the 1990s, all designed to contain pension expenditure after the economic and financial crisis at the beginning of the decade[19], had a significant effect on this ratio which stabilised over the next decade at aroundThe outbreak of the currency crisis in the second half of 2007 and, above all, the economic and political impact of the sovereign debt sustainability problems in the following years, raised doubts about the

[19] Act no. 503/1992 issued by the Amato government (related to retirement age and remuneration, minimum contribution requirements, adjustment of benefits from wages to the cost of living alone, start of a process of harmonisation of pension schemes) and Act no. 335 of 1995 issued by the Dini government (further tightening of retirement requirements and gradual adoption of the contribution-based calculation method). Over this decade, a further brake on expenditure growth came from the measures adopted by the Prodi government in 1997 (equalisation of public-sector retirement requirements with those of the private sector and the almost total abolition of baby pensions), and from Act no. 243/2004 (Minister Maroni), which provided for a deferred extension of the retirement age requirements. These law provisions came into force with a more gradual schedule under the so-called "Welfare Protocol" of Act no. 247/2007 (Minister Damiano) which replaced the requirements with a system of quotas and a progressive increase in the retirement age over a four-year period.

ability of the measures already introduced to keep the burden of pension expenditure under control in the medium to long term. At the urging of the European Union, the main instrument to limit the growth of pension expenditure without the increasing risk of having inadequate benefits was to raise the retirement age. Act no. 122/2010 (at the proposal of the Nucleo di Valutazione della spesa previdenziale) pegged the retirement age to increases in life expectancy in order to reach this objective. But the most radical measure was the one contained in Article 24 of Law Decree no. 201/2011 adopted by the Monti government (known as the Fornero law). This measure was part of the "Salva Italia" decree that aimed at a more general control over public spending to reduce the risks of a financial default in the years of the sovereign debt crisis; it was actually conceived to introduce far more stringent minimum age and seniority requirements and proved very effective in containing pension spending. However, given the severity of the economic crisis, the share of pension expenditure started to rise again, reaching 15.3% of GDP in 2014 (13.3% net of GIAS transfers). In the following years, thanks to a slight economic recovery, this ratio fluctuated but tended to slowly go down until 2018; then it picked up again in 2019 due to the early retirement option called the "100 Quota" (Article 14, Law Decreeno.4/2019) introduced by Minister Salvini under the Conte government, and it skyrocketed in 2020, the year of the pandemic due to multiple factors (a slump in GDP and employment, a drop in contribution revenues and an increase in early retirements); all this led to a 1.7% increase in the pension expenditure/GDP ratio. As of 2021, the rebound of the economy has brought the ratio back in line with the levels obtained in recent years, i.e. close to the pre-COVID period.

The picture described above suggests that, from 2008 onwards, the trends and fluctuations in operating losses have not been attributed so much to the growth of pension expenditure, which has been always declining and relatively stable, but to macroeconomic trends, GDP, wages and contribution revenues. The above charts and data point to the following considerations:

a. the variability of contribution revenues is much greater than that of pension expenditure due to their cyclical nature, their link to the trends of real GDP and the number of hours worked, compared to the medium to long term impact of variables, some of them regulatory, governing pension expenditure;
b. the growth of pension expenditure slows down and may become negative in years of higher inflation because the adjustment takes place with a lag of one year, a lag that may be longer with rising inflation, and all this has a non-homogeneous impact on expenditure, with a more limited effect on medium and high pensions;
c. some years were characterised by extraordinary events, such as the high number of pensions paid out after the freeze on seniority pensions in 1995, the rapid increase in contribution revenues in 1996 resulting from the transfer of contribution rates from other functions (about 4%), the sharp drop in GDP and employment due to the pandemic. Apart from these extraordinary events, the ratio of contribution revenues to GDP growth became a primary factor in determining the operating results of pension funds. That is, initially the growth rate of pension expenditure had a greater impact in terms of operating deficits; but after the mid 1990s, it was indeed the much lower growth of GDP, with its effect on the level of wages and on the number of hours worked, i.e. on the contribution revenues, to have a negative influence on the operating results;

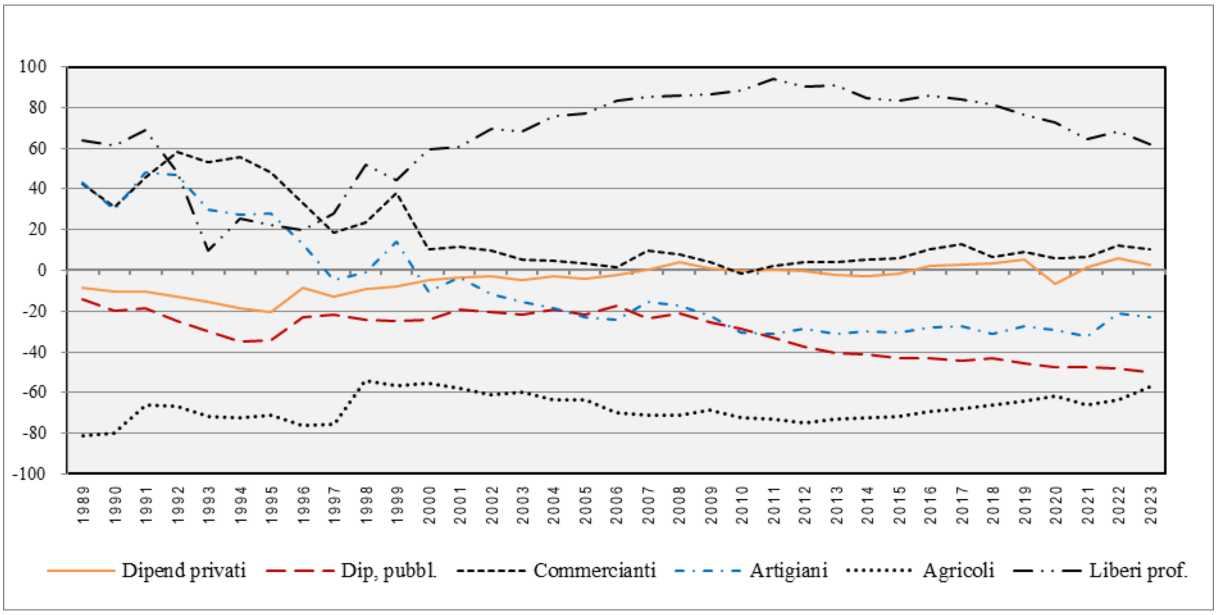
d. After the second half of the 1990s, pension expenditure did not change so much in real terms compared to the previous period as a result of the measures introduced by the reforms, in particular of the changes to the calculation method, of the more stringent retirement age criteria and the resulting extension of working life and contribution years, and of price adjustment restrictions. In the last decade, the downward trend in the pension expenditure rates of change can be entirely attributed to regulatory provisions designed to make the retirement age requirements more flexible with respect to the ones envisaged under the 2011 Fornero reform.

1.5 Trends of the main pension funds

As noted above, numerous interventions in the pension system manged to contain the growth of pension expenditure, which dropped from an annual rate of 5% in real terms to an average rate of 0.34% over the 2015-2023 period. However, these measures were not sufficient for all funds and schemes to be in equilibrium. Therefore, even in recent years, tax revenues had to be used to support the pension expenditure not financed by contributions. In any case, many different situations have contributed to the overall result, since the funds of the main categories of workers have not suffered from a financial imbalance in a uniform manner.

As shown in ***Figure 1.6***, the different results derive from changes that have occurred over the years due to the combined effect of economic variables (employment and income levels), population variables, and of regulatory provisions that have had a different impact on the various categories. The *Fund for Private-Sector Employed Workers* (FPLD), the largest fund in the Italian pension system, used to run a deficit before the reforms up to over 20% with respect to pension expenditure; then it began to have a progressive recovery as of 1995 and managed to obtain positive results in 2007, which have remained positive since then, except for a temporary reversal of the trend due to the drop in employment in the worst phase of the crisis and in the year of the pandemic.

Figure 1.6 - Results of pension funds by category
(as % of pension expenditure net of GIAS transfers)



The *Fund for Retailers* too has been running a surplus, albeit with a reduction in the amount of contributions received with respect to the peak reached in 2013, and it still features the largest category of self-employed workers. In the years analysed, its results have deteriorated compared to the early years of its life; in fact, this fund was created in 1961 and has been going through a natural ageing process which has made it increasingly difficult to achieve a balance between contribution revenues and pension expenditure. The decline in the ratio of contributions to pensions paid had its most critical moment in 2010 which led to a negative result. From then on, the reforms have allowed this fund to return to positive results, notwithstanding some fluctuations, sometime up to over 10% with respect to the benefits paid out.

The list of pension funds running a surplus also includes the *Schemes for Professionals*, i.e. the mandatory private pension funds, which, in 2023, had 1.327 million active members and provided almost 503,000 pensions[20]. They have been always characterised by significant surpluses thanks to the difference between their number of active workers paying contributions and their number of outstanding pensions, as well as to their average contribution/average pension ratio equal to about 11% with respect to that of the entire pension system. However, these schemes have rather different financial and economic situations since they have to deal with specific problems; moreover, from 2011 to 2023, their positive operating results fell from 94.4% to 62%[21]with respect to the expenditure they incurred to provide the pensions of the entire aggregate of these funds.

Instead, the remaining categories have experienced more critical situations with significant fluctuating or deteriorating deficits. In this respect, the largest category is that of *public-sector*

The situation of the *Fund for Artisans* has been deteriorating too from 2000 onwards, with an increase in the number of pensions paid out and the reduction in the number of active workers paying contributions; and despite relatively low benefits on average, their operating deficits rose up to over 30% with respect to the pensions disbursed, with a slight improvement only in the last two years. The enormous structural transformations that have taken place since the immediate post-war period have had a very evident effect on the *Fund for Farmers, Tenant Farmers and Sharecroppers (CDCM)*, characterised by an increasing number of pensions notwithstanding a steadily shrinking pool of active workers paying contributions. In 2023, the number of pensions paid out was still 2.8 times that of active workers paying contributions, after reaching 3.7 in 2007. The fragmentation of working days has resulted in relatively low contributions and consequently in equally low pensions, more than half of which have always been financed by GIAS transfers; but in perspective, under the contribution-based calculation method, these pensions run the risk of being below minimum adequacy levels for most of the members of this fund.

[20] Active management schemes also include: the INPS Separate Account for atypical workers who, in 2023, had 1.592 million members and 586.5 thousand pensions paid out; the INPS Supplementary Funds (Fund for tax collectors, Fund for miners, Fund for workers of dissolved entities, and Fund for the workers of the Genoa and Trieste autonomous port consortia; the 509 Privatized schemes for professionals, namely Enpaia, Fasc and Enasarco which totalled 586.500 members and 166.300 pensions paid out in 2023. The reasons why these funds run a surplus can be attributed to the fact that they still have low ratios of the number of active members paying contributions vs. the number of pensions disbursed, as well as relatively low average disbursements compared to the average levels of the other categories.

[21] The aggregate and individual data of the schemes for professionals are discussed in a later chapter of this Report.employed workers. After a fairly long period with a deficit accounting for around 20 % of the amount of pensions paid out; these funds have seen a gradual worsening of their deficit since 2008, which reached 30.6 billion euros in 2023, equivalent to 49.8 % of the benefits paid out, and which alone was almost one and a half times the deficit of the entire pension system.

Figure 1.7 Ratio of the number of pensions vs. the number of active workers paying contributions

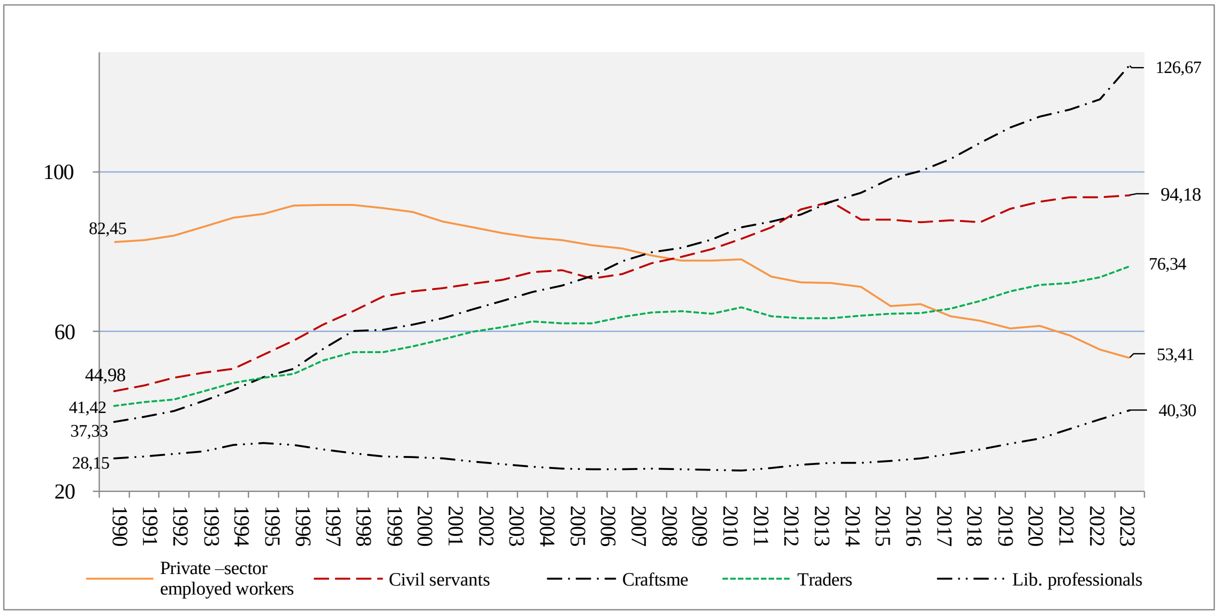


Figure 1.7 shows the ratio of the number of pensions vs. the number of active workers paying contributions, broken down by the above-mentioned categories with the exception of (CDCM) whose values are too high to be contained in the charted and which have already been discussed. It is very important to measure these ratios, because they express the burden of outstanding benefits to be financed by each active member, and can explain the causes that determine the critical results obtained by these funds. In this respect, it is worth highlighting the different evolutions of the two largest funds, that of private-sector employed workers (15.8 million active members paying contributions) and that of civil servants (3.35 million members). In the category of *private-sector employed workers*, this ratio fell from 82.45 to 53.41 from 1989 to 2023, equivalent to a little more than one pension paid out for every two active members paying contributions, and the operating results of their fund had some fluctuations but then became steadily positive again after 2007.The category of *civil servants* has had the opposite situation: initially the ratio was one pension paid out for every 2.2 active workers paying contributions; then in 2023, it reached 94.18, that is close to one pension paid out for every active worker paying contributions, with an obvious effect on the operating results, which have been continuously worsening.

The *Fund for Artisans* has also ended up in a very critical situation, having lost 487,000 active members from 2008 to 2023, that is 25.5% with respect to its inception. Due to the steady growth in the number of pensions paid out (1.793 million in 2023), the ratio of outstanding pensions vs. active members paying contributions has risen to 126.67, the highest ratio of all the categories of workers. The performance of the *Fund for Retailers* has apparently become less problematic, with a ratio of the number of pensions vs. number of active members paying contributions equal to 76.34 in 2023. However, since 2013, the number of active self-employed retailers has also suffered a dramatic fall, losing more than 230,000 workers, about 10% compared to the baseline. This reduction has been reflected in the ratio with respect to the number of outstanding pensions, which has risen by more than 10%; the risk is a possible negative impact on the operating results of this fund even though these were still positive in 2022.

1.6 Theoretical accounting equilibrium rates over the 35-year monitoring period

The financial *equilibrium* of each individual pension scheme can also be measured using the so-called "*theoretical equilibrium accounting rate*". Knowing the total amount of benefits derived from the average pension and the number of pensioners as well as the income amount on the basis of which contributions are levied, the equilibrium rate is equivalent to the theoretical indicator of the average and actual contribution rate to be applied in order to have an equilibrium between contribution revenues and benefit expenditure. In other words, if the accounting equilibrium rate and the actual contribution rate coincide, pension funds have a financial equilibrium. Conversely, when the fund has an operating surplus or deficit, the theoretical equilibrium rate is lower or higher than the current rate, respectively[22]

Table 1.1 presents the disaggregated data of the funds of the different categories of workers in 2022 and 2023[23]. For each year, the first column shows the theoretical accounting equilibrium rates (***â),*** the second and third column the two ratios and the fourth column shows the differences (***d)*** between the same equilibrium rates and the current rates. Positive ***d-values*** indicate the categories running a surplus that would achieve break-even results even with lower rates with respect to the current ones. On the contrary, the negative ***d*** values indicate by how much the current rates should be increased in order to obtain an accounting equilibrium[24].

[22] The current rate is defined as the average contribution (a) levied on labour income (Y = w.L), where w is the average income and L is the number of active workers, The variables considered are: contribution revenues (C); pension expenditure (SP); income on the basis of which contributions are levied (Y); the average effective tax rate (a); the theoretical accounting equilibrium rate (â); the average income (w); the number of active workers (L); the average pension (p); the number of pensions paid out (R); the share of pension expenditure financed by contributions (q). If only pension flows are taken into account, excluding administrative charges, returns on assets and welfare items (GIAS), the result is in equilibrium when contribution revenues are equal to pension expenditure, i.e. C = SP or â.w.L = p.R , from which the theoretical accounting rate is obtained â = p/w . R/L. Given that q = (a.L.w)/(p.R), the effective rate and the accounting equilibrium rate have the following relation a = â. q and that, therefore, the percentage difference between the effective rate and the accounting rate are equal to d = â. (q-1).

[23] For further information on the long-term evolution of these variables, see p. 55 of the latest Itinerari Previdenziali Report (Il Bilancio del Sistema Previdenziale italiano Andamenti Finanziari e demografici delle pensioni e dell'assistenza per l'anno 2022, Report No. 11, Milan, January 2024) which compares of the equilibrium rates at ten-year intervals from 1992 to 2022.

[24] In order to assess whether these figures are congruous for the financial balance of the funds, it should be recalled that the contribution rate for private and public-sector employed workers is 33%, while for the various categories of self-employed workers, it is between 24% and 25%, with the exception of temporary atypical workers, if they have no other employment relationship within the social security framework and have not yet retired.

Table 1.1 - Theoretical accounting equilibrium rates (*)
(ratios of average pensions vs. average incomes, of the number of pensions vs. the number of active workers paying contributions and their difference with the current rates)

Categories	2022					2023				
	Â	*p/w*	*R/L*	*q*	*d*	*â*	*p/w*	*R/L*	*q*	*d*
Private-sector Employed workers	32.9	55.02	59.75	0.98	-0.63	33.8	63.28	53.41	0.95	-1.57
FPLD	29.0	51.69	56.14	1.11	3.33	29.9	60.18	49.67	1.08	2.44
Fund for journalists	63.1	67.80	93.13	0.54	-29.36	60.7	87.56	69.30	0.55	-27.55
Fund for entertainment and show-business workers	18.4	38.08	48.39	1.35	6.50	18.4	49.28	37.25	1.41	7.48
Public-sector Employed Workers	53.3	93.58	56.99	0.63	-19.61	55.7	59.17	94.18	0.62	-21.28
Fund for Local Government Employees	63.4	100.98	62.81	0.53	-30.09	67.6	65.72	102.89	0.50	-33.75
Fund for kindergarten teachers	56.0	73.31	76.37	0.60	-22.49	59.8	77.04	77.57	0.54	-27.45
Fund for health-care providers	55.2	76.70	72.00	0.62	-21.19	58.2	74.02	78.60	0.58	-24.50
Fund for court officers	54.2	98.24	55.20	0.65	-18.85	60.8	50.09	121.43	0.54	-28.14
Fund for civil servants	47.9	90.49	52.98	0.71	-14.07	49.1	54.39	90.22	0.71	-14.20
Self-employed Workers	30.2	113.75	26.54	0.84	-4.75	32.2	27.32	117.91	0.84	-5.02
Fund for Artisans	33.3	118.19	28.15	0.76	-7.97	37.5	29.63	126.67	0.74	-9.69
Fund for Retailers	23.4	73.68	31.81	1.09	2.23	25.2	33.07	76.34	1.07	1.76
CDCM Fund	67.1	283.90	23.64	0.36	-42.79	57.5	20.38	281.99	0.43	-33.04
Schemes for Professionals	11.0	37.93	29.05	1.68	7.52	14.5	36.01	40.30	1.62	8.96
The 509 Privatized pension schemes (excluding ENPAM)	10.9	24.48	44.34	1.82	8.93	16.2	63.50	25.52	1.88	14.33
ENPAM	12.9	79.96	16.19	1.30	3.91	15.2	17.53	86.65	1.11	1.73
The 103 Privatized pension schemes	2.1	11.74	18.08	8.15	15.18	2.3	18.80	12.32	7.43	14.89
Fund for Atypical Workers	4.9	35.90	13.71	5.60	22.65	5.5	14.83	36.84	4.95	21.58
Total for supplementary funds	15.5	53.49	28.89	1.01	0.17	15.3	28.76	53.12	1.01	0.16
Total for mandatory funds	32.9	67.20	48.94	0.92	-2.70	34.5	52.06	66.31	0.90	-3.54

(*) not showing the Figures for the funds merged into INPS without separate accounts

Before analysing the significant differences characterising these funds, it is worth looking at the last row of the table summarising the data for all the funds that make up the Italian mandatory pension system. In 2023, the accounting equilibrium rate was 34.52%, i.e. 3.54% higher than the average current rate, which can also be interpreted as the percentage amount levied on all the labour incomes in order to have a balance between contribution revenues and pension expenditure. Since in the same year, the total amount of income on which contributions were levied was about 725.09 billion, the gap between the rates was equal to 25.7 billion, i.e. about 4.7 billion less than the 30.4 billion negative result obtained from the sum of the operating results of the individual funds net of welfare transfers.

Two considerations can be made starting with the largest category of the pension system, namely the fund for private-sector employed workers (FPLD), which accounted for 58.4% of active workers paying contributions and 43.7% of pensions paid out. The first and more important consideration is that, in 2023, the current rate, i.e. the ratio of contribution revenues to pension expenditure, was higher than the theoretical equilibrium rate, so still on a path of the positive operating results that began after 2007, as mentioned above. This result, mainly due to the increase in the actual retirement age achieved through various reform measures, is even more relevant, considering that, since 1996, other financially strained funds had joined FPLD[25]. The second consideration concerns the equilibrium rate in the transition from 2022 to 2023, which rose due to the combined effect of a drop

[25] The funds with very compromised financial and economic situations include: the Transportation, Electricity, Flight, Railway, Post and Telephony (ex IPOST) funds, and the fund for corporate executives.

in the number of pensions with respect to the total number of active workers paying contributions, which was not sufficient to offset the considerable growth of the average pension/average income ratio; an abnormal increase largely caused by the different timing of inflation adjustment of wages, which rose by only 2.5%, and of pensions, which rose by 9.9% despite the delayed equalisation mechanism.

Figure 1.8 – Main equilibrium rate ratios (as %)

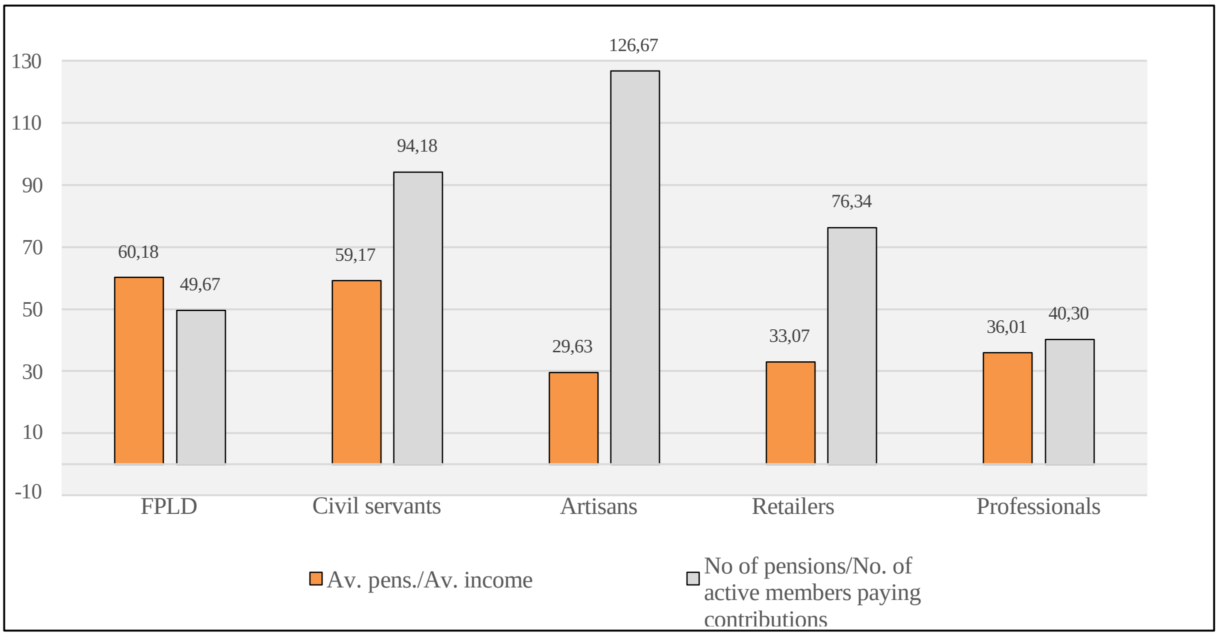


Figure 1.8 highlights the significant differences in the ratios used to determine the theoretical equilibrium rate of the main categories of workers. Taking as a benchmark the fund for private-sector employed workers, FPLD, whose actual rate is higher but very close to the theoretical equilibrium accounting rate as already illustrated, it is possible to clearly see positive and negative deviations from this benchmark. Private and public-sector employed workers appear to have similar and relatively high pension levels (around 60%) compared to wages. However, the public-sector employed workers have a share of pension benefits exceeding 94% with respect to active members paying contributions; so, their equilibrium rates on average exceed the current rates by more than 20%, with more critical situations for local government employed workers with respect to those working for the central government. All self-employed workers have lower contribution levels compared to employed workers, with lower average pension/average income ratios (26.6% to 36%). The equilibrium rates and the resulting surpluses or deficits of these funds mainly depend on the ratio of the number of active members paying contributions to the number of pensions paid out. In this connection, the situation of the schemes for the liberal professions is still stable[26]; the fund for retailers is in a balanced condition, with a difference between the current and the equilibrium rate reduced to 1.76%; the fund for artisans has the greatest imbalance between the number of pensions paid out and that of active members paying contributions, and runs a growing deficit, illustrated by the gap between the equilibrium rate and the current rate that rose from 7.97% to 9.69% in 2023 compared to 2022.

[26] As shown in Table 1, in the aggregate of the schemes for professionals, there is a fund that still runs a surplus but without a sound management situation: ENPAM, which has a very high ratio of the number of outstanding pensions vs. the number of active members paying contributions. More details on the situation of the individual schemes for professionals are provided in another chapter of this Report.

Table 1.2 - Summary of the 35 years of the analysis[27]

		1989-2023			1989-1997			1998 -2006			2007- 2014			2015-2023		
		amounts (billions of euros)	Variations absolute values	Variations average % change	amounts (billions of euros)	Variations absolute values	Variations average % change	amounts (billions of euros)	Variations absolute values	Variations average % change	amounts (billions of euros)	Variations absolute values	Variations average % change	amounts (billions of euros)	Variations absolute values	Variations average % change
Pension expenditure	star	58.862			58.862			112.662			177.540			217.897		
	end	267.107	208.245	4,42	122.948	64.086	8,53	170.210	57.548	4,69	216.112	38.572	2,49	238.763	20.866	1,02
Welfare expenditure	start	12.493			12.493			19.711			31.766			36.045		
	end	43.829	31.337	3,65	18.692	6.199	4,58	30.913	11.201	5,13	33.356	1.590	0,61	40.228	4.184	1,23
Contribution revenues	start	52.443			52.443			98.475			170.523			191.335		
	end	236.686	184.243	4,40	80.349	27.905	4,85	161.411	62.936	5,64	189.591	19.067	1,33	208.264	16.929	0,95
GDP	start	660.501			660.501			1.045.873			1.614.840			1.655.355		
	end	2.128.001	1.467.500	3,40	987.615	327.114	4,57	1.552.687	506.814	4,49	1.627.406	12.566	0,10	1.782.050	126.695	0,82
No. of active workers paying contributions	start	21.217			21.217			21.785			24.256			24.791		
	end	26.205	4.988	0,61	21.524	307	0,16	23.976	2.190	1,07	24.172	-84	-0,04	26.205	1.415	0,62
No. of pensions	start	15.000			15.000			17.652			18.438			17.744		
	end	17.377	2.377	0,42	17.630	2.629	1,81	18.290	638	0,40	17.870	-568	-0,39	17.377	-367	-0,23
		Index No.	Variations		Index No.	Variations		Index No.	Variations		Index No.	Variations		Index No.	Variazioni	
Inflation (NIC Prices no. of the index 1989=100)	start	100	ass.	media %	100	ass.	media %	147,0	ass.	media %	179,0	ass.	media %	202,8	ass.	media %
	end	212,1	112,1	2,17	144,2	44,2	4,15	175,8	29	2,01	203,0	24	1,58	212,1	9	0,50
of the number of pensions vs. the number of active workers paying contributions	start	70,7			70,7			81,0			76,0			71,6		
	end	66,3	-4,4	-0,18	81,9	11,2	1,65	76,3	-4,7	-0,67	73,9	-2,1	-0,35	66,3	-5,3	-0,85

[27] The number of active workers paying contributions is not the same as the number of "employed" workers and the "number of pensions" is different from the number of pensioners. This table shows the number of active workers paying contributions and number of pensions.

2. The INPS mandatory pension system in 2023: accounting and financial results for the system as a whole and for each individual fund

INPS (National Social Security Institute) manages about 95% of the contribution revenues and 97% of the entire pension expenditure of the Italian pension system, also following the integration of several pension funds for different categories of workers[1]; the system also features the privatised schemes for professionals, analysed in the next chapter, and INAIL, which provides insurance against accidents at work. In addition to pension benefits, INPS manages the vast majority of the welfare measures entrusted to it by various governments through GIAS (Fund for welfare benefits): these include benefits for disabled civilians, visually and hearing impaired subjects, carers' allowances, the citizenship income, the new inclusion allowance (ADI), the universal single allowance for children (AUUF), and other benefits illustrated in Chapter 4; this chapter also examines the other INPS fund which provides temporary benefits for employed workers (GPT), such as income support for the redundancy fund, Naspi and other allowances. The INPS pension funds are examined below, starting with the analysis of the benefits provided and the main regulatory measures that have had an effect on its operational and financial results, in particular the changes introduced with the 2023 Budget Law.

2.1 Trends of the benefits provided in 2023

In 2023, the benefits provided by the INPS funds ***(table 2.1)*** remained essentially unchanged with respect to 2022, with a growth by **0.4%**.

Table 2.1 - Number of benefits provided in 2022 and 2023

Year	Men	Women	Total
2022	9,115,786	11,710,882	**20,826,668**
2023	9,196,003	11,717,335	**20,913,338**

In addition to the slight reduction in the number of new pensions paid (-0.3% compared to 2022), ***Table 2.2*** shows the extent of the fall in the number of new seniority pensions (-15.5%) vs. the increase in the number of old age pensions (+5.1%), but above the steady growth in the number of ***welfare benefits*** (+5.7%) and the fall in the number of pension benefits (-4.7%) with obvious consequences on the trend of pension expenditure, especially when considered in conjunction with that related to contributions. The number of early retirements decreased because, as of January 1, 2023, the deadlines for reaching the requirements of the so-called quotas (100, 102, etc.) were not extended. In fact, only the workers who had become eligible by 31/12/2021 for the 100 Quota and by 31/12/2022 for the 102 Quota were allowed to apply for early retirement.

[1] See footnote 1 to Chapter 1.

Table 2.2 – Types of benefits in 2022 and 2023

Pensions	2022	2023	var %
Seniority/Early pensions	301,401	254,821	-15.5
Old age pensions	252,163	265,058	5.1
Disability pensions	59,959	65,360	9.0
Survivors' pensions	264,845	252,160	-4.8
Pension benefits	878,368	837,399	-4.7
Pensions and Social Allowances	44,171	50,502	14.3
Benefits for disabled civilians	583,628	613,203	5.1
Welfare benefits	627,799	663,705	5.7
TOTAL	**1,506,167**	**1,501,104**	**-0.3**

In 2023, as specified in more detail in the last paragraph, the *pension benefits* provided, excluding indemnities and welfare benefits and those coming for the privatised schemes, amounted to 17,376,820 (***Table B.35.a***), an increase by 12,640 compared to 2022 (17,364,180); at the same time, the ***average pension after GIAS[2] transfers*** rose too, due to the retirement of workers with long working careers and good contribution positions and, in the last two years, to the spike in inflation to unprecedented levels since the 1980s; the average pension in nominal terms went from 16,670 euros in 2022 to 17,890 in 2023 for all the INPS funds (***Table B.35.a)***; the ratio of the ***average pension net of the GIAS transfers*** vs. the ***average income*** (see ***Table 6.a***) for the entire pension system was equal to 52.06% (48.94% in 2022), an increase by 3.12%. On the other hand, the average income/average pension ratio after the welfare component (GIAS), the most realistic value related to the entire pension actually paid, varied according to the different categories of workers: it was 78.29% for private-sector employed workers, and 73.05% for public-sector employed workers; instead, for the other categories, it ranged from 16.07% for atypical workers (mostly second pensions), to 38.45% for artisans, to 38.92% for retailers and finally to 50.30% for farmers, tenant farmers and sharecroppers. An element to be highlighted also for 2023, and extensively illustrated in Chapters 5 and 6, was the steady growth in welfare expenditure compared to pension expenditure in its strict sense; according to the most recent data (see the INPS XXIII Annual Report of September 2024), ***pension expenditure amounted to 56% against a welfare expenditure of 44%***; but, while pension expenditure is financed by workers and employers, welfare expenditure is funded by tax revenues with dire consequences. The accounting instrument that manages welfare spending, especially in relation to pensions, is the Entity that provides welfare support to pension funds (hereafter GIAS), on behalf of the State. In 2023, out of 310,937 million euros' worth of pension expenditure, GIAS spent 43,829 million, resulting in a net pension expenditure of 267,108 million, including supplementary minimum benefits, additional social charges and GIAS transfers for civil servants (22.8 billion). ***Table 2.3*** shows the trend of the benefits paid year by year by INPS from 2003 to 2023 (excluding the former INPDAP fund for public-sector employed workers), broken down into welfare and pension benefits.

[2] In all the Tables in this chapter, as well as in the commentary notes, the term "pensions after GIAS transfers" accounts for the full amount received by the pensioner, while the term "contributions net of transfers" (from GIAS and GPT) refer to the contributions actually paid by workers and employers.

This comparison reveals that, in 2003, pension benefits accounted for 59.28% of the all the pensions paid out against 40.72% for welfare benefits. This ratio changed in the following years until it reversed in 2009 (50.16% for welfare benefits and 49.84% for pension benefits) and in 2012 (50.91% for welfare benefits and 49.09% for pension benefits); then it went on with a prevalence of pension expenditure until 2016 only to settle in 2017 and 2018 on an almost perfect parity; this balance shifted again in favour of pension benefits (51.47% in 2019, 59.34% in 2020, 55.82% in 2021, 53.51% in 2022 and 51.21% in 2023) largely due to the effect of flexible exit measures, although with a more limited impact from 2021. However, in 2020, there was a significant drop in the number of welfare benefits provided caused by the marked pandemic-induced slowdown in the process of medical and legal certification of disability and visual and hearing impairment.

Table 2.3 - Number of welfare and pension benefits paid year by year from 2003 to 2023

Year	Total A		Total B		Total A+ B
	Welfare benefits	As % of the total	Pension benefits	As % of the total	
2003	464,851	40.72%	676,622	59.28%	1,141,473
2004	449,783	39.79%	680,743	60.21%	1,130,526
2005	499,465	42.34%	680,297	57.66%	1,179,762
2006	488,962	40.58%	716,072	59.42%	1,205,034
2007	518,880	44.02%	659,743	55.98%	1,178,623
2008	561,497	47.21%	627,869	52.79%	1,189,366
2009	574,570	50.16%	570,982	49.84%	1,145,552
2010	507,859	45.04%	619,642	54.96%	1,127,501
2011	424,153	43.98%	540,334	56.02%	964,487
2012	516,566	50.91%	498,145	49.09%	1,014,711
2013	514,142	50.05%	513,135	49.95%	1,027,277
2014	538,037	54.14%	455,779	45.86%	993,816
2015	571,386	51.05%	547,969	48.95%	1,119,355
2016	557,946	53.30%	488,937	46.70%	1,046,883
2017	553,105	49.73%	559,058	50.27%	1,112,163
2018	567,934	50.03%	567,360	49.97%	1,135,294
2019	587,456	48.53%	623,027	51.47%	1,210,483
2020	481,033	40.66%	701,938	59.34%	1,182,971
2021	581,000	44.18%	734,171	55.82%	1,315,171
2022	627,799	46.49%	722,423	53.51%	1,350,222
2023	667,705	48.79%	700,961	51.21%	1,368,666

Despite the repeated reforms of the social security pension system culminating in the Monti - Fornero reform of 2011, which came into force in 2012, some measures adopted over the last 12 years allowed thousands of workers to retire with more favourable retirement age requirements than those provided for by the aforementioned reform. In addition to the ***9 safeguards***, the first two of which were provided for by Fornero herself, other measures were introduced such as: the ***Women's Option***, the ***Social APE*** under Article 1 of Act no. 232 of December 11, 2016, ***heavy-duty jobs*** (of which there is no trace in the medical and scientific literature unlike the clear evidence reported on strenuous jobs), and the package of regulations that introduced, among others, the 100 Quota and the Citizenship income in 2019.

Table 2.4 shows that, as of 2019, more than 448,000 workers exploited these regulations to retire at least two years in advance with respect to the statutory old-age retirement requirement with costs exceeding 21.4 billion euros by December 31 2023 and up to 25 billion when the early-retirement effects have expired.

Table 2.4 - Number of pensions provided under the 100 and 102 Quotas, average age at retirement and average duration of benefits

Pension benefits	Total number of pensions paid out	Average age at retirement	Average duration of benefits
The 100 Quota Law Decree no. 4 of January 28, 2019 - Article 14 (age 62 and 38 years of contributions until December 31, 2021)	435.522	63	29 mesi
The 102 Quota Law Decree no, 4 of January 28, 2019 - Art.14 (64 years and 38 years of contributions as of January 1, 2022)	12.977	65	22 mesi

As of 2023, the 102 Quota, which allows for early retirement with 64 years of age and 38 years of contributions, has been replaced by the ***103 Quota***, with 62 years of age and 41 years of contributions, and, as of 2024, its benefits are calculated entirely with a capped contribution-based system. The number of successful applications is estimated be less than 3,000.

Table 2.5 - Early retirement charges by December 31, 2023 under Art. 14 of Law Decree no. 4/2019

Year	Art. 14 Law Decree no. 4/2019 (100 Quota)	Art. 14 of Law Decree no. 4/2019 (102 Quota)
2019	€ 1,795,060,702	
2020	€ 4,896,567,672	
2021	€ 5,179,341,136	
2022	€ 5,437,263,379	€ 33,211,981
2023	€ 3,901,599,636	€ 216,942,492
2024	€ 2,106,976,587	€ 192,090,039
2025	€ 958,364,213	€ 73,996,210
2026	€ 235,124,475	€ 3,100,467
2027	€ 12,272,061	€ 2,194,525
2028	€ 1,201,228	€ 1,365,448
2029	€ 294,033	€ 205,912
2030	€ 51,686	€ 11,987

The Women's Option[3] – From 2012 to 2023, about 116,000 women applied for early retirement under the "Women's Option" with the contribution-based system: 92,000 applications were accepted with an estimated cost of over 5 million euros up to 2030 according to the service conference. In 2022, 26,582 pensions were paid out under this this option; instead in 2023, their number was equal to 15,000 with a total cost of about 1 billion euros. The average amount of these pensions was 1,084.26 euros with a significant difference between the benefits provided by the private-sector and those by the public-sector funds, as illustrated in ***Table 2.7,*** which shows the difference by more than 25%, compared to the average in favour of public sector employed workers.

Table 2.7 – Pension amounts provided by pension funds under the Women's Option (2022)

Pensions under the Women's Option Art. 16 LD no.4/2019	€ 1,084,26	
Managed by the State	€ 1,379,00	27.2%
Private-sector employed workers	€ 1,098,35	1.3%
Private sector self-employed workers	€ 816,66	-24.7%

The extent of early retirement under the Woman's Option is 50 months. In 2023, the rate of adoption of the ***early workers'*** measure and of the so-called Social APE continued at the same level as in previous years. ***Table 2.6*** shows the trend for this type of early retirement and its average per capita cost as of 2017. The retirements related to so-called strenuous jobs also continued (under the Social APE).

Table 2.6 -Number of pension applications accepted and average per capita cost for Early Workers' and Social APE pensions from 2017 to 2023

Year	**Early workers**		**Social APE**	
	Number of pensions paid out	Average annual cost	Number of pensions paid out	Average annual cost
2017	11,414	**34,938,00 €**	18,141	**44,585,00 €**
2018	17,111	**38,504,00 €**	22,666	**43,486,00 €**
2019	12,604	**34,702,00 €**	12,477	**42,268,00 €**
2020	12,660	**35,698,00 €**	11,136	**43,754,00 €**
2021	13,401	**38,602,00 €**	13,274	**44,660,00 €**
2022	12,902	**35,057,00 €**	16,071	**41,090,00 €**
2023	11,304	**35,524,00 €**	17,643	**45,055,00 €**
Total	**80,092**		**111,408**	

[3] Introduced under Art. 1, par. 9 of Act no. 243/2004, this measure allows women to retire earlier with benefits calculated under the contribution-based system. The requirements for 2023 were the same as those for the Social APE: 61 years of age, again with 35 years of contributions, reduced by one year for each child up to a maximum of two years.

In conclusion, between December 31, 2012 and December 31, 2023**,** about **1,750,000** ***workers***[4] ***managed to retire*** with the ***requirements in force before the Fornero Law,*** with an ***estimated cost of more than*** **55 billion euros** compared to the 86 billion euros' worth of expenditure savings envisaged by Act no. 214/2011, the so-called Fornero Law.

2.1.1 Contribution fragmentation and the role of pension funds and schemes for benefit eligibility and determination

The Italian pension system has been historically characterised by many different funds and schemes for various categories of workers and by a large numbers of members with a substantially stable employment relationships until retirement; this pattern was disrupted in the last thirty years by the so-called ***pension pluralism***, i.e. the payment of contributions to different funds as a result of the change in the labour market and, above all, the advent of new forms of self-employment and freelance work relationships (e.g. the separate scheme, VAT number holders, the privatisation of professional funds).

The pension pluralism resulted in the ***fragmentation*** of ***contributions*** that accrued in members' pension accounts, i.e. a higher number of pension accounts in which different types of contributions were registered (for employed and self-employed workers, freelancers, etc.), and that were even paid to different funds; this might have resulted in the total or partial loss of pension rights due to the impossibility of reconciling the contributions paid to each fund. This issue was addressed by the legislator over the years with the introduction of pension institutions designed to pool together and reconcile the contributions held in different funds with the aim of ensuring pension rights. The original provision was to create a tool to pool together the contributions free of charge within FLPD (***creating a pension position***); but then, also considering that the FPLD calculation system was not so favourable as the one used by the pension funds that replaced the General Compulsory Insurance (AGO), the legislator introduced the ***reunification*** of contributions in 1979[5]and in 1990[6] to transfer the contributions from one pension fund or scheme to another.

Moreover, since the Constitutional Court's judgement no. 61 of 1999 and the evolution of the labour market rendered these corrective measures insufficient, additional regulatory provisions became necessary to reconcile the different contribution periods free of charge; after a tentative measure provided for under Article 71 of Act no. 388 of 2000, the reconciliation of all the contributions paid to different pension funds and schemes reached its first full expression under Law Decree no. 42 of 2006. In any case, the further and definitive step towards the full reconciliation of contributions took place in 2012 and was then completed in 2017[7], thus putting an end to the fragmented nature of the Italian pension system thanks to a combined regulatory approach.

However, it is interesting to assess the growing impact of these new provisions on old age, early

[4] This figure includes 143,000 pensions for 9 safeguards, 461,000 pensions liquidated for "Quota 100" and "Quota 102", 115,000 benefits for "Social APE " (not considered in pension costs but in welfare costs), 95,000 pensions for "early work ", 96,000 pensions for "Women's option ", 843,000 early retirement pensions ex art 14, c.1 and art 15 DL 4/2019 (those with 42 years and 10 months, one year less for women with a three-month window); removing the 843,000 advances from the count because the advance is about 3 months, the actual advances compared to the Fornero reform are 907,000

[5] Act no. 29 of February 7, 1979: Reconciliation of workers' contributions for retirement purposes.

[6] Act no. 45 of March 5, 1990: Rules for the reconciliation of contribution periods for retirement purposes for the liberal professions.

[7] Article 1, paragraphs 239 et seq. of Act no. 228 of 2012, as amended by Article 1, paragraphs 195 to 198 of Act no. 232 of 2016 introduced the cumulation principle in the Italian pension system.

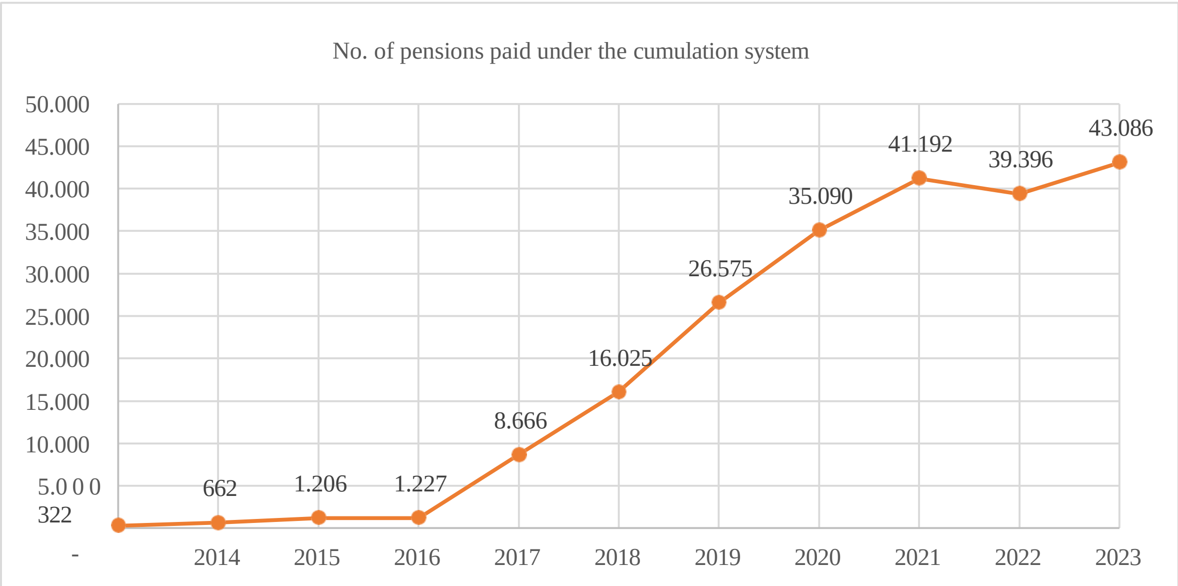
retirement, disability and survivors' pension requirements as of 2010 and their effect on the types of pensions paid every year. In this regard, in its 21st Annual Report, INPS calculated that old-age and seniority pensions accounted for 18% of the benefits paid out of pension accounts held in different funds, while 11% of pensioners received benefits resulting from the reconciliation of different contribution periods, and just over 3% received a pension resulting from the cumulation of contributions. Civil servants mainly used the reconciliation of their contributions paid to FPLD as a response to the more stringent contribution requirements to be entitled to pensions, especially to early retirement pensions; in fact, 78% of the pensions calculated on the basis of the reconciled contributions were provided by the ex INPDAP fund.

The aforementioned innovative legal provisions have led to a more extensive use of the cumulation of contributions (***Figure 2.1***) as of 2017:

- by the members of the privatized pension schemes under Law Decree no. 509 of June 30, 1994 and Law Decree no. 103 of February 10, 1996;
- to obtain the early retirement pension referred to under Article 24, paragraph 10, of Law Decree Act no. 201 of 2011, as amended into Act no. 214 of 2011.

The analysis of the pensions paid out on the basis of the cumulated contribution periods shows that, in the four-year period from 2019 to 2022, about 82,200 early pensions were provided on the basis of the cumulation system, of which 44% for the so-called “100 Quota” (Art. 14 Law Decree no. 4 of 2019) and 47% for early pensions pursuant to Article 15 of Law Decree no. 4 of 2019 (for the 2019-2026 period, the contribution requirements for early retirement were 42 years and 10 months for men and 41 years and 10 months for women). Over the same time span, the pensions provided on the basis of the cumulation system accounted for about 9% of all the pensions provided under the “100 Quota” exit channel. The cumulation of contribution periods is expected to grow in the coming years, and to become the tool to determine pension benefit requirements in a context of increasingly fragmented contribution careers.

Figure 2.1 - Number of pensions provided with the aggregation, reconciliation and free cumulation of contribution periods



Moreover, the gradual transition to the contribution-based system for all pension funds and schemes will actually replace any other form of reconciliation of pension positions with the various types of cumulation for all the contributions paid in different pension funds or schemes.

2.2 The financial and economic results of individual funds and their main variables

In the following sections, we focus on the individual INPS pension funds and schemes and provide their most important financial data (revenues, expenditure, balances), their number of active members paying contributions and of pensioners, along with a brief outline of the transfers thy receive from GIAS. It is important to stress that, from this Report onwards, we provide the amount of the ***minimum benefits*** within the overall pension expenditure; this is very useful to assess the share of welfare benefits present in the calculated social security pensions, i.e. the benefits financed by contributions. The overall financial picture of the compulsory pension system is shown in ***Table 1.a et seq***. in terms of pension expenditure[8], contribution revenues, operating results and the pension benefits provided on the basis of the GIAS transfers; these table also illustrate the data of all the privatised schemes under Law Decrees 509/94 and 103/96, that are part of the compulsory system, but are not essentially financed by the state budget, (the *detailed Tables can be viewed at the end of the chapters and on the special Report web section*)[9].

2.3 The funds for private-sector employed workers

The ***funds for private-sector employed workers*** include ***FPLD,*** but also the ***fund for industrial executives*** (former INPDAI) and the ***former special funds*** (transport, telephony and electricity funds) merged over time into the FPLD, with separate accounts; they also feature the fund for show-business and entertainment workers (former ENPALS) merged into INPS in 2012, that for Postal workers, (former IPOST), integrated to INPS in 2010, the railway fund (FF.SS) merged into to INPS in 2000, the fund for journalists which replaced the compulsory general insurance (A.G.O.) and was then moved to INPGI and then to FPLD as of July 1, 2022, and ultimately directly to INPS. The picture is completed by the aviation, the consumer tax collectors' and by the clergy funds, as well as by a number of minor funds not in the analysis.

In 2023, these funds accounted for 52.6% of the benefits provided and for 61% of the revenues of the entire mandatory system and had ***contribution revenues*** equal to **144,783 million euros** (***Table 1.a***), up from 137,517 million in 2022 (+5.28%) and ***benefit expenditure*** equal to **140,597 million**, up from 129,916 million in 2022 (+8.22%). As already noted for the entire INPS pension system, the average pension increased from 18,987 euros in 2022 to 20,610 in 2023 (***Table 2.8***).

[8] Pensions are revalued on the basis of the inflation of the previous year; since 1997 numerous laws have reduced the indexation of pensions above the minimum benefits or their multiples (3 or 5 times the minimum benefits); in 2022 and 2023, the reduction of medium/high pensions was even more pronounced (for more details see the Tables and commentary in Appendix 1).

[9] For the time series from 1989 to 2005 and other data, visit www.itinerariprevidenziali.it.

Table 2.8 – The pension funds for private-sector employed workers

Active workers	15.801.410	Pensioners	8.439.390	**Ratio of the no. of active workers paying contribution vs. the /no. of pensioners**	1,87
Contribution revenues before transfers	144,783	Pension expenditure net of GIAS	140,597	**Balance**	4,186
Average contributions net of transfers	8,49	Average pension before GIAS	20,61	**Average Pension/ Average Contribution Ratio**	2,43
Note: revenues, expenditure and balance in billions of euros; average contributions vs. average pensions in thousands of euros					

So, the *operating result* was positive, equal to **4,186 million,** even if lower than 7,601 million in 2022, thanks to the positive result of FPLD; instead, the other funds of this sector ran significant deficits in 2023, with the exception of former Enpals. In 2023, the total transfers from GIAS to the INPS funds for private-sector employed workers amounted to 31,872 million euros; the number of active workers paying contributions was 15,801,410, also up compared to the 15,370,130 of 2022 (+2.81%), while The analysis below looks into the most important funds of private-sector employed workers, with FPLD which accounts for more than 97% of the total.

2.3.1 FPLD – Pension fund for employed workers

The *fund for private-sector employed workers* is the most important fund in this category, net of the separate accounts of the former special funds merged into it. In 2023, it had again a positive balance of **15,108 million euros** (***Table B.35.a*** at the end of the text and ***Table 2.9***), lower than the 17,715 million euros of 2022; its contribution revenues amounted to **133,316 million** including the transfers from GPT and GIAS for the notional contributions for income-support benefits (see Chapter 4) and its benefits expenditure (net of GIAS) to **118,208 million,** including **2,774 million** euros' worth of ***minimum supplementary benefits*** *(***2.35%** of the total*)*. The ***ratio of the number of active workers paying contributions vs. the number of pensioners*** was higher than the national average (1.462 against ***2.01***) while the ***ratio of the average contributions net of transfers*** (that is, the amount actually paid by workers and companies) *vs.* ***the average pensions before GIAS*** (that is, the amount of pension actually received by the worker before personal income taxes (IRPEF) was **2.35**[10]**.**

[10] The description applies to all the Tables for the individual schemes in this chapter, which show the average contribution net of any transfer from GIAS or GPT, i.e. those actually paid by workers and employers and the pension before GIAS, i.e. the amount paid by the State and received by the pensioner; it is an additional ratio to the ones shown in Tables 4(a) and 34(a) that completes the picture.

Table 2.9 – FPLD - Pension fund for employed workers

Active workers paying contributions	15.302.500	Pensioners	7.600.550	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	2,01
Contribution revenues before transfers	133,316	Pension expenditure net of GIAS	118,208	**Balance**	15,108
Average contribution net of transfers	8,35	Average pension before GIAS	19,36	**Average Pension/Average Contribution Ratio**	2,32
Note: revenues, expenditure and balance in billions of euros; average contribution and average pension in thousands of euros					

As in previous years, the overall result of the FPLD was adversely affected by the ***former special funds***, which were merged into the FPLD with separate accounts: former INPDAI for company executives and the transport, telephony and electricity funds, which together had a ***negative balance*** of 10.041 million; including former INPGI, this deficit reached **10,314 million euros** compared to 9,265 million euros in 2022 (see ***Table 7 a)***, even though the members of these special funds accounted for just ***5%*** of the total number of workers[11]. For these reasons, FPLD had a deficit of **64,593 million euros** at the end of 2023 (see ***Section 2.6*****).** The deficits of former special funds merged into FPLD were partly due to the more favourable benefits paid out to members compared with those provided by FPLD; but this is true for the ***pensions paid in the past***, because, under the 1995 Dini Reform of 1995, the rules have been gradually harmonised with those of FPLD.

However, even today the average pensions paid by the special funds are still much higher (19,630 euros/year) and range from 24,640 euros for the transport fund to 29,430 euros for the telephony fund, to 30,700 for the electricity fund, and to 47,430 for the former *INPDAI* Fund. 2.3.1 Former ENPALS Fund

The former fund for workers in the field of entertainment, show-business and sports (ENPALS) was integrated into INPS on January 1, 2012; it managed two distinct funds: ***FPLS, the fund for entertainment and show-business workers***, and ***FPSP, the fund for professional sportspersons***. Both provided pension benefits to all employed, self-employed or temporary workers in the entertainment and show-business industry and to all professional sportspersons, and applied the same contribution rates (***Table 2.10***).

[11] As described in Table 7a, with the exception of the transport fund, for the other funds merged with FPLD, the electricity and telephony funds, Inpdai and more recently INPGI, new members pay their contributions (workers and companies) directly to FPLD while the burden of pension payments remains with the individual funds. The transport Fund continues to receive new members even after the merger with FPLD, as already mentioned, so, its financial situation is better with respect to other special funds.

Table 2.10 - Fund for entertainment and show-business workers (Ex ENPALS)

Active workers paying contributions	164.760	Pensioners	61.380	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	2,68
Contribution revenues before transfers	1,568	Outgoings for pensions net of GIAS	1,100	**Balance**	0,468
Average contributions net of transfers	9,39	Average pension before GIAS	19,80	**Average Pension/Average Contribution Ratio**	2,11
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

As already mentioned, former ENPALS is currently one of the four funds managed by INPS running a surplus: **468 million euros** in 2023 (373 million in 2022), with 1,568 million euros' worth of contribution revenues and 1,100 million euros' worth of pension expenditure, of which 23 million (2.09%) related to the supplementary minimum benefits provided to its members. By the end of 2023, this fund had 164,760 active workers paying contributions and provided 61,380 pensions, especially through the fund for entertainment and show-business workers; it featured one of the best ratios of the number of active workers paying contributions vs. the number of pensioners in Italy, equal to 2.68 ***active workers per pensioner***. GIAS provided **116 million euros** in 2023.

2.3.3 Post and Telephony Fund (ex IPOST)

The pension fund for postal workers, formerly IPOST, also falls within the category of private-sector employed workers; following the privatization of the postal sector, first it became an Economic Public Entity in 1994 and then Poste Spa in 1998 (***Table 2.11***).

Table 2.11 - Former IPOST Fund

Active workers paying contributions	118.280	Pensioners	168.880	**Ratio of the no. of active workers paying contributions vs, the no. of pensioners**	0,70
Contribution revenues before transfers	1,190	Pension expenditure net of GIAS	2,386	**Balance**	-1,196
Average contributions net of transfers	9,97	Average pensions before GIAS	22,01	**Average Pension/Average Contribution Ratio**	2,21
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

The 2023 financial results featured contribution revenues equal to 1,190 million euros and benefit expenditure to 2,386 million (including just 1.5 million euros' worth of supplementary minimum benefits); so, it ran a deficit of **1,196 million**, considering that, in 2023, GIAS transferred **1,330 million** to this fund***, and financed all the pensions paid on July 31,1994, i.e. at the time of the transfer to INPS.*** This is a structural deficit because, over the last 14 years, the number of active workers paying contributions has steadily decreased while the number of pensioners has increased. As a result, in 2023, the ***ratio of members to pensioners*** reached 0.70%, a very low level, with 118,280 active members against 168,880 pensioners. Despite the economic and financial situation (more than 4 billion euros' worth of deficit), the average contribution/average pension ratio was very favourable to members.

2.3.4 Former FF.SS Fund

In the year 2000, after the transformation of Ferrovie dello Stato from a public to a joint stock company wholly owned by the Treasury in 1992 and a major restructuring also in terms of personnel that ended in 2011 with FSI, the pension fund for the railway personnel was transferred to INPS. Since then, this fund has been operating as a special fund for the workers hired before April 1, 2000, for the employees of the Ferrovie S.p.A. Holding company and for the former employees transferred to public administrations who decided to join the INPS Special Fund, as well as for the employed workers of other railway companies. This pension fund was already running a deficit before its integration into INPS, and it continues to have a significant operating imbalance every year which is ***offset*** by State contributions provided through GIAS, which amounted to **4,957 million in 2023** In the same year, a total of 5,262 million euros' worth of benefits were provided, including 0.8 million euros' worth of supplementary minimum benefits (***Table 2.12***).

Table 2.12 - Former FFSS Pension Fund

Active workers paying contributions	20.440	Pensioners	201.830	**Ratio of the no. of active workers vs. the no. of pensioners**	0,10
Contribution revenues before transfers	5,257	Pension expenditure net of GIAS	5,262	**Balance**	-0,005
Average contributions net of transfers	14,62	Average pension before GIAS	26,68	**Average Pension/Average Contribution Ratio**	1,82
Note: revenues, expenditure and balance in billions of euros; average contributions and average					

This fund is characterized by a significant imbalance between the number of ***active workers paying contributions,*** equal to **20,440** in 2023 (vs. 57,133 in 2011 and 22,990 in 2022), and the number of ***pensioners***, amounting to ***201,830*** (vs. 234,400 in 2011 and 204,430 in 2022); its ***ratio of the number of members to the number of pensioners*** highlights this lack of equilibrium with more than ***9.8 pensioners*** for every member. This situation is due to the massive use of early retirement to reduce corporate costs and improve corporate efficiency, thus transferring the heavy burden of business restructurings onto the community. ***It should be noted how, in this case too***, ***the entire early-retirement expenditure was accounted for as pension expenditure and not as income support benefits, household allowances or restructuring for efficiency purposes***, thus abnormally inflating the cost of pensions compared to the European average (the same thing happened with Fiat, Olivetti, the paper industry, etc.).

However, it should be pointed out that the workers of the companies belonging to the Holding FF.SS have been enrolled in FPDL since April 1, 2000 and not in the special fund and that, at the end of 2023, their number was over 92,000 with a better but still absolutely insufficient ratio.

2.3.5 Fund for employed journalists, ex INPGI

The substitutive scheme for employed workers was managed by INPGI (for journalists enrolled in a professional roster) until July 1, 2022 and was operated as a replacement of the general insurance (A.G.O.) within the framework of the privatised schemes for professionals; since then, the journalists employed by private and public companies have switched to the INPS fund for employed workers and the A.G.O. substitutive fund was abolished. In 2023, this fund ran a deficit of 273 million, resulting from 328 million euros' worth of contribution revenues and 601 million euros' worth of benefit expenditure. In 2022, the INPS accounts featured revenues equal to 164 million and expenditure to 307 million, with a deficit of 143 million; these figures are not comparable with the 2023 ones illustrated above, because this fund was transferred to INPS in the middle of the year and the accounting data are only related to a period of 6 months. However, this negative situation also characterised the years prior to 2022-2023, as indicated in the previous Reports. The ratio of the number active workers paying contributions vs. the number of pensioners was lower than the national average, while the average contribution/average pension ratio was one of the highest (***Table 2.13***).

Table 2.13 - Fund for employed journalists (ex INPGI)

Active workers paying contributions	14.500	Pensioners	10.050	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	1,44
Contribution revenues before transfers	0,328	Pension expenditure net of GIAS	0,601	**Balance**	-0,273
Average contributions net of transfers	22,61	Average pensions before GIAS	61,15	**Average Pension/Contribution Ratio**	2,70
Note: revenues, expenditure and balance in billions of euros; average contributions and average pensions in thousands of euros					

2.4 Minor funds: aviation, consumer tax collectors' and clergy funds

2.4.1 Aviation Fund

The aviation fund is a special fund managed by INPS with accounting autonomy and it replaced the general compulsory insurance (AGO) for air flight personnel. In 1997, the very generous rules in this sector were harmonized with the more stringent AGO provisions, maintaining however the lower retirement age requirement by 5 years for workers enrolled as of December 31, 1995, in addition to some particular features (for example, the rate of return was 3% for contributions until November 27,1988, 2.50% after this date until December 31, 1994 vs. a maximum rate of 2% for FPLD); moreover, only 50% of the flight allowance is included in the pensionable base, with average pensions of 47.760 per year, about two and a half times the benefits provided by FPLD with respect to the average contributions (***Table 2.14***).

Table 2.14 - Aviation Fund

Active workers paying contributions	11.540	Pensioners	7.660	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	1,51
Contribution revenues before transfers	0,183	Average pensions before GIAS	0,356	**Balance**	-0,173
Average contributions net of transfers	15,64	Average pensions before GIAS	47,76	**Average Pension/Average Contribution Ratio**	3,05
Note: revenues, expenditure and balance in billions of euros; average contributions and average pensions in thousands of euros					

Furthermore, this fund has lower old-age pension eligibility criteria (- 5 years) and a reduction in the age and contribution seniority requirements for early retirement by 1 year for every 5 years of membership in the fund up to a maximum of 5 years. Therefore, it has a very negative operational and financial situation because of the more generous benefits provided with respect to other schemes (which should be revised) and due to the crisis of the aviation sector and in particular for the events that still revolve around ITA, which replaced Alitalia. At the end of 2023, this fund had 11,540 members against 7,660 outstanding pensions with a ratio of 1.51; it ran a ***deficit*** equal to **173 million** with **183 million euros'** worth of ***contribution revenues*** and **356 million euros'** worth of ***pension expenditure***, and with 10 million euros' worth of GIAS transfers. This negative picture is compounded by the fact that in 2016, in yet another vain attempt to save the ruined Alitalia, a special fund for air transport was set up (FSTA), which replaced a pre-existing special income support fund for air transport personnel; this new fund is activated in case of corporate crises in this sector and provides supplementary ASPI/NASPI and extraordinary redundancy fund benefits to both flight and ground personnel, with much more favourable conditions than ordinary income support measures; in fact, beneficiaries receive supplementary benefits up to 80% of their wages for a maximum of seven years; the supplementary benefits for pilots exceed 10,000 euros per month and, in some cases, the limit is close to 30,000 euros. This fund is financed by a contribution of 0.50% levied on taxable wages (2/3 borne by the company and 1/3 borne by the workers) but above all by ***a municipal surtax on boarding fees applied to each air ticket***; this 'levy', initially set at 1 euro, rose to no less than 3 euros from 2008 to 2018 and then fell to 1.5 euros until December 31, 2019 to be abolished on January 1, 2020; subsequently, due to the air transport crisis linked to the pandemic, it was reintroduced on January 7, 2021under the Relaunch Decree no. 508 of May 29, 2020, but with the provision that 50% would go back to GIAS. In sum, at least until 2017 (the last available data), 97% of its revenues derived from this "levy"; in 2017 (the last available data), this tax produced revenues equal to **249.5 million euros** against only 7.2 million paid by companies. In addition to the enormous costs to support Alitalia[12] in recent years, it is worth noting that when ITA replaced Alitalia, another 7,800 Alitalia employees were laid off; according to the most recent data (August 2024), 2,245 former Alitalia employed workers were still in the redundancy fund due to expire on October 31, 2024 and dismissal measures had already been initiated, notwithstanding the requests by trade unions for a further extension period.

[12] The report published by Assoutenti on 27 March 2023, calculated that Italian taxpayers paid 13.4 billion to keep the national airline company alive during the decades of financial crisis.

2.4.2 Fund for consumer tax collectors

The fund for consumer tax collectors replaced the general compulsory insurance and provides pension benefits and termination of employment benefits (TFR). When municipal consumer taxes were abolished in 1973, tax collectors went to work for the Ministry of Finance or remained to work for municipalities. It is a fund about to end since it provided 5,580 pensions for an amount of **185 million euros.** It is worth noting that its entire ***operating deficit*** **(73 million*****) is financed by transfers from GIAS,*** therefore by the State as provided for under Article 17 of Presidential Decree no. 649/1972 (***Table 2.15***).

Table 2.15 – Fund for consumer tax collectors

Active workers paying contributions	0	Pensioners	5.580	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	-
Contribution revenues before transfers	0,112	Pension expenditure net of GIAS	0,111	**Balance**	0,001
Average contributions net of transfers	0	Average pension before GIAS	73,52	**Average Pension/Average Contribution Ratio**	-
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

2.4.3 Clergy Fund

The ***Clergy Fund*** is the compulsory scheme for old age, disability and survivors' pensions for Catholic priests and other religious persons not belonging to the Catholic Church. Its regulations provide for the payment of old age, invalidity and survivors' pensions while ordinary invalidity allowances, disability pensions and supplementary pensions are not provided. At the end of 2023, it had provided 10,850 pensions and had 17,800 members with a ratio of 1.64 active workers paying contributions per pensioner (***Table 2.16***).

Table 2.16 - Clergy Fund

Active workers paying contributions	17,800	Pensioners	10,850	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	1.64
Contribution revenues before transfers	0,032	Pension expenditure net of GIAS	0.073	**Balance**	0,041
Average contributions net of transfers	1,78	Average pension before GIAS	7.92	**Average Pension/Average Contribution Ratio**	4.45
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

This Fund is characterised by ***low contribution revenues,*** which amounted to 32 million in 2023, net of the share borne by the GIAS, against 74 million euros' worth of pension expenditure (including 219,000 euros' worth of minimum benefits), and therefore with a ***deficit*** of **42 million.** It is characterized by a structural imbalance, even if with a lower economic and financial impact on the pension "system" as a whole. It is also important to stress that contributions are not correlated to remuneration or income, but their amount is fixed (1,796.04 euros per year from 2021) and they are not calculated with an income-based or with a contribution-based system, but according to a defined-benefit approach (the benefits are equal to the minimum benefits of the compulsory system and amounted 525.38 with an increase by 5.88 for each year of contributions exceeding 20 years). Finally, the Clergy Fund is compatible with membership in other pension schemes; in fact, over 70% of its pensioners have other pensions provided by other schemes.

2.5 Funds for public-sector employed workers (ex INPDAP*)*

INPDAP[13] was abolished on January 1, 2012 and was integrated into INPS; since then, the data for this Fund have appeared in the INPS consolidated accounts. As a result, the deficit of these schemes has further deteriorated the INPS general financial results but without a major impact on the overall performance of the compulsory pension system which had already anticipated this imbalance. The pre-existing INPDAP funds managed with accounting autonomy by the five schemes listed in ***Table 2.17*** were merged into INPS, and their financial data are reported in the INPS accounts from which all the pension-related financial data shown in this Report have been taken or processed[14.]

The table shows the number of pensions for each fund by January 1, 2024 and the annual amount for each of the pension funds; **58.28%** of the pensions were paid by the fund for public-sector employed workers (Cassa Trattamenti Pensionistici Dipendenti dello Stato - C.T.P.S) equal to **60.38%** of the total annual amount of the public-sector pension funds; **38.15%** were paid by the fund for local authorities' employed workers - C.P.D.E.L) equal to **32.39%** of the total amount, while the other three funds: the pension fund for teachers (Cassa Pensioni Insegnanti – CPI); the fund for heal-care workers (Cassa Pensioni Sanitari – CPS) and the fund for court officials (Cassa Pensioni Ufficiali Giudiziari - CPUG) together accounted for 3.57% of the pensions and for 7.22% of the total pension expenditure. The average amount of the pensions paid by CTPS was 2,289.50 euros per month and that paid by CPDEL was equal to 1,874.00 euros per month.

Table 2.17 - Pensions and amount of benefits provided by each ex Inpdap fund by January 1, 2024

Fund	Number of pensions	As % of total
C.P.D.E.L.	1,196,950	38.15%
C.P.I.	16,949	
C.P.S.	91,739	3.57%
C.P.U.G.	3,348	
C.T.P.S.	1,828,586	58.28%
Total	**3,137,572**	**100.00%**

In 2023***, the deficit*** of these funds amounted to **27,231 million euros,** net of the 10,800 million euros' worth of additional contributions by the State, with **44,342 million** euros' worth of ***contribution revenues*** and **71.573 million** euros' worth of pension expenditure (including 2.7 million euros' worth of supplementary minimum benefits); in addition, under Article 2, paragraph 4 of Act no. 183/2011, they received **16,791 million euros** (vs. 14,976 million in 2022) from GIAS. However, if we take into account the additional State contribution of 10,800 million euros (provided for under Act no.

[13] INPDAP, set up in 1994, was merged into INPS under Art. 21 of Legislative Decree no. 138/2011, transposed into Act n. 148/2011.

[14] 14 The data on the number of pensions in Tables 2.16, 2.18 and 2.19 below are taken from the INPS Statistical Observatory of October 2024, referring to 1/1/2024, and differ from the INPS account data by 20,818.

355/1995 in that, until the establishment of INPDAP, the State had not paid any contributions on its behalf), as was the case when INPDAP was autonomous, the revenues would amount to 55,142 million, thus reducing the deficit to 16,431 million. Due to a halt to turnover in the past few years, the number of active civil servants gradually decreased from 3,412,000 in 2006 to 3,306,000 in 2020; then it started to increase to 3,318,000 in 2021 and to 3,339,400 in 2022, reaching 3,353,500 in 2023, with a slight improvement in revenues (***Table 2.18***).

Table 2.18 - Fund for public-sector employed workers (ex INPDAP)

Active workers paying contributions	3,353,500	Pensioners	3,158,400	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	1.06
Contribution revenues before transfers	44,342	Pension expenditure net GIAS	88,364	**Balance**	-44.022
Average contributions net of transfers	13,19	Average pensions before GIAS	**27.98**	**Average Pension/Average Contribution Ratio**	2.12
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

The number of pensions increased in recent years from 2,917,119 in 2018 to 2,998,840 in 2019, 3,056,450 in 2020, 3,105,180 in 2021, 3,125,150 in 2022 and 3,158,400 in 2023; so, the ratio of active workers paying contributions vs. the number of pensioners was around 1, while the average contribution/average pension ratio was good. The fund ended up with a considerable deficit of more than 85 billion. The pensions provided to public-sector employed workers by ***January* 1, 2024** (***Table 2.19***) consisted of seniority or early retirement pensions with ***58.91%***, old age pensions with **14.61%**, disability pensions with 6.32% and finally pensions to members' survivors with 3.86% and to pensioners' survivors with 16.31%. The last column shows the percentage amounts of the various categories of pensions in relation to the grand total of 90,129.50 million.

Table 2.19 - Pensions provided by the Ex Inpdap funds by category by January 1, 2024

Pension category	**Subcategory**	**Total**			
		Number of pensions	**As % of the total**	**Total amount per year (mln of euros)**	**As % of the total**
Old age	**Old age**	458.266	14,61%	15.046,60	16,69%
	Seniority/early pensions	1.848.188	58,91%	58.921,40	65,37%
Disability	**Disability**	198.432	6,32%	5.703,30	6,33%
Survivors	**Members' survivors**	120.977	3,86%	1.678,90	1,86%
	Pensioners' Survivors	511.709	16,31%	8.779,30	9,74%
Total	**Total**	**3.137.572**	**100%**	**90.129,50**	**100%**

Table 2.20 shows these pensions broken down by monthly amount; the monthly amount was less than 1,000 euros only in 10.5% of cases, it ranged from 1,000 to 1,999.99 euros in 39.1% of cases, from 2,000 to 2,999.99 euros in 34.6% and finally it was above 3,000 euros in 12.8% of cases**.** The average annual pension for public-sector employed workers was 27,977 euros (***Table 4.a***), much higher compared to that received by private-sector employed workers (20,610 euros), which calls for some serious reflection.

Table 2.20 - Number of public-sector pensions and their average amounts per month by January 1, 2024

Amounts	Number of pensions	As % of the total
Up to 499.99	49,389	1.6
from 500.00 to 749.99	86,590	2.8
from 750.00 to 999.99	192,795	6.1
from 1,000,00 to 1,249,99	264,241	8.4
from 1,250,00 to 1,499.99	280,837	9.0
from 1,500,00 to 1,749.99	315,775	10.1
from 1,750,00 to 1,999.99	364,300	11.6
from 2,000,00 to 2,249.99	298,484	9.5
from 2,250,00 to 2,499.99	368,467	11.7
from 2,500,00 to 2,999.99	515,511	16.4
from 3,000,00 to 3,499.99	142,288	4.5
from 3,500,00 and above	258,895	8.3
Total	3,137,572	100,0

2.6 INPS schemes for self-employed workers: artisans, retailers, farmers, tenant farmers and sharecroppers

INPS also manages the funds for self-employed workers such as the funds for artisans, retailers and (CDCM), which have their own accounts and budgets. In 1952, the law designed to redesign the pension system introduced the minimum pension; then, the Government launched the fund for farmers, tenant farmers and sharecroppers in 1957, the compulsory pension fund for artisans in 1959 and the fund for retailers in 1966. As a result, thousands of pensioners started receiving pension benefits on the basis of the Italian pay-as-you-go pension system, even though they had never paid any contributions up to the inception of these funds; moreover, the contribution rates set for these schemes were too low. The situation was further exacerbated by the provisions of Act no. 233/1990 which harmonized the rules for calculating their pensions with those of employed workers, thus granting them benefits that did not correspond to the contributions they had paid. In the last few years, starting from the Dini reform, their contributions rates were realigned to those of employed workers; however, the particular social and economic conditions of these three categories have had some serious repercussions on the financial equilibrium of these funds, especially of that for farmers, tenant farmers and sharecroppers, with a major deterioration in its ratio of the number of active members paying contributions vs. the number of pensioners.

2.6.1 Fund for artisans

In 2023, the fund for artisans featured a ***deficit*** between contributions and benefits of **3,070 million euros,** quite in line with the data of the previous years and with a modest contribution from GIAS equal to only 4 million euros; contribution revenues amounted to **10,215 million euros**, up with respect to the 9,464 million in 2022, also due to the 0.45% increase of the contribution rate introduced by the Fornero Law in 2013; in 2023, the contribution rate for artisans was equal to **24.62%** of the business income up to 52,190 and to 25.62% above that limit and up to a ceiling of 86,983. On the other hand, benefit expenditure rose compared to 2022 up to **13,285 million**, of which **717 million** for supplementary minimum benefits, or 5.4% of the total. The average pensions before GIAS transfer per year reached 9,616, equal to 1.38 times the average contributions, a very low ratio and this was matched by a further deterioration in the ratio of the number active workers paying contributions vs. the number of pensioners, down to 0.79 **(*Table 2.21*).**

Table 2.21 – Fund for Artisans

Active workers paying contributions	1,415,240	Pensioners	1,792,630	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	0.79
Contribution revenues before transfers	10,215	Pension expenditure net of GIAS	12,567	**Balance**	-2.352
Average contributions net of transfers	6,96	Average pension before GIAS	9.22	**Average Pension/Average Contribution Ratio**	1.32
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

The overall economic and financial results of this fund (see section 2.6) continued to be poor caused by the combined effect of a steady decline in the number of active workers, which dropped from 1,881,500 in 2006 to 1,415,240 (-24.8%), and of a steady increase in the number of pensioners from 1,459,900 in 2006 to 1,792,630 (+22.8%); %); already in 2017, the ***number of pensioners exceeded the number of active workers***.

2.6.2 Fund for Retailers

The fund for retailers has been showing a positive trend for a number of years; in 2023, it featured again a positive balance of **1,154 million**, slightly lower than in 2022 ***(1,317 million)*** and with limited transfers from GIAS equal to 2 million. Its contribution revenues also went up in 2023 from 11,815 million to **12,642 million (+ 827** million), partly thanks to the increase in its contribution rates to 25.10% up to 52,190 euros and to 26.10% up to 86,983 euros per year[15]; instead, benefit expenditure deteriorated by 990 million, from 10,498 million to **11,488 million,** including **553 million euros'** worth of supplementary minimum benefits, or 4.8% of total benefits (***Table 2.22***).

[15] Part of the contribution rate (0.46%) finances the fund for the rationalisation of the commercial network, guaranteeing the payment of compensation for the definitive cessation of business activities.

Table 2.22 – Fund for Retailers

Active workers paying contributions	1,963,000	Pensioners	1,498,600	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	1.31
Contribution revenues before transfers	12,642	Pension expenditure net of GIAS	10,935	**Balance**	1.707
Average contributions net of transfers	6.26	Average pension before GIAS	8.65	**Average Pension/Average Contribution Ratio**	1.38
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

The final results include the data of the separate fund called "fund for the rationalization of the retail network" established under Legislative Decree no. 207/1996 and show that this fund ran a deficit equal to 1,937 million euros (section *2.6*), also due to the amortization and depreciation of receivables.

Compared to 2022, the number of pensioners (1,498,600) and the number of active workers paying contributions (1,963,000) remained substantially the same, with a ratio above the average of the system as a whole equal to **1.31** active workers for every pensioner. The average annual pensions before GIAS were equal to 9,021 euros, or 1.44 times the average contributions.

2.6.3 Fund for farmers, tenant farmers and sharecroppers

In 2023, the fund for farmers, tenant farmers and sharecroppers (CDCM) again featured a structural imbalance due to a very low ratio of its number of active workers vs. its number of pensioners and in particular to old favourable and still applicable retirement provisions, with very high benefits compared to contributions**,** even though the contribution rates for its members started to be revised in 2013 (***Table 2.23***).

Table 2.23 - Fund for Farmers, Tenant Farmers and Sharecroppers

Active workers paying contributions	421,680	Pensioners	1,189,080	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	0.35
Contribution revenues before transfers	1,255	Pension expenditure net of GIAS	2,215	**Balance**	-0.960
Average contributions net of transfers	2,96	Average pension before GIAS	5.49	**Average Pension/Average Contribution Ratio**	1.85
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

In 2023, this fund had a further reduction in the number of its active members down to 421,680 (vs.1,206,000 in 1989, the year our surveys began), an impressive decrease by 65 %. It also had another drop in the number of its pensioners down to 1,189,080, -36,030 compared to 2022, (vs. 1,905,400 in 2006), including the ***remaining 102,408 pensions prior to January 1, 1989,*** thus bringing the ratio of the number of pensions vs the number of active workers paying contributions to the lowest level in the system (0.35), i.e. ***2.82 pensions*** per ***active worker***, (vs. 1.53 in 1990). The average gross pensions per year amounted to 6,089 euros, or 2.06 with respect to the average contribution. Moreover, this fund featured a ***negative balance between contributions and benefits of 1*,679 million,** net of GIAS transfers, which, in 2011, started paying the pensions accrued before January 1, 1989, for an amount equal to **621 million** (vs. 699 million in 2022), ***Contribution revenues*** amounted to **1,255 million**, almost the same as in 2022 with 1,266 million; instead, benefit expenditure, net of GIAS transfers, reached **2,934 million** compared to 3,470 million in 2022; this figure includes **719 million euros'** worth of minimum benefits paid to its pensioners, equal to **24.5%** of the total, hence with insufficient contributions to finance the pensions. Therefore, on the whole, CDCM is a **2,300 million** burden for the community for the pension part alone, with a considerable deficit of **99.414 million** at the end of 2021, caused by the economic and welfare subsidies provided for the transition from agriculture to industry, but still accounted for as "pensions expenditure items" (see section *2.6*). The GIAS transfers to the CDCM pension fund were equal to 4,307 million, including 621 million euros for the pensions paid before January 1, 1989.

2.7 Fund for atypical workers

In order to provide pension benefits to the so-called "atypical" workers, i.e. subjects who consistently but not exclusively work as self-employed without a professional roster and without any social security rights (***Table 2.24***), a "***separate scheme"*** was set up within INPS under Art. 2, par. 26 of Act no. 335/95, which became operational in March 1996. In 2023, this fund featured **1,592,000** members, (907,675 men and 618,634 women), according to the latest available data (2022) taken from the *INPS Statistical Observatory of October 2023.*

This separate scheme consists of two macro-groups of workers:

a) freelancers with a VAT registration number (476,385 in 2022) who mainly but not exclusively work as self-employed, excluding those registered with professional rosters with their autonomous pension fund, and who pay their contributions; these freelancers are subdivided into those without a pension fund (marketing consultants, business consultants, etc.) and those who are registered with a pension fund but pay to the separate scheme the contributions related to their professional activities other than the ones linked to their own pension fund;

b) workers without a VAT registration number (1,049,924 in 2022) with coordinated and continuous collaboration jobs, whose contributions are paid by their clients; they are a non-homogeneous group that includes those with true coordinated and continuous collaborations, with or without a project, but also administrators, auditors, auditors of companies and entities, collaborators of newspapers, magazines or encyclopaedias, PhD students, recipients of research grants and of other types of scholarships, students of medical specialization courses, and other minor categories.

Table 2.24 – Fund for atypical workers

Active workers paying contributions	1,592,000	Pensioners	586,480	**Ratio of the no. of active workers paying contributions vs. the no. of pensioners**	2.71
Contribution revenues before transfers	10,703	Pension expenditure net of GIAS	2,075	**Balance**	8,628
Average contributions net of transfers	6,46	Average pension before GIAS	3.84	**Average Pension/Average Contribution Ratio**	0.59
Note: revenues, expenditure and balances in billions of euros; average contributions and average pensions in thousands of euros					

These different groups briefly described above feature the so-called "exclusive" members (only registered with the separate scheme) who also have a VAT number, temporary workers in the sports sector and freelance professionals, who pay a contribution rate of **25%** on a taxable income up to the 113,520 euros; instead, temporary workers and other similar occupations pay a contribution rate of 33%, again calculated up to the aforementioned ceiling. In addition to the contributions to finance pension benefits, these workers pay contributions (always up to the above-mentioned ceiling) for sickness, maternity and unemployment, which amounted to 2.03% in 2023 for temporary workers and workers with similar occupations or 0.72% for those who are not required to pay contributions for Dis-Col (translator's note: unemployment benefits). The freelance professionals registered with this fund paid a rate of **1.23%** including **0.51%** for ***ISCRO (***translator's note: benefits for the self-employed***)*** for ***non-pension*** benefits. The so-called "competitors", i.e., pensioners or subjects with other sources of income and, therefore, registered with other schemes, paid a contribution rate of **24%** up to the same ceiling. Over time, the share of "competitors" among temporary workers had a significant growth (from 41.5% in 2015 to 49.2% in 2022); instead, their share among freelancers decreased from 26.7% in 2015 to 21.0% in 2022 and, out of a total of 1,526,309 members, this fund featured 909,083 exclusive members (59.6%) and 617,226 competitors (40.4%).

In 2023, this scheme obtained a very ***positive balance*** between contributions and benefits equal o **8,628 million** with **10,703 million euros'** worth of ***contribution revenues*** and **2,075 million euros'** worth of ***benefit expenditure***. This is the only compulsory pension fund whose benefits are exclusively calculated with the ***contribution-based method***. In 2023, it paid **586,480** benefits, slightly up with respect to 553,590 in 2022. The average pension amounts provided were also very low (**3,840 euros** per year) due to the short period of contribution and to low contributions, which initially did not exceed 12% of its members' annual taxable income, that has now been considerably increased. This fund should be restructured due to its significant contribution rate and its limited period of contribution seniority with respect to other funds; it contribution rate should be reasonably reduced since it is even higher than that of artisans and retailers; the same is also true for free-lancers without a certified roster, who often carry out the same job as those enrolled in these rosters: their rate disparity is indeed very considerable, ranging from an average of 14% for those registered with the privatized schemes to 25% for those without a professional roster.The financial and economic situation of INPS as a whole and of each individual fund.

At the end of 2022, the ***financial situation*** of INPS, Italy's largest social security agency, was characterized by a surplus of **29,784 million**, with a positive operating result of **2,063 million**[16]. This figure is the result of the difference between the deficits of almost all the funds and the surpluses of the fund for atypical workers equal to **163,265 million**, of the fund for temporary benefits equal to **230,879 million,** of the former ENPALS fund amounting to **6,721 million** and of other schemes for smaller amounts. This situation derives from a series of regulatory provisions to finance the deficits, also the ones granting additional welfare and income support benefits, contribution incentives and economic subsidies; the INPS surplus, amounting to 5,870 million in 2015 and to 78 million in 2016, derived from a previous law (Act no. 147/2013) designed to finance 21,698 million euros' worth of deficit of former INPDAP, merged into INPS on January 1, 2012[17]. Clearly, the difference of the financial and economic situation between December 31, 2020 and December 31, 2021 was solely due to the operating result for the year of 3,711 million, precisely the difference between the two results (14,559-10,848). In 2022, the situation was substantially different, with a surplus of 23,221 million euros and a positive operating result of 7,146 million, so with 5,227 million more than the simple sum of 10,848+7,146 (17,994). An analysis of these figures shows that the 23,221 million euros were reached first and foremost as a result of a debt repayment of 4,300 million through treasury advances (Article 1, par. 634 and 635 of Act no. 234/2021), in addition to the 16 million euros' worth of INPGI's statutory reserves and the 835 million euros' worth of INPGI's surplus (both of which were the result of the transfer of the suppressed INPGI substitutive fund to the FPLD fund managed by INPS). With the addition of 11 million to finance the deficit of the fund for housewives and some updated items of the intangible fixed assets amounting to 65 million, in 2022, INPS had a positive result equal to 23,221 million. With reference to the 2023 fiscal year, the surplus of 29,784 million consisted of the 2022 surplus (23,221 million), of the operating result (+ 2,063 million), and of the portion for 2023 of the 10-year repayment of the treasury advances referred to under Article 1, paragraphs 634 and 635, of Act no. 234/2021 (4,500 million).

Table 2.25 shows the overall picture of the economic and financial performance of all the funds managed by INPS, indicating for each of them the operating result for 2022-2023 and their financial situation on December 31 of each year (the data related to previous years are found in the previous Reports). In addition, as of 2018, the credit positions of the funds running a surplus no longer benefited from the legal receivable or payable interests following the provisions under the Budget Law no. 205 approved on December 27, 2017. It is important to look at the fund for farmers, tenant farmers and sharecroppers, which ran a capital deficit of **99,414 million**, due to the continuous decline in the number of people employed in the sector, with a ratio of 2.82 pensioners for every active worker paying contributions, the worst in the INPS universe. The fund for artisans too ran a very significant deficit (95,271million) with very negative economic results in recent years; in fact, the continuous reduction in the number of active workers and the constant growth in the number of pensioners of

[16] The overall and individual operating results shown in Table 2.24 differ from the pension results shown in the preceding sections devoted to individual funds because they take into account accruals, operating costs, transfers and other items.
[17] Similar effects were produced by the 2017 budget advances, amounting to no less than 61,787 million, provided for under Act no 205/2017, (Art. 1, par. 178-179); in fact, at the end of 2018, despite a negative operating result of 7,839 million, these provisions led to a surplus of 47,042 million; the same happened in the following years: in 2019 with a negative operating result of 7.283 million and an accounting result of 39,759 million, in 2020, with a negative operating result of 25,199 million and an accounting result of 14,559 million, in 2021, with a negative operating result of 3,711 million and an accounting result of 10,848 million, and finally in 2022 with an operating result of 7,146 million and an accounting result of 23,221 million.

this fund is a source of concern. The deficit of the fund for public-sector employed workers (former INPDAP) was slightly lower, amounting to 85,643 million in 2023, with a negative operating result equal to 18,985 million. Section 2.3 illustrates the critical factors of this fund, in particular the halt to turnover in the public administration in the last few years.

With regard to the category of ***private-sector employed workers***, essentially FPLD and the Fund for Temporary Benefits (GPT), both financed by workers and their employers, it is important to bear in mind that its relative financial equilibrium over time has been obtained thanks to the surplus of GPT, even if the pandemic and the economic slump have led to a reduction in its contribution revenues and an increase in its benefits, in particular for redundancies; in fact, in 2020, it featured a negative operating result equal to 3. 803 million, with a financial situation of 200,648 million; instead, the economic recovery and the consequent, albeit partial, adjustment of the CIG redundancy fund produced a positive operating result of 6,965 million in 2021, and of 9,795 million in 2022 thanks to another rebound in the economy; so, the economic and financial situation gradually improved with 207,613 million in 2021 and 217,418 million in 2022; the positive trend continued in 2023 with an operating result of 12,661 million and a surplus of 230,079 million. In any case, over the 2021-2023 three-year period, the 2021 and 2022 surplus managed to largely offset the liabilities of FPLD (including the former special funds), which amounted to 92,053 million in 2021, to 76,421 million in 2022 (including the former INPGI fund for the second half of the year), and to 64,593 million in 2023. As far as the special funds are concerned, the table shows the operating results and the financial situation of each special fund; by the end of 2023, all the special funds had a very negative financial situation (from 16,183 million euros for the former telephony fund to 58,511 million for the former INPDAI fund) mainly due to the halt to new members, with the exception of the transport fund. Therefore, it no longer makes sense to manage these funds with separate accounts precisely because the newly hired workers in these sectors are registered with FPLD, and this results in the deterioration of their operating results and in their financial and economic performance.

Table 2.25 - Economic and financial trends of the funds managed by INPS

FUNDS AND SCHEMES	2021 - Accounts		2022 – Accounts		2023 – Accounts	
	Operating result	Finacial situation by 31/12/2021	Operating result	Financial situation by 31/12/2022	Operating result	Financial situation by 31/12/2023
AGO PENSION SCHEMES						
*** PENSION FUND FOR EMPLOYED WORKERS**	**7,735**	**-92,053**	**10,969**	**-76,421**	**7,869**	**-64,593**
Pension Fund for employed workers	*16,645*	***22,396***	*20,440*	***46,268***	*18,353*	***68,182***
Former transport fund	*-867*	***-19,085***	*-874*	***-19,870***	*-917*	***-20,693***
Former Electricity fund	*-2,246*	***-33,076***	*-2,303*	***-35,284***	*-2,637*	***-37,822***
Former telephony fund	*-1,404*	***-13,108***	*-1,452*	***-14,560***	*-1,623*	***-16,183***
Former Inpdai	*-4,392*	***-49,180***	*-4,696*	***-53,680***	*-5,036*	***-58,511***
Former INPGI			*-146*	***705***	*-272*	***434***
Funds for self-employed workers						
* FUND FOR FARMERS, TENTANT FARMERS AND SHARECROPPPERS	-2,911	**-95,337**	-2,333	**-97,517**	-2,052	**-99,414**
* FUND FOR ARTISANS	-5,704	**-86,981**	-4,223	**-90,836**	-4,815	**-95,271**
* FUND FOR RETAILERS	-2,247	**-20,967**	-1,701	**-22,665**	-1,937	**-24,602**
* FUND FOR ATYPICAL WORKERS	7,631	**145,409**	8,712	**154,122**	9,143	**163,265**
EXCLUSIVE AGO PENSION FUNDS						
* SPECIAL FUND FOR PUBLIC EMPLOYEES (*)	-14,435	**-50,703**	-15,970	**-66,658**	-18,985	**-85,643**
AGO SUBSTITUTIVE PENSION FUNDS						
* FUND FOR CUSTOMS OFFICERS	0	**0**	0	**0**	0	**0**
* AVIATION FUND	-227	**-1,608**	-212	**-1,820**	-153	**-1,973**
* FUND FOR CUSTOMS SHIPPERS	0	**13**	0	**13**	0	**13**
* SPECIAL SCHEME FOR FERROVIE DELLOSTATO WORKERS	0	**1**	0	**1**	0	**1**
* SPECIAL SCHEME FOR POSTE ITALIANE SpA WORKERS	-697	**-1,986**	-891	**-2,877**	-1,204	**-4,082**
* SPECIAL FUND FOR FORMER ENPALS EMPLOYEES	329	**5,880**	386	**6,265**	455	**6,721**
SUPPLEMENTARY AGO PENSION FUNDS						
* SPECIAL SCHEME FOR MINERS	-8	**-606**	-7	**-612**	-7	**-618**
* GAS FUND	-9	**88**	2	**90**	-11	**80**
* PENSION FUND FOR TAX COLLECTORS	22	**1,098**	2	**1,099**	10	**1,109**
* SPECIAL SCHEME FOR DISSOLVED ENTITIES	0	**0**	0	**0**	0	**0**
* FUND FOR THE GENOA AND TRIESTE PORT AUTHORITY EMPLOYED WORKERS	0	**0**	0	**0**	0	**0**
MINOR PENSION SCHEMES						
* CLERGY FUND	-41	**-2,346**	-41	**-2,383**	-43	**-2,422**
* OTHER FUNDS	-1	**-141**	-1	**-131**	-1	**-132**
TEMPORARYBENEFIT SCHEME	6,965	**207,613**	9,795	**217,418**	12,661	**230,079**
OTHER MINOR SCHEMES	-113	**3,438**	2,660	**6,095**	1,135	**7,230**
OTHERS	0	**39**	0	**38**	0	**38**
TOTAL FOR ALL THE FUNDS	**-3,711**	**10,848**	**7,146**	**23,221**	**2,063**	**29,784**

Finally, on a more general level, it should be pointed out that, over time, the restructuring of important sectors of the Italian economy, improperly charged as "national pension expenses" rather than as "income support" measures, has also contributed to the worsening of these financial and economic results. As illustrated in the analysis of the individual funds, there are many sectors in this situation in addition to agriculture (it is possible to say that INPS has improperly financed Italy's transition from agriculture to industry), such as the steel, paper and port industries (with early retirements even 10 years before the statutory retirement age) and important companies such as Fiat, Olivetti, Ferrovie dello Stato, Alitalia and the Poste.

2.9 Types of INPS pension benefits by gender, fund and amount

In order to better understand the invalidity, old-age and survivors' (IVS) pensions paid out up to January 1, 2023 by all the INPS pension and welfare funds, with the exclusion of the pension benefits provided by the privatized schemes for professionals and by supplementary funds, the INAIL indemnity pensions and the veterans' pensions, it is interesting to break them down according to the system on the basis of which they are calculated[18], classified as follows:

1. ***Pure income-based system***: applicable to the workers who had retired before January 1, 1996 or those who were over **18 *years of ag*e** on January 1, 1996 and had retired by ***December* 31, 2011.** This is the system used to calculate their pensions;
2. ***Mixed system - Dini Reform***: applicable to those who were under 18 years of age on January 1, 1996 and who retired in subsequent years; when their IVS pension was paid, the income-based system was applied on the first part of their benefits accrued from the date of their first contribution up to December 31, 1995, and the contribution-based system on the benefits accrued from January 1, 1996 to the date of their retirement. The pensions accrued under the "mixed system" are calculated with the more favourable rules of the income-based system, so no cap on contributions and the right to minimum benefits;
3. ***Mixed system - Monti-Fornero Reform***: applicable to those who were above 18 years of age on January 1, 1996 under the pure income-based system, and who retired after January 1, 2012. When their IVS pensions are paid, the income-based system is applied on the first part of their benefits accrued from the date of their first contribution up to December 31, 2011, and the contribution-based calculation on the benefits accrued from January 1, 2012 to the date of their retirement. They, too, retain all the more favourable rules of the income-based regime;
4. ***Pure contribution-based system***: applicable for the calculation of the invalidity, old-age and survivors' pensions to all the workers who paid their first contribution as of January 1, 1996. A salary/pension ceiling was introduced beyond which no contributions are due and the pensions are capped at the contribution ceiling (around 112,680 euros in 2023); these benefits are characterized by more restrictive retirement requirements than those of the mixed system and do not include supplementary minimum benefits in case of low contributions; in a pay-as-you-go system such as that of Italy, they should be absolutely aligned with those provided under the mixed system. A first step was taken with the 2024 Budget Law (see the Appendix).

[18] At www.itinerariprevidenziali.it, a more detailed Table D2 is available with the pensions by type of system and fund.

5. *Miscellaneous schemes*: this classification includes the substitutive funds (funds for public-sector employed workers (GPD), for workers in the entertainment and sports sectors, and for the railway, aviation, post, customs and hauling sectors), whose pensions have been paid by applying one of the systems described above, but for which no such breakdowns are yet statistically available. This group also includes supplementary funds, non-compulsory schemes and the clergy fund, which apply the supplementary or the fully-funded system in the calculation of their benefits, as well as the more recent aggregation and cumulation of the contributions paid in different funds during their members' working life;

6. *Welfare system*: it provides for a fixed amount of welfare benefits (social pensions and allowances, pensions for disabled civilians, carers' allowance, allowance for hearing-impaired minors, school-integration allowance for disabled minors) paid for 13 months, and of indemnities paid for 12 months, for which no contributions are paid and which are financed by tax revenues; this amount is adjusted every year and is subject to means testing, except for allowances.

The number of benefits paid by all INPS schemes amounted to **20,913,338** by January 1, 2024 (***Table 2.26***), of which 16,770,564, i.e. 80.2%, were invalidity, old-age and survivors' pensions and 4,142,774, that is 19.8%, were welfare benefits managed by INPS (excluding the 102,724 "veterans" benefits provided by the Ministry of the Economy in 2023); the INPS invalidity, old-age and survivors' pensions also included 2,259,766 supplementary minimum benefits provided to beneficiaries of any other supplementary benefits such as the additional social benefits, the 14th monthly payment and the additional amount which also incorporate a substantial welfare share; in all, 6,556,991 million partially or totally subsidized recipients of IVS and welfare benefits; finally, unprivileged households have been allocated the "Dedicata a te" (Dedicated to you) shopping card. The number of pensions classified in the single old age + seniority/early retirement category amounted to11,732,168, consisting 6,906,641 seniority or early retirement pensions, of which 66.6% for men and 33.4% for women, and 4,825,366 old age pensions, 38.6% of which for men and 61.4% for women. The total gross annual expenditure for the old age + seniority/early retirement benefits was equal to 253,920.7 million, of which 75.1%, for seniority/early retirement pensions and 24.9%, for old age pensions. Men received 70.7% of the total seniority/early retirement amount and women the remaining 29.3%; instead, 47.7% of the total amount for the old age category was paid to men and the remaining 52.3% to women. The number of invalidity pensions reached 874,904, of which 57.7% paid to men and 42.3% to women. The number of survivors' pensions was equal to 4,163,492, almost all of which paid to women (86.7%) and only 13.3% to men, who accounted for 9.0% of total expenditure (46,002.5 million euros).

The number of INPS welfare benefits included 844,820 social pensions and allowances and 3,297,954 pensions for disabled civilians and allowances for a total annual amount of 25,871.8 million euros (of which 5,928.7 million for social pensions/allowances and 19,943.1 million for benefits for disabled civilians). ***Table 2.26*** shows that, out of the pensions paid under the different systems up to January 1, 2024, 8,563,896 pensions (40.9% of the total) were still paid under the ***income-based system*** by the funds for employed (FPLD) and self-employed workers, with an ***average age of pensioners*** of 81.0 years (on average 79.9 years for men and 81.7 years for women). The expenditure for these IVS pensions provided before 2012 entirely under the income-based system, amounted to 131,003.6 million, that is 38.7% of the total annual expenditure (338,813.1 million); they will be phased out over time, because this system ceased to exist on January 1, 2012 with the entry into force of the Monti-Fornero reform.The ***mixed system*** is divided into two sub-systems: a) the ***mixed system of the Dini reform*** with 2,161,343 pensions provided by the FPLD and self-employed schemes (10.3% of the total), with an average age of 67.7 years (66.5 years for men and 68.9 years for women); it applies to the last baby boomers who did not have 18 years of contribution seniority on January 1, 1996, but who, on January 1, 2023 had reached the seniority requirements for early retirement or had taken advantage of the numerous early-retirement options (Early pension, 100, 102, 103 Quotas, Early workers, Women's Option, etc.) and of the safeguards put in place in the last decade; this group is destined to grow in the coming years.

Table 2.26 - INPS private and public-sector pensions paid by January 2024 by fund, gender and category of workers[19]

Pension systems	Gender	Old-age/Seniority/Early pensions(3)			Invalidity			Survivors			Total IVS Pensions (1) (2)			Total INPS pensions by 1.1.2024 (IVS + social pensions and allowances and benefits for disabled civilians)		
		No. of Pensions	Average monthly amount	Average age	No. of Pensions	Average monthly amount	Average age	No. of Pensions	Average monthly amount	Average age	No. of Pensions	Average monthly amount	Average age	No. of Pensions	Average monthly amount	Average age
Income-based system	**Males**	2.933.970	1.796,20	79,9	115.681	1.033,73	78,3	327.960	512,51	80,2	3.377.611	1.645,45	79,9	3.377.611	1.645,45	79,9
	Females	2.478.615	934,53	81,5	146.033	639,76	85,1	2.561.637	823,60	81,8	5.186.285	871,44	81,7	5.186.285	871,44	81,7
	Total	***5.412.585***	***1.401,61***	***80,6***	***261.714***	***813,90***	***82,1***	***2.889.597***	***788,30***	***81,6***	***8.563.896***	***1.176,71***	***81,0***	***8.563.896***	***1.176,71***	***81,0***
Mixed reform 01.01.1995 (Dini)	**Males**	770.152	1.716,67	68,0	215.825	931,9	60,6	74.789	467,09	67,7	1.060.766	1.468,90	66,5	1.060.766	1.468,90	66,5
	Females	755.319	972,57	72,1	107.357	730,48	61,2	237.901	705,93	62,2	1.100.577	891,32	68,9	1.100.577	891,32	68,9
	Total	***1.525.471***	***1.348,24***	***70,0***	***323.182***	***864,99***	***60,8***	***312.690***	***648,80***	***63,5***	***2.161.343***	***1.174,79***	***67,7***	***2.161.343***	***1.174,79***	***67,7***
Mixed Reform 01.01.2012 (Monti-Fornero)	**Males**	901.134	2.290,88	68,3	12.209	1.446,74	63,9	8.181	788,08	69,5	921.524	2.266,35	68,3	921.524	2.266,35	68,3
	Females	329.266	1.799,01	67,9	5.034	858,88	61,1	60.828	1.157,97	65,5	395.128	1.688,35	67,4	395.128	1.688,35	67,4
	Total	***1.230.400***	***2.159,25***	***68,2***	***17.243***	***1.275,12***	***63,1***	***69.009***	***1.114,12***	***65,9***	***1.316.652***	***2.092,89***	***68,0***	***1.316.652***	***2.092,89***	***68,0***
Pure contribution-based system	**Males**	398.061	363,30	76,5	33.454	435,73	51,1	16.930	228,00	61,0	448.445	363,60	74,0	448.445	363,60	74,0
	Females	308.686	691,03	70,7	24.992	358,67	51,7	102.287	161,60	69,6	435.965	547,77	69,4	435.965	547,77	69,4
	Total	***706.747***	***506,45***	***74,0***	***58.446***	***402,78***	***51,4***	***119.217***	***171,03***	***68,4***	***884.410***	***454,38***	***71,7***	***884.410***	***454,38***	***71,7***
Total previous systems	**Males**	5.003.317	1.759,05	75,7	377.169	935,79	65,3	427.860	498,59	77,1	5.808.346	1.612,75	75,2	5.808.346	1.612,75	75,2
	Females	3.871.886	996,05	77,6	283.416	653,23	72,7	2.962.653	798,16	79,5	7.117.955	900,04	78,2	7.117.955	900,04	78,2
	Total	**8.875.203**	**1.426,19**	**76,6**	**660.585**	**814,56**	**68,5**	**3.390.513**	**760,36**	**79,2**	**12.926.301**	**1.220,29**	**76,8**	**12.926.301**	**1.220,29**	**76,8**
Various systems*	Males	1.429.873	2.718,95	74,0	127.948	2.462,82	69,7	124.967	827,47	72,4	1.682.788	2.559,01	73,6	1.682.788	2.559,01	73,6
	Females	1.427.092	2.093,00	74,3	86.371	1.715,73	74,0	648.012	1.322,88	78,6	2.161.475	1.847,04	75,6	2.161.475	1.847,04	75,6
	Total	***2.856.965***	***2.406,28***	***74,1***	***214.319***	***2.161,76***	***71,4***	***772.979***	***1.242,79***	***77,6***	***3.844.263***	***2.158,70***	***74,7***	***3.844.263***	***2.158,70***	***74,7***
Total Pensions by 1.1.2024 provided by the INPS Private, Public and Welfare schemes	**Males**	**6.433.190**	**1.972,40**	**75,3**	**505.117**	**1.322,60**	**66,4**	**552.827**	**572,94**	**76,0**	**7.491.134**	**1.825,31**	**74,8**	**9.196.003**	**1.580,20**	**71,7**
	Females	**5.298.978**	**1.291,47**	**76,7**	**369.787**	**901,41**	**73,0**	**3.610.665**	**892,34**	**79,3**	**9.279.430**	**1.120,63**	**77,6**	**11.717.335**	**991,68**	**76,1**
	Total	**11.732.168**	**1.664,85**	**75,9**	**874.904**	**1.144,58**	**69,2**	**4.163.492**	**849,93**	**78,9**	**16.770.564**	**1.435,40**	**76,3**	**20.913.338**	**1.250,47**	**74,2**

*Source: INPS – Statistical observatories of pensions on 1.1.2024.*Substitutive, supplementary and non-compulsory INPS funds (systems: income-based, mixed, supplementary, aggregation, cumulation, capitalisation) and Gestione Dipendenti Pubblici (GDP);*

(1) By 1.1.2024, the total number of IVS pensions with minimum supplementary benefits was 2,259,766 (83.3% paid to women and 16.7% to men) for a total amount of 17,225.9 million, of which 10,379.05 million calculated with the contribution-based system and 6,459.75 million for the share of supplementary minimum benefits provided by the pension schemes. The breakdown by category of pensions with supplementary minimum benefits is as follows: 1,239,666 pensions (13.8% for men and 86.2% for women) belong to the "total old age" category, of which 92.9% are old age pensions and 7.1% seniority pensions, 216,676 are in the disability pension category, of which 58.0% for women and 42.0% for men, and 803,424 belong to the "survivors'" category, of which 85.9% for women and 14.1% for men;
(2) The number of pensions with the additional social allowance was 1,154,608, equal to 5.5% of the total number of outstanding pensions, of which those pursuant to Article 38 of Act no. 488/2001 (the so-called Berlusconi million) amounted to 423,311, the number of pensions with the additional benefits envisaged under Act no. 544/1988 (Article 1 and 2) was equal to 47,376 and that of pensions with both additional benefits to 683,901. The additional social allowances are granted to almost all categories of pensions and can also be cumulated with the supplementary minimum benefits, but they mainly inflate welfare benefits (old age 11.9%, disability 1.5%, survivors 16.9%, social pensions/allowances 40.0%, benefits for disabled civilians 29.7%). In 2023, the total amount disbursed for the additional social benefits provided for under Art. 38 of Act no. 488/2001 and no. 544/1988 (Art. 1 and 2) reached 3,053.59 million.

(3) The 11,732,168 "old age + seniority/early" pensions provided by the INPS private and public-sector funds, include 6,906,641 seniority/early retirement pensions, of which 66.2% paid to men and 33.8% to women, and 4,825,527 old age pensions, of which 38.6% paid to men and 61.4% to women. The total annual expenditure for the old-age total (seniority/early pensions + early retirement and old age pensions) amounted to 253,920.7 million euros, of which 75.1% for seniority/early pensions + early retirement pensions and 24.9% for old age pensions. Men received 70.7% of the total amount for seniority/early pensions + early retirement and women the remaining 29.3%; 47.7% of the total amount for the old age category was paid to men and the remaining 52.3% to women.

The mixed system under the Monti-Fornero reform - It regulates the provision of 1,316,652 IVS pensions by the FPLD and self-employed funds (6.3% of all pensions) to baby boomers with an average age of 68.0 years (68.3 years for men and 67.4 years for women), slightly higher than in the past; the oldest beneficiaries feature many years of contribution seniority and benefits calculated on the basis of the pure income-based system, and they already had 18 years of contribution seniority on January 1, 1996, perhaps also thanks to the redemption of their university degree, with working periods exceeding the minimum seniority requirements; some continued working after January 1,

[19] The information below has been extracted from the Statistical Observatories published by INPS, with reference to the stock existing on 1 January 2024, after the pension renewal operations. The difference between the data related to the number of pensions and to the total annual expenditure amounts, is explored in more detail in Chapter 5.

2012 (entry into force of the Monti-Fornero reform) to fill employment gaps or for economic reasons; in fact, their average pensions of 2,092.89 euros per month (2,266.35 euros per month for men and 1,688.35 for women) are the highest within the above-mentioned pension systems; most of them are registered with the fund for private-sector employed workers (2,382.02 per month on average); this group is destined to shrink in the coming years.

The 884,410 IVS pensions paid so far (just 4.2% of all pensions) under the ***pure contribution-based system*** were provided by the funds for private-sector employed and self-employed workers; they also include 581,148 pensions provided by the separate scheme set up on January, 2, 1996, 84.5% of which are ***supplementary old age pensions*** (second pensions)**,** with an average monthly amount of 312.26 and an average age of 76.4 years (pensioners born between 1946 and 1947). In fact, for the old age category of this separate scheme, these are supplementary pensions obtained after fulfilling the statutory age requirements for old age pensions (67 years), calculated on the basis of the contributions paid for consultancies or for temporary contracts, which are not sufficient to be entitled to an independent pension right, and of the contributions paid to the fund from which they receive their main pension. On the other hand, the low average age of the invalidity and survivors' pensioners of the funds for employed and self-employed workers suggests that these are young people who started working as of January 1, 1996 and who became disabled or died while still working and therefore their survivors are fairly young.

In order to provide a comprehensive picture of the benefits provided by INPS, also broken down by category, ***Table 2.27*** (ex A.10 of the X Report) compares the number of outstanding pensions on January 1, 2023 and 2024. It is important to recall that the number of benefits does not coincide with the actual number of pensioners because each pensioner receives on average more than 1.412 pension and welfare benefits. Finally, the change in the number of outstanding pensions in the year considered, as well as the change in the number of pensioners, are influenced by the following algebraic sum: the new pensions paid out (more or less high propensity to retire, also depending on the regulations), the elimination rate (e.g. higher or lower mortality rate in the year compared to the previous year) and a longer life expectancy.

2.9.1 Benefits paid by INPS in 2023

Table 2.28 shows the 1997-2023 historical series of pensions and welfare benefits paid by INPS to private-sector workers (excluding civil servants), classified by the year when benefits started being provided (year of inception) and by gender; these include benefits for disabled civilians (pensions and allowances), whose fund was transferred to INPS by the Ministry of the Interior on September 3, 1998, so the welfare benefit statistics have been available since 2001. In the categories illustrated, early retirements have been classified in the "seniority /early pension/early retirement" category, rather than in the old age pension category, as was the case in the past.
They include early retirements, which very often were used as ***social shock absorbers and their costs were charged as "pension benefits" and not as "income-support benefits"***, as many EU countries do, and as is the case for other types of safety net measures; it will suffice to think of the massive redundancies granted first to Fiat and Olivetti, then to the port, metalworking and paper sectors, and finally to the privatised state companies including the state railways, former Alitalia and the Poste, just to mention the main ones. Even seniority pensions were granted before the age of 50 with 30 years of contributions, especially for early retirement purposes, even 10 or more years earlier than

the very low requirements of the time; moreover, until 1981, the disability and incapacity requirements were not very stringent and they were linked more to the employment situation of the area than to the true state of health of the worker. It will still take years to reduce these anomalies that still weigh down on the financial situation of the pension system; mistakes which must be avoided in the future.

Table 2.27 - INPS private and public-sector outstanding pensions by January 1, 2023 and 2024 by category and gender

Outstanding Pensions by 1.1.2024				Reminder	Absolute difference 2024-2023	%Change 2023/2024
	INPS Fund for private-sector employed workers (*)	INPS fund for public-sector employed workers – GDP	Total for the INPS private and public-sector funds	Outstanding Pensions by 1.1.2023		
	Old age			Old age	Old age	
Males	1,664,584	195,677	1,860,261	1,838,860	21,401	1.16
Females	2,702,677	262,589	2,965,266	2,986,506	-21,240	-0.71
Total	**4,367,261**	**458,266**	**4,825,527**	**4,825,366**	**161**	**0.003**
	Early retirement (early pensions+seniority+early retirement)			Early pensions and early retirement	Early pensions and early retirement	
Males	3,733,773	839,156	4,572,929	4,566,541	6,388	0.14
Females	1,324,680	1,009,032	2,333,712	2,287,984	45,728	2.00
Total	**5,058,453**	**1,848,188**	**6,906,641**	**6,854,525**	**52,116**	**0.76**
	Invalidity			Invalidity	Invalidity	
Males	385,897	119,220	505,117	515,239	-10,122	-1.96
Females	290,575	79,212	369,787	392,078	-22,291	-5.69
Total	**676,472**	**198,432**	**874,904**	**907,317**	**-32,413**	**-3.57**
	Survivors			Survivors	Survivors	
Males	441,394	111,433	552,827	552,191	636	0.12
Females	3,089,412	521,253	3,610,665	3,654,059	-43,394	-1.19
Total	**3,530,806**	**632,686**	**4,163,492**	**4,206,250**	**-42,758**	**-1.02**
	Welfare benefits			Welfare benefits	Welfare benefits	
Males	1,704,869	-	1,704,869	1,642,955	61,914	3.77
Females	2,437,905	-	2,437,905	2,390,255	47,650	1.99
Total	**4,142,774**	**-**	**4,142,774**	**4,033,210**	**109,564**	**2.72**
	Total			Total	Total	
Males	**7,930,517**	**1,265,486**	**9,196,003**	**9,115,786**	80,217	0.88
Females	**9,845,249**	**1,872,086**	**11,717,335**	**11,710,882**	6,453	0.06
Total	**17,775,766**	**3,137,572**	**20,913,338**	**20,826,668**	**86,670**	**0.42**

(*) Since 1.1.2020, the INPS Pension Observatory has also included the Fund for entertainment, show-business and sports workers, previously included in an ad-hoc observatory

Source: INPS –Observatories of pensions 1.1.2024

Table 2.28 - 1997-2023 historical series of the new INPS pensions in the private sector paid by year of inception, category, and gender, and the average effective retirement age

Anno di decorrenza della pensione	Sesso	Anzianità/Anticipate e Prepensionamenti			Vecchiaia			Totale Vecchiaia			Invalidità			Superstite			Pensioni/assegni sociali			Invalidi civili			Totale Gestioni INPS Settore Privato		
		Numero pensioni	Importo medio mensile	Età media	Numero pensioni	Importo medio mensile	Età media	Numero pensioni	Importo medio mensile	Età media	Numero pensioni	Importo medio mensile	Età media	Numero pensioni	Importo medio mensile	Età media	Numero pensioni	Importo medio mensile	Età media	Numero pensioni	Importo medio mensile	Età media	Numero pensioni	Importo medio mensile	Età media
1997	Maschi	227.085	1.040,85	56,3	67.980	520,17	63,5	295.065	920,89	58,0	33.583	563,57	51,4	39.091	272,59	72,1	15.209	221,33	65,7	-	-	-	382.948	795,60	59,1
	Femmine	40.828	780,98	54,3	91.293	389,69	59,3	132.121	510,61	57,8	12.637	391,43	49,4	178.735	390,08	68,2	39.342	196,71	65,5	-	-	-	362.835	413,05	63,4
	Totale	267.913	1.001,25	56,0	159.273	445,38	61,1	427.186	794,00	57,9	46.220	516,50	50,9	217.826	369,00	68,9	54.551	203,57	65,5	-	-	-	745.783	609,48	61,2
1998	Maschi	123.029	1.182,90	55,9	67.477	538,95	63,7	190.506	954,81	58,6	32.106	586,96	51,6	37.316	278,14	72,2	18.501	231,16	66,0	-	-	-	278.429	773,62	60,1
	Femmine	26.040	960,08	53,8	103.543	396,64	59,3	129.583	509,86	58,2	12.141	421,41	49,5	168.109	401,48	68,5	40.255	221,82	65,5	-	-	-	350.088	421,63	63,7
	Totale	149.069	1.143,97	55,5	171.020	452,79	61,0	320.089	774,68	58,4	44.247	541,53	51,1	205.425	379,07	69,2	58.756	224,76	65,6	-	-	-	628.517	577,56	62,1
1999	Maschi	146.967	1.124,38	57,1	53.333	524,05	64,1	200.300	964,53	59,0	29.898	607,48	51,6	35.652	282,20	72,6	14.968	248,40	66,9	-	-	-	280.818	801,72	60,4
	Femmine	31.355	903,24	54,7	79.095	399,77	59,9	110.450	542,70	58,4	11.802	438,40	49,7	159.550	414,36	68,7	27.568	216,30	65,9	-	-	-	309.370	443,44	64,1
	Totale	178.322	1.085,49	56,7	132.428	449,82	61,6	310.750	814,60	58,8	41.700	559,63	51,1	195.202	390,22	69,4	42.536	227,59	66,3	-	-	-	590.188	613,92	62,3
2000	Maschi	138.584	1.123,92	57,7	60.602	495,43	64,4	199.186	932,70	59,7	31.962	629,81	51,8	38.153	288,28	72,6	22.404	243,89	67,2	-	-	-	291.705	762,32	61,1
	Femmine	29.392	884,26	55,6	87.315	408,45	60,0	116.707	528,28	58,9	12.930	459,94	49,7	171.545	425,55	68,9	29.503	220,75	66,0	-	-	-	330.685	444,88	64,4
	Totale	167.976	1.081,98	57,4	147.917	444,08	61,8	315.893	783,29	59,4	44.892	580,88	51,2	209.698	400,57	69,6	51.907	230,74	66,5	-	-	-	622.390	593,66	62,9
2001	Maschi	150.260	1.230,05	57,3	67.735	516,62	64,6	217.995	1.008,37	59,6	33.168	667,06	51,7	34.692	298,66	72,5	20.951	247,26	67,4	105.410	347,11	62,7	412.216	713,40	61,2
	Femmine	32.754	959,19	55,9	109.555	432,00	60,2	142.309	553,34	59,2	13.643	490,27	50,0	156.474	448,43	69,1	23.302	229,86	66,5	178.003	362,65	71,6	513.731	438,96	66,6
	Totale	183.014	1.181,57	57,1	177.290	464,33	61,9	360.304	828,65	59,5	46.811	615,53	51,2	191.166	421,25	69,7	44.253	238,09	66,9	283.413	356,87	68,3	925.947	561,14	64,2
2002	Maschi	165.623	1.274,38	56,9	77.538	534,93	64,8	243.161	1.038,58	59,4	35.144	692,54	51,7	38.019	314,25	72,8	18.219	272,77	67,3	151.873	355,96	63,3	486.416	715,15	61,4
	Femmine	39.019	954,21	55,7	123.133	445,55	60,3	162.152	567,95	59,2	14.745	525,62	49,8	167.774	471,20	69,5	23.409	254,59	67,0	255.736	369,30	71,6	623.816	447,73	67,1
	Totale	204.642	1.213,33	56,7	200.671	480,08	62,0	405.313	850,30	59,3	49.889	643,20	51,1	205.793	442,20	70,1	41.628	262,55	67,1	407.609	364,33	68,5	1.110.232	564,89	64,6
2003	Maschi	167.873	1.293,99	57,3	86.799	543,88	65,2	254.672	1.038,33	60,0	35.756	699,48	51,8	37.051	316,17	73,1	16.843	288,55	67,0	159.629	361,90	64,3	508.951	721,88	62,0
	Femmine	43.166	973,36	56,1	125.823	461,41	60,7	168.989	592,18	59,5	15.440	513,76	49,8	164.714	480,38	69,8	22.113	254,33	66,7	266.266	375,33	72,1	637.522	459,11	67,5
	Totale	211.039	1.228,41	57,0	212.622	495,08	62,6	423.661	860,37	59,8	51.196	643,47	51,2	201.765	450,23	70,4	38.956	269,12	66,8	425.895	370,30	69,2	1.141.473	575,12	65,0
2004	Maschi	174.127	1.437,82	57,2	90.955	580,86	65,3	265.082	1.143,78	60,0	34.665	714,95	51,6	35.609	326,27	72,9	15.759	302,20	66,9	154.744	370,49	65,1	505.859	794,08	62,1
	Femmine	47.793	1.081,35	56,1	125.600	475,76	60,9	173.393	642,68	59,6	14.635	530,25	49,9	157.359	512,75	69,8	20.375	268,20	66,6	258.905	384,09	72,5	624.667	487,92	67,5
	Totale	221.920	1.361,05	57,0	216.555	519,90	62,7	438.475	945,62	59,8	49.300	660,12	51,1	192.968	478,33	70,4	36.134	283,03	66,8	413.649	379,00	69,7	1.130.526	624,91	65,1
2005	Maschi	132.494	1.398,97	58,6	112.275	553,71	65,2	244.769	1.011,25	61,6	40.642	697,50	51,4	38.391	333,46	73,1	17.399	315,41	66,8	171.883	376,90	65,5	513.084	699,58	63,1
	Femmine	33.198	998,83	57,6	132.973	480,60	60,9	166.171	584,13	60,2	17.517	531,37	49,7	172.807	518,58	70,1	22.986	278,20	66,6	287.197	389,23	72,6	666.678	471,25	68,1
	Totale	165.692	1.318,80	58,4	245.248	514,07	62,9	410.940	838,54	61,0	58.159	647,46	50,9	211.198	484,93	70,6	40.385	294,23	66,7	459.080	384,62	69,9	1.179.762	570,55	65,9
2006	Maschi	164.953	1.495,02	57,8	109.275	511,31	65,1	274.228	1.103,03	60,7	37.440	709,55	51,5	35.849	339,07	73,3	15.893	321,58	66,9	173.267	384,14	66,1	536.677	769,31	62,8
	Femmine	49.598	1.144,31	56,9	144.106	492,74	60,9	193.704	659,57	59,9	16.614	530,76	49,6	158.237	534,37	70,4	20.170	287,41	66,7	279.632	395,19	72,5	668.357	504,88	67,6
	Totale	214.551	1.413,95	57,6	253.381	500,75	62,7	467.932	919,46	60,4	54.054	654,60	50,9	194.086	498,30	71,0	36.063	302,47	66,8	452.899	390,96	70,0	1.205.034	622,65	65,5
2007	Maschi	138.462	1.508,07	58,6	98.011	552,00	65,0	236.473	1.111,81	61,3	37.907	726,55	51,4	35.535	347,99	73,5	14.121	330,41	67,0	187.768	394,32	66,5	511.804	745,45	63,5
	Femmine	36.393	1.134,28	57,8	141.600	518,53	60,8	177.993	644,43	60,2	17.179	541,69	49,6	154.656	553,33	70,6	18.041	296,60	66,9	298.950	403,55	72,6	666.819	503,25	68,1
	Totale	174.855	1.430,27	58,5	239.611	532,22	62,5	414.466	911,09	60,8	55.086	668,90	50,8	190.191	514,96	71,1	32.162	311,45	66,9	486.718	399,99	70,3	1.178.623	608,42	66,1
2008	Maschi	168.170	1.668,57	58,4	69.145	560,67	65,6	237.315	1.345,77	60,5	38.862	722,24	51,5	36.980	352,43	73,8	17.066	346,15	67,0	204.937	400,51	66,5	535.160	837,99	63,3
	Femmine	45.620	1.262,97	57,4	90.795	531,00	61,5	136.415	775,78	60,1	17.487	535,30	49,8	160.810	564,48	71,0	19.942	310,20	67,2	319.552	410,30	72,6	654.206	524,70	68,8
	Totale	213.790	1.582,02	58,2	159.940	543,82	63,3	373.730	1.137,72	60,4	56.349	664,22	51,0	197.790	524,83	71,5	37.008	326,78	67,1	524.489	406,48	70,2	1.189.366	665,67	66,3
2009	Maschi	88.690	1.766,42	59,1	76.127	645,49	66,1	164.817	1.248,67	62,3	36.597	758,43	51,8	37.775	366,16	74,1	16.594	355,82	66,7	216.167	405,97	66,3	471.950	722,65	64,4
	Femmine	20.755	1.312,52	57,8	131.732	562,08	61,2	152.487	664,22	60,8	16.611	564,92	49,8	162.695	590,67	71,4	18.437	311,74	66,9	323.372	416,27	72,3	673.602	515,33	68,8
	Totale	109.445	1.680,34	58,9	207.859	592,63	63,0	317.304	967,80	61,6	53.208	698,02	51,2	200.470	548,37	71,9	35.031	332,62	66,8	539.539	412,15	69,9	1.145.552	600,74	67,0
2010	Maschi	135.131	1.756,60	58,8	74.710	641,12	66,1	209.841	1.359,45	61,4	36.577	752,94	51,9	36.702	367,91	74,0	16.102	361,88	66,5	191.862	408,89	65,9	491.084	836,09	63,6
	Femmine	39.647	1.407,85	57,8	122.423	578,95	61,3	162.070	781,72	60,4	16.558	557,82	49,7	157.894	599,75	71,6	17.122	319,99	66,7	282.773	422,47	72,4	636.417	558,70	68,4
	Totale	174.778	1.677,49	58,6	197.133	602,51	63,1	371.911	1.107,69	61,0	53.135	692,14	51,2	194.596	556,02	72,0	33.224	340,30	66,6	474.635	416,98	69,8	1.127.501	679,52	66,3
2011	Maschi	117.609	1.854,64	59,1	58.999	612,88	66,4	176.608	1.439,81	61,5	34.115	779,10	52,2	36.876	375,79	74,4	20.824	377,56	66,2	158.431	409,68	65,9	426.854	860,92	63,7
	Femmine	32.821	1.457,01	57,7	86.930	595,13	61,7	119.751	831,35	60,6	14.981	562,38	49,9	160.144	621,27	71,8	20.147	329,45	66,6	224.751	423,84	71,7	539.774	573,15	68,5
	Totale	150.430	1.767,89	58,8	145.929	602,30	63,6	296.359	1.193,95	61,1	49.096	712,97	51,5	197.020	575,33	72,3	40.971	353,90	66,4	383.182	417,99	69,3	966.628	700,22	66,4
2012	Maschi	90.312	1.892,76	59,8	55.704	704,30	66,7	146.016	1.439,37	62,4	34.525	808,05	52,7	37.582	387,99	74,8	22.464	395,26	66,1	196.451	413,42	65,3	437.038	784,25	64,2
	Femmine	27.668	1.492,38	58,4	78.358	656,28	62,1	106.026	874,46	61,1	15.637	578,75	50,3	164.580	643,72	72,2	21.228	338,92	66,5	276.423	430,48	72,2	583.894	571,85	69,4
	Totale	117.980	1.798,86	59,5	134.062	676,23	64,0	252.042	1.201,73	61,9	50.162	736,57	52,0	202.162	596,18	72,7	43.692	367,89	66,3	472.874	423,39	69,3	1.020.932	662,77	67,2
2013	Maschi	79.756	1.877,38	60,1	76.319	660,76	66,8	156.075	1.282,47	63,4	37.821	836,87	53,2	38.181	403,69	74,8	21.304	411,52	66,5	194.417	429,26	64,5	447.798	758,04	64,1
	Femmine	34.529	1.393,42	58,8	62.180	659,48	62,7	96.709	921,52	61,3	16.513	598,30	50,7	167.334	662,44	72,3	19.744	352,67	67,1	268.570	440,96	71,7	568.870	589,31	69,3
	Totale	114.285	1.731,16	59,7	138.499	660,18	64,9	252.784	1.144,38	62,6	54.334	764,37	52,4	205.515	614,37	72,8	41.048	383,21	66,8	462.987	436,05	68,7	1.016.668	663,63	67,0
2014	Maschi	45.135	2.012,77	60,5	85.926	691,23	66,9	131.061	1.146,34	64,7	38.548	851,42	53,6	37.187	412,62	75,0	26.151	422,59	66,4	200.707	433,32	64,1	433.654	683,56	64,4
	Femmine	43.676	1.499,46	59,1	32.013	636,51	63,8	75.689	1.134,47	61,1	17.329	595,16	51,2	163.204	684,41	72,5	23.650	364,85	66,9	277.218	444,96	71,6	557.090	610,06	69,6
	Totale	88.811	1.760,33	59,9	117.939	676,38	66,1	206.750	1.142,00	63,4	55.877	771,95	52,8	200.391	633,97	73,0	49.801	395,17	66,6	477.925	440,07	68,4	990.744	642,23	67,3
2015	Maschi	100.777	2.095,48	60,5	89.159	727,95	66,9	189.936	1.453,54	63,5	38.490	853,84	53,9	38.603	416,87	75,4	25.862	426,46	66,4	214.724	436,71	64,1	507.615	846,78	64,1
	Femmine	59.089	1.500,05	59,4	36.031	694,37	64,1	95.120	1.194,86	61,2	17.393	594,21	51,7	167.998	690,74	73,0	22.141	366,27	66,9	296.831	449,74	72,0	599.483	636,62	69,8
	Totale	159.866	1.875,40	60,1	125.190	718,29	66,1	285.056	1.367,22	62,7	55.883	773,03	53,2	206.601	639,57	73,4	48.003	398,70	66,6	511.555	444,27	68,7	1.107.098	732,98	67,2
2016	Maschi	86.248	2.104,01	61,1	72.528	745,56	67,2	158.776	1.483,48	63,9	38.794	844,03	54,3	36.741	414,05	75,4	20.229	429,52	66,7	214.303	440,37	64,4	468.843	824,49	64,4
	Femmine	42.314	1.456,86	59,8	32.533	680,15	64,6	74.847	1.119,26	61,9	18.500	580,09	52,1	160.773	701,21	73,0	16.900	373,15	67,5	294.801	453,84	72,2	565.821	613,87	70,3
	Totale	128.562	1.891,01	60,6	105.061	725,31	66,4	233.623	1.366,79	63,2	57.294	758,81	53,6	197.514	647,79	73,4	37.129	403,86	67,1	509.104	448,17	68,9	1.034.664	709,31	67,6
2017	Maschi	116.118	2.149,01	61,3	94.853	812,63	67,1	210.971	1.548,17	63,9	37.859	840,62	54,6	38.653	417,08	75,6	25.218	435,43	66,6	213.933	442,28	64,6	526.634	911,76	64,5
	Femmine	45.407	1.540,69	60,2	40.128	710,07	65,2	85.535	1.151,01	62,5	18.555	586,31	52,7	167.485	705,26	73,5	20.710	371,48	67,3	293.244	455,69	72,5	585.529	629,81	70,5
	Totale	161.525	1.978,00	61,0	134.981	782,14	66,5	296.506	1.433,60	63,5	56.414	756,97	54,0	206.138	651,22	73,9	45.928	406,59	66,9	507.177	450,03	69,1	1.112.163	763,32	67,7
2018	Maschi	124.088	2.121,15	61,3	105.011	900,91	67,1	229.099	1.561,84	63,9	37.917	843,01	54,9	38.039	421,37	75,7	10.706	436,26	68,4	231.528	443,44	64,7	547.289	937,61	64,5
	Femmine	45.478	1.701,86	60,4	32.870	565,42	66,3	78.348	1.225,08	62,9	18.970	594,26	53,2	164.987	719,51	73,5	10.899	396,23	69,3	314.801	456,91	72,6	588.005	636,25	70,9
	Totale	169.566	2.008,70	61,0	137.881	820,93	66,9	307.447	1.476,02	63,7	56.887	760,06	54,3	203.026	663,65	73,9	21.605	416,06	68,8	546.329	451,20	69,2	1.135.294	781,53	67,8
2019	Maschi	177.916	2.078,11	62,5	78.917	957,55	67,4	256.833	1.733,80	64,0	37.841	810,96	54,8	38.130	431,91	75,8	9.804	445,73	69,1	239.218	447,36	65,1	581.826	######	64,7
	Femmine	62.179	1.533,17	61,4	40.363	580,48	67,0	102.542	1.158,17	63,6	20.085	583,19	53,5	167.596	734,11	73,8	11.666	399,13	69,7	326.768	459,46	72,7	628.657	649,48	70,9
	Totale	240.095	1.936,99	62,2	119.280	829,95	67,3	359.375	1.569,55	63,9	57.926	731,98	54,4	205.726	678,10	74,2	21.470	420,41	69,4	565.986	454,34	69,5	1.210.483	836,14	67,9
2020	Maschi	164.398	2.115,30	61,9	110.684	1.038,14	67,4	275.082	1.681,89	64,1	31.785	789,55	54,8	39.150	433,16	76,1	15.464	444,74	68,3	189.280	466,14	65,3	550.761	######	64,9
	Femmine	71.767	1.535,00	61,3	85.247	681,42	67,2	157.014	1.071,57	64,5	17.429	581,03	53,8	181.478	752,90	74,0	18.324	388,79	68,5	257.965	472,20	72,3	632.210	702,21	70,3
	Totale	236.165	1.938,96	61,7	195.931	882,94	67,3	432.096	1.460,11	64,3	49.214	715,70	54,5	220.628	696,16	74,4	33.788	414,40	68,4	447.245	469,63	69,3	1.182.971	882,33	67,8
2021	Maschi	158.985	2.037,42	61,8	110.381	1.064,30	67,4	269.366	1.638,65	64,1	34.566	789,78	55,2	41.657	439,83	76,1	17.151	454,45	68,3	226.503	470,58	65,3	589.243	######	65,0
	Femmine	77.761	1.497,46	61,3	96.055	695,46	67,3	173.816	1.054,26	64,6	19.670	585,77	54,2	195.096	765,57	73,9	21.630	396,25	68,5	315.716	475,55	72,6	725.928	692,68	70,4
	Totale	236.746	1.860,07	61,6	206.436	892,68	67,3	443.182	1.409,45	64,3	54.236	715,79	54,8	236.753	708,26	74,3	38.781	421,99	68,4	542.219	473,47	69,6	1.315.171	839,62	68,0
2022	Maschi	144.312	2.001,65	61,6	118.024	1.100,98	67,4	262.336	1.596,44	64,2	35.273	786,23	55,4	40.753	442,76	76,3	19.341	470,72	68,3	245.099	474,36	64,7	602.802	978,68	64,9
	Femmine	78.410	1.485,98	61,1	104.087	712,37	67,3	182.497	1.044,75	64,7	19.752	586,52	54,3	181.812	780,50	74,4	24.830	411,07	68,6	338.529	479,06	72,6	747.420	691,09	70,5
	Totale	222.722	1.820,10	61,4	222.111	918,87	67,4	444.833	1.370,11	64,4	55.025	714,54	55,0	222.565	718,66	74,7	44.171	437,19	68,5	583.628	477,09	69,3	1.350.222	819,48	68,0
2023	Maschi	135.866	2.024,15	61,5	122.600	1.124,07	67,5	258.466	1.597,21	64,3	39.131	823,88	55,6	39.400	483,35	76,2	21.927	510,39	68,4	259.870	482,19	63,0	618.794	970,61	64,1
	Femmine	58.716	1.571,52	61,2	112.336	744,58	67,4	171.052	1.028,44	65,3	21.604	613,36	54,7	171.328	844,14	74,4	28.575	443,58	68,8	353.333	485,98	71,5	745.892	694,71	70,1
	Totale	194.582	1.887,57	61,4	234.936	942,61	67,5	429.518	1.370,70	64,7	60.735	749,00	55,3	210.728	776,68	74,8	50.502	472,59	68,6	613.203	484,38	67,9	1.364.686	819,81	67,4

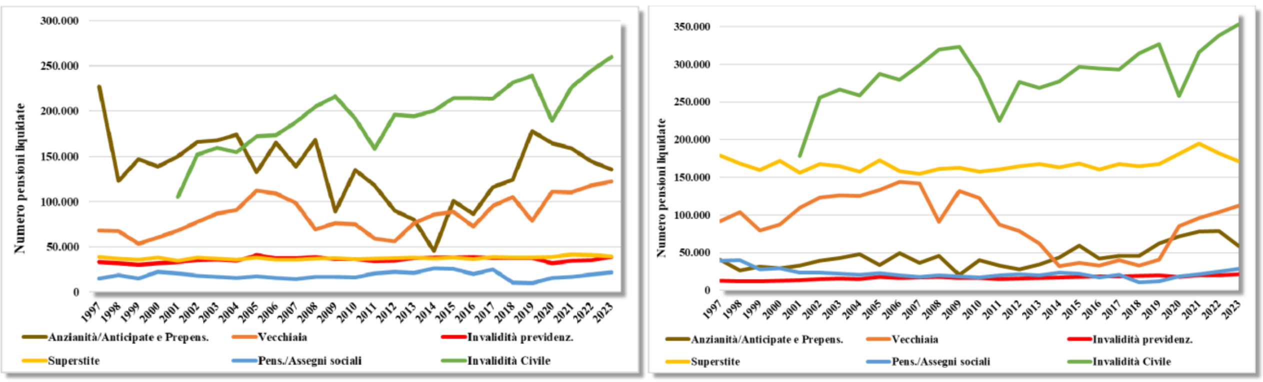
*Year of inception, Seniority/early pensions/early retirement, Old age, Total Old Age, Invalidity, Survivors, Pensions/social allowances, Disabled civilian, Total INPS funds for private-sector workers, No. of pensions, Average monthly amount, Av. age

Source: INPS – Observatory of pensions provided by the INPS private-sector funds - 1997-2023 historical series by year of inception (excluding the fund for public-sector employed workers- GPD)

In 2023, INPS paid 1,364,686 INPS pension and welfare benefits to private-sector employed workers, of which 745,892 to women (54.7%) with an average age of 70.1 years and 618,794 to men (45.3%) with a weighted average age of 67.4 years. ***Figures 2.3 and 2.4*** show the number of INPS pension and welfare benefits paid to private-sector employed men and women respectively from 1997 to 2023. show the number of these pension and welfare benefits provided to men and women working in the private sector from 1997 to 2022. There is a clear prevalence (green line) of ***pensions for disabled civilians***, especially for women, with respect to all the other pension categories in the period considered; the number of pensions for disabled civilians picked up again in 2021 after its drop for both genders in 2020 compared to 2019 due to the pandemic; in 2022, these benefits accounted for 40.8% of all the pensions paid to men and for 34.4% of all the pensions paid to women; while in 2023***, 259870 new benefits for disabled civilians*** were paid to men, accounting for 42.0% of all the new benefits paid to men (618,794) and ***353,333 new benefits for disabled civilians*** were paid to women, accounting for 47.4% of all the benefits paid to women (745,892).

Figures 2.3 and 2.4 – Number and type of INPS pensions from 1997 to 2023

Men ***Women***



Source: INPS - Statistical Observatory of INPS pensions paid by 1.1.2024 (excluding the fund for public-sector employed workers)

In 2023, women were the main beneficiaries of survivors' pensions, accounting for 23.0% of the all pensions paid to them (vs. 6.4% of all pensions paid to men), while men were the main recipients of seniority or early retirement pensions, accounting for 22.0% of all the pensions paid to them vs. 7.9% of all the pensions paid to women.

Table 2.29 (formerly A.9 of the X Report) shows the historical series of the flow of pensions paid each year from 2003 up to September 30, 2024, so not by ***year of inception***, as in the previous Table 2.28; moreover, unlike the previous Table 2.28, it also shows the pensions paid to public-sector employed workers, but without welfare benefits.

Table 2.29 - 2003-2023 historical series and retirement flows in the first three quarters of 2024 (payment years) related to the number of private and public-sector IVS pensions by category and gender

Year	Gender	No. old-age pensions(3)			No. of seniority/early pensions and early retirement (4)			No. of disability pensions			No. of survivors' pensions			TOTAL IVS PENSIONS PAID BY INPS
		INPS private sector (1)	INPS public sector	Total INPS old age	INPS private sector (1)	INPS public sector	Total INPS Sen../Early pensions	INPS private sector (1)	INPS public Sector	Total INPS Invalidity	INPS Private sector (1)	INPS public sector	Total INPS Survivors	
2003	Males	86,799	n,a,	86,799	167,873	n.a.	167,873	35,756	n.a.	35,756	37,051	n.a.	37,051	327,479
	Females	125,823	n,a,	125,823	43,166	n.a.	43,166	15,440	n.a.	15,440	164,714	n.a.	164,714	349,143
	Total	**212,622**	n,a,	**212,622**	**211,039**	n.a.	**206,931**	**51,196**	n.a.	**51,196**	**201,765**	n.a.	**201,765**	**672,514**
2004	Males	90,955	n,a,	91,567	174,127	n.a.	173,515	34,665	n.a.	34,665	35,609	n.a.	35,609	335,356
	Females	125,600	n,a,	125,852	47,793	n.a.	47,541	14,635	n.a.	14,635	157,359	n.a.	157,359	345,387
	Total	**216,555**	n,a,	**217,419**	**221,920**	n.a.	**221,056**	**49,300**	n.a.	**49,300**	**192,968**	n.a.	**192,968**	**680,743**
2005	Males	112,275	n,a,	112,800	132,494	n.a.	131,969	40,642	n.a.	40,642	38,391	n.a.	38,391	323,802
	Females	132,973	n,a,	133,258	33,198	n.a.	32,913	17,517	n.a.	17,517	172,807	n.a.	172,807	356,495
	Total	**245,248**	n,a,	**246,058**	**165,692**	n.a.	**164,882**	**58,159**	n.a.	**58,159**	**211,198**	n.a.	**211,198**	**680,297**
2006	Males	109,275	n,a,	109,710	164,953	n.a.	164,518	37,440	n.a.	37,440	35,849	n.a.	35,849	347,517
	Females	144,106	n,a,	144,289	49,598	n.a.	49,415	16,614	n.a.	16,614	158,237	n.a.	158,237	368,555
	Total	**253,381**	n,a,	**253,999**	**214,551**	n.a.	**213,933**	**54,054**	n.a.	**54,054**	**194,086**	n.a.	**194,086**	**716,072**
2007	Males	98,011	n,a,	98,422	138,462	n.a.	138,051	37,907	n.a.	37,907	35,535	n.a.	35,535	309,915
	Females	141,600	n,a,	141,693	36,393	n.a.	36,300	17,179	n.a.	17,179	154,656	n.a.	154,656	349,828
	Total	**239,611**	n,a,	**240,115**	**174,855**	n.a.	**174,351**	**55,086**	n.a.	**55,086**	**190,191**	n.a.	**190,191**	**659,743**
2008	Males	69,145	n,a,	69,145	168,170	n.a.	168,170	38,862	n.a.	38,862	36,980	n.a.	36,980	313,157
	Females	90,795	n,a,	90,795	45,620	n.a.	45,620	17,487	n.a.	17,487	160,810	n.a.	160,810	314,712
	Total	**159,940**	n,a,	**160,456**	**213,790**	n.a.	**213,790**	**56,349**	n.a.	**56,349**	**197,790**	n.a.	**197,790**	**628,385**
2009	Males	76,127	10,627	86,754	88,690	29.764	118,454	36,597	4.316	40,913	37,775	6.157	43,932	290,053
	Females	131,732	14,519	146,251	20,755	31.790	52,545	16,611	3.044	19,655	162,695	26.682	189,377	407,828
	Total	**207,859**	**25,146**	**233,005**	**109,445**	**61.554**	**170,999**	**53,208**	**7.360**	**60,568**	**200,470**	**32.839**	**233,309**	**697,881**
2010	Males	74,710	10,027	84,737	135,131	39.130	174,261	36,577	5.297	41,874	36,702	6.675	43,377	344,249
	Females	122,423	13,184	135,607	39,647	27.432	67,079	16,558	3.586	20,144	157,894	27.872	185,766	408,596
	Total	**197,133**	**23,211**	**220,344**	**174,778**	**66.562**	**241,340**	**53,135**	**8.883**	**62,018**	**194,596**	**34.547**	**229,143**	**752,845**
2011	Males	58,999	5,902	64,901	117,609	38.696	156,305	34,115	4.814	38,929	36,876	7.017	43,893	304,028
	Females	86,930	14,799	101,729	32,821	31.699	64,520	14,981	3.416	18,397	160,144	27.930	188,074	372,720
	Total	**145,929**	**20,701**	**166,630**	**150,430**	**70.395**	**220,825**	**49,096**	**8.230**	**57,326**	**197,020**	**34.947**	**231,967**	**676,748**
2012	Males	55,704	5,705	61,409	90,312	37.784	128,096	34,525	5.527	40,052	37,582	7.465	45,047	274,604
	Females	78,358	15,181	93,539	27,668	24.337	52,005	15,637	3.582	19,219	164,580	29.897	194,477	359,240
	Total	**134,062**	**20,886**	**154,948**	**117,980**	**62.121**	**180,101**	**50,162**	**9.109**	**59,271**	**202,162**	**37.362**	**239,524**	**633,844**
2013	Males	76,319	4,390	80,709	79,756	19.807	99,563	37,821	4.806	42,627	38,181	7.233	45,414	268,313
	Females	62,180	7,397	69,577	34,529	13.987	48,516	16,513	3.052	19,565	167,334	26.495	193,829	331,487
	Total	**138,499**	**11,787**	**150,286**	**114,285**	**33.794**	**148,079**	**54,334**	**7.858**	**62,192**	**205,515**	**33.728**	**239,243**	**599,800**
2014	Males	85,926	5,576	91,502	45,135	16.903	62,038	38,548	4.512	43,060	37,187	8.083	45,270	241,870
	Females	32,013	7,970	39,983	43,676	24.353	68,029	17,329	2.946	20,275	163,204	28.438	191,642	319,929
	Total	**117,939**	**13,546**	**131,485**	**88,811**	**41.256**	**130,067**	**55,877**	**7.458**	**63,335**	**200,391**	**36.521**	**236,912**	**561,799**
2015	Males	89,159	6,555	95,714	100,777	26.170	126,947	38,490	4.371	42,861	38,603	7.695	46,298	311,820
	Females	36,031	7,232	43,263	59,089	37.738	96,827	17,393	2.944	20,337	167,998	27.073	195,071	355,498
	Total	**125,190**	**13,787**	**138,977**	**159,866**	**63.908**	**223,774**	**55,883**	**7.315**	**63,198**	**206,601**	**34.768**	**241,369**	**667,318**
2016	Males	72,528	5,968	78,496	86,248	27.154	113,402	38,794	4.703	43,497	36,741	8.465	45,206	280,601
	Females	32,533	2,918	35,451	42,314	34.351	76,665	18,500	2.697	21,197	160,773	28.577	189,350	322,663
	Total	**105,061**	**8,886**	**113,947**	**128,562**	**61.505**	**190,067**	**57,294**	**7.400**	**64,694**	**197,514**	**37.042**	**234,556**	**603,264**
2017	Males	94,853	9,421	104,274	116,118	28.115	144,233	37,859	4.824	42,683	38,653	8.848	47,501	338,691
	Females	40,128	5,212	45,340	45,407	36.135	81,542	18,555	2.720	21,275	167,485	29.189	196,674	344,831
	Total	**134,981**	**14,633**	**149,614**	**161,525**	**64.250**	**225,775**	**56,414**	**7.544**	**63,958**	**206,138**	**38.037**	**244,175**	**683,522**
2018	Males	105,011	13,660	118,671	124,088	31.477	155,565	37,917	4.442	42,359	38,039	9.202	47,241	363,836
	Females	32,870	17,217	50,087	45,478	41.470	86,948	18,970	2.791	21,761	164,987	29.646	194,633	353,429
	Total	**137,881**	**30,877**	**168,758**	**169,566**	**72.947**	**242,513**	**56,887**	**7.233**	**64,120**	**203,026**	**38.848**	**241,874**	**717,265**
2019	Males	78,917	11,546	90,463	177,916	45.355	223,271	37,841	4.345	42,186	38,130	9.499	47,629	403,549
	Females	40,363	11,970	52,333	62,179	49.988	112,167	20,085	2.694	22,779	167,596	29.930	197,526	384,805
	Total	**119,280**	**23,516**	**142,796**	**240,095**	**95.343**	**335,438**	**57,926**	**7.039**	**64,965**	**205,726**	**39.429**	**245,155**	**788,354**
2020	Males	110,684	16,046	126,730	164,398	41.417	205,815	31,785	2.912	34,697	39,150	9.870	49,020	416,262
	Females	85,247	17,382	102,629	71,767	57.036	128,803	17,429	1.875	19,304	181,478	32.692	214,170	464,906
	Total	**195,931**	**33,428**	**229,359**	**236,165**	**98.453**	**334,618**	**49,214**	**4.787**	**54,001**	**220,628**	**42.562**	**263,190**	**881,168**
2021	Males	110,381	12,359	122,740	158,985	39.717	198,702	34,566	2.982	37,548	41,657	10.619	52,276	411,266
	Females	96,055	16,679	112,734	77,761	54.533	132,294	19,670	2.073	21,743	195,096	33.266	228,362	495,133
	Total	**206,436**	**29,038**	**235,474**	**236,746**	**94.250**	**330,996**	**54,236**	**5.055**	**59,291**	**236,753**	**43.885**	**280,638**	**906,399**
2022	Males	118,024	12,310	130,334	144,312	33.971	178,283	35,273	2.764	38,037	40,753	10.097	50,850	397,504
	Females	104,087	16,782	120,869	78,410	42.160	120,570	19,752	1.878	21,630	181,812	31.246	213,058	476,127
	Total	**222,111**	**29,092**	**251,203**	**222,722**	**76.131**	**298,853**	**55,025**	**4.642**	**59,667**	**222,565**	**41.343**	**263,908**	**873,631**
2023	Males	122,600	12,752	135,352	135,866	30.000	165,866	39,131	2.850	41,981	39,400	10.430	49,830	393,029
	Females	112,336	17,370	129,706	58,716	30.239	88,955	21,604	1.775	23,379	171,328	31.002	202,330	444,370
	Total	**234,936**	**30,122**	**265,058**	**194,582**	**60.239**	**254,821**	**60,735**	**4.625**	**65,360**	**210,278**	**41.432**	**251,710**	**836,949**
2024 until Q3,	Males	73,429	10,090	83,519	80,413	19.227	99,640	21,607	1.152	22,759	22,735	5.349	28,084	234,002
	Females	69,882	16,501	86,383	30,422	20.580	51,002	12,191	664	12,855	104,663	17.237	121,900	272,140
	Total	**143,311**	**26,591**	**169,902**	**110,835**	**39.807**	**150,642**	**33,798**	**1.816**	**35,614**	**127,398**	**22.586**	**149,984**	**506,142**

(1) The pensions paid in the former Enpals entertainment and sports fund as of 2019 are included in the INPS private-sector data;

(2) Monitoring of the IVS retirement flows in the first 3 quarters of 2024, only for the main INPS funds (FPLD, Funds for self-employed and atypical workers, and the fund for public-sector employed workers (GDP): They do not include minor, substitutive, non-compulsory and supplementary funds and the former Enpals entertainment and sports fund, as well as welfare benefits: Provisional data up to October 25, 2024.

(3) and (4) – For the early retirements in the INPS funds, the historical series was reconstructed by separating them from the "old-age" category and integrating them into the "seniority/early pension/early-retirement category..

Source: INPS - Observatory of the pensions paid by 1.1.2024 and Observatory for the monitoring of retirement flows in the 3rd quarter of 2024.

3. The privatized schemes for the liberal professions: general framework and individual results in 2023

As illustrated at the outset, the Italian compulsory pension system is managed not only by the National Social Security Institute (INPS) but also by the privatised schemes (formerly public bodies); these schemes have autonomously managed pension services since 1994 and 1996 and are mandatory for all professionals within an official roster of their respective trade associations; together with INPS, they make up the Italian first-pillar compulsory pension system. They are managed according to private criteria as provided for under the privatisation Decrees no. 509/94 and no.103/96 and are subdivided as follows:

A) ***Privatized schemes pursuant to Legislative Decree no. 509/1994***: ENPACL (Labour Consultants), ENPAV (Veterinarians), ENPAF (Pharmacists), Cassa Forense (Lawyers), INARCASSA (Engineers and Architects), CIPAG (Surveyors), CNPR (Accountants), CDC (Chartered Accountants), CNN (Notaries), ENPAM (Doctors), ENASARCO (Agents and Commercial Representatives), FASC (Shipping Agents and Couriers), ENPAIA and ONAOSI. These last four schemes are not included in the following analysis since they provide complementary pension benefits for members who are registered with INPS under the first pillar system; they are characterized as follows:

ENASARCO: it is the ***compulsory pension scheme*** for commercial and financial intermediaries operating under agency or representation contracts and with a VAT code. The pension benefits provided supplement those of the "first pillar" fund managed by INPS. This scheme features over 210,000 members and 57,000 companies. It pays out more than 137,000 pensions each year, in addition to about 36,000 termination of employment benefits from an ad hoc fund (Firr). Enasarco is financed by the sums set aside by the companies for their agents; upon termination of the agency mandate, this scheme pays to the agents the sums accrued on their behalf. Finally, Enasarco manages a broad package of welfare services based on the needs of its members and their families, mainly through a welfare benefit and health insurance policy.

ENPAIA is the compulsory supplementary scheme for agricultural employed workers, executives and managers under Act no. 1655 of 1962, as amended. In particular, its members are entitled to the social benefits managed by INPS (pension benefits, family allowances, involuntary unemployment benefits, tuberculosis allowance); but if they pay a contribution and leave their termination of employment benefits in the fund, they receive the following benefits:

- ***Termination of employment benefits (TFR)***: on termination of employment, it is ENPAIA that pays to its members the TFR set aside in their name and not their employers;
- ***Complementary Pension Fund***: it provides benefits to its members on the basis of the contributions they have paid since they joined, plus an annual compound interest of 4%. Under some specific requirements set out in the regulations, its members may ask to receive an annuity instead of a lump sum.
- ***Insurance against accidents***: its members are provided with the most comprehensive insurance policy against any type of accident, whether it is related or unrelated to their work or 'in itinere'.

FASC: this scheme provides its members who retire or who leave this sector with a lump sum consisting of the amount of contributions paid, adjusted ever year a under the defined-contribution and fully funded system, in addition to the benefits within the framework of the general system managed by INPS.

ONAOSI (Foundation for the orphans of Italian health-care workers): it is the only organisation of its kind in Italy; it provides benefits to the orphans and, under certain conditions, to the children of health-care workers (surgeons, dentists, veterinary doctors and pharmacists) as well as to its vulnerable and non-self-sufficient members. Under its statutes, this fund can adopt a series of measures to support, educate and train young people to enable them to get a qualification and find a job. Its revenues also come from an additional contribution paid by Enpam, Enpav and Enpaf members.

B) ***Privatized schemes pursuant to Legislative Decree no. 103/1996***: ENPAB (Biologists), ENPAIA (Agricultural and Agrarian Technicians, separate schemes), EPAP (Many categories: agronomists and foresters, actuaries, chemists and geologists), EPPI (Industrial Experts), ENPAP (Psychologists), ENPAPI (Nurses) and INPGI (Journalists, separate scheme).

Hereafter, for the sake of simplicity, we will refer to these institutions as the 509 or 103 schemes. Each scheme refers to a specific category that, for market reasons, cannot excessively increase its membership ("closed populations"), except for members from other categories that do not have a fund, such as unchartered professionals; in order to improve their long-term sustainability, most of these schemes have adopted the contribution-based calculation method and very stringent retirement requirements. The list does not include INPGI (the substitutive fund for journalists), which was integrated into INPS on July 1, 2022, due to its serious imbalance between benefits and contribution revenues. INPGI has become a separate scheme with accounting autonomy within the fund for private-sector employed workers (FPLD) and has to comply with the INPS pension requirements, in any case preserving the vested rights acquired by its members by June 30, 2022 (*Tables B35* a and b). Unlike public funds, the privatized schemes have their own capital reserves designed to honour their pension commitments, including the welfare component, and especially to cope with any demographic shocks or retirement peaks; they operate under a ***pay-as-you-go system*** like the entire compulsory pension system in Italy; most of the 509 schemes have adopted the contribution-based calculation method and the pro-rata formula, in line with the public system since 1995; instead, all the 103 schemes have done so since their inception that took place after Act no. 335/1995 came into force. After the introduction of the financial and actuarial sustainability requirement at **50** ***years*** (Act no. 214 of December 22, 2011), even the last pension schemes that still operate under the ***income-based method*** are switching to the ***contribution-based calculation method***, again with the application of the pro-rata principle to protect their members' accrued rights[1]. The pension is calculated by multiplying the individual amount accrued by the member, equal to the sum of the contributions paid over his or her entire working life and revalued annually on the basis of the five-year geometric average of GDP, by the statutory ***transformation coefficient***, which takes into account the age at retirement and thus the remaining life expectancy.

[1] Act no. 214 of Dec. 22, 2011, was designed to provide greater protection to pension funds' members; to this end, it provides for drafting the actuarial technical accounts every three years so as to snap a picture of the health status of the funds (revenues, expenditures, technical reserves and to develop assets), and to have long-term projections so as to ensure economic and financial stability at 50 years, considering demographic changes, labour market developments, probable new needs and asset management to guarantee future pension commitments. The essential parameters for the 50-year projections are derived from the Economic and Financial Document for the first 5 years; instead, for the next 45 years, they estimate:
increases in employment; increases in incomes (productivity); expected real GDP trends (relative to nominal GDP, net of the rate of inflation); expected trends of the inflation rate; and expected trends in interest rates on public debt, which represents the return over the years on investment of assets. In real terms, it cannot exceed 1%. The next technical accounts will be prepared on the basis of the 2023 data.

The privatized schemes are ***financed*** mainly out of two types of contributions: ***subjective contributions*** calculated as a percentage of the taxable income and intended to finance pension benefits; ***supplementary contributions*** calculated as a percentage of turnover (hence on the basis of a higher amount) and intended to finance welfare policies for their members, operating costs and the increase in each member's pension amount. In recent years, the growth in welfare benefits for members has led many of these schemes to introduce specific contributions to fund these new benefits.

3.1 General framework and key indicators

The following analysis provides a general picture of the privatised schemes of the Italian first-pillar system and it does not include the four funds mentioned above.

The ***number of active members paying contributions*** of the privatized schemes, excluding ONAOSI, FASC, ENASARCO and ENPAIA (***see Tables 4b and 4c***) was equal to **1,327,568,** slightly down with respect to 1,329,868 in 2022 (-0.17%). In particular, number of active members paying contributions in the schemes under Legislative Decree no. 509/1994 (hereafter referred to as “the 509 schemes”) was equal to **1,109,813**, slightly down from the previous year (-0.75% or - 8,417 professionals); instead, their number in the schemes under Legislative Decree 103/1996 (hereinafter referred to as “the 103 schemes”) amounted to **217,755**, + 6,117 or + 12.89% vs. 2022. Specifically, in the universe of the 509 schemes, only pharmacists featured a growth (0.58%), architects, engineers and accountants remained stable while the number of members in the remaining funds went down. In contrast, in the universe of the 103 schemes, only journalists suffered a reduction (-3.4%), while all the others grew with a peak for nurses (+3.8%) and psychologists (+6%). As to Enpapi, its number of active members paying contributions differs from that of its members because it gives the opportunity to about 62,000 nurses out of a total of about 101,000 to remain even if they have shifted from a free-lance occupation to a private and public-sector employment; as to physicians, 6,621 medical school students are allowed not to pay contributions for three years, but they are considered as active members paying contributions from the 5th year of their degree program (***Table 3.1***). If we add the members of Enpaia (40,474), Fasc (44,158) and ENASARCO (210,474), the total membership rises to **1,622,674**, slightly down (-22,223) with respect to 1,644,897 in 2022, mainly due to the 1.84% drop of ENASARCO, while ENPAIA and FASC grew by 1.99% and 2.95 % respectively.

Table 3.1 – **General framework and key indicators in 2023**

	Schemes 509/94			Schemes 103/96			Grand Total		
	2022	**2023**	**Var. %**	**2022**	**2023**	**Var. %**	**2022**	**2023**	**Var. %**
Number of active workers paying contributions	1.118.230	1.109.813	-0,75%	211.638	217.755	2,89%	1.329.868	1.327.568	-0,17%
Number of pensions	479.573	508.226	5,97%	24.854	26.825	7,93%	504.427	535.051	6,07%
Contribution revenues	9.807.533.596	10.539.426.143	7,46%	667.632.684	747.620.108	11,98%	10.475.166.280	11.287.046.251	7,75%
Benefit expenditure	6.133.892.083	6.868.208.550	11,97%	81.953.316	100.616.552	22,77%	6.215.845.399	6.968.825.103	12,11%
Income/Expense Balance	3.673.641.513	3.671.217.593	-0,07%	585.679.369	647.003.555	10,47%	4.259.320.881	4.318.221.148	1,38%
Accounting balance	2.374.082.403	4.756.597.491	100,36%	150.708.082	215.330.155	42,88%	2.524.790.485	4.971.927.646	96,92%
Net Assets	77.548.926.692	82.236.220.031	6,04%	2.878.729.776	3.075.528.528	6,84%	80.427.656.468	85.311.748.559	6,07%
Total assets	79.963.476.486	84.889.373.841	6,16%	8.918.628.591	9.779.251.864	9,65%	88.882.105.077	94.668.625.705	6,51%

In 2023, the ***number of pensions*** paid out increased 504,427 in 2022 to **535,051 (+ 6.07%)** vs. 473,912 in 2021. Specifically, the 509 schemes provided **508,226** pensions (+ 5.97%), while the 103

26,825 pensions (+ 7.93%) accounting for 5.01% of the total. In 2023, the number of pensions paid out increased by 30,624 while the number of members actually decreased[2] .

As shown in ***Table 3.1,*** the ***contribution revenues*** of the privatised schemes amounted to **11,287 million euros** in 2023, with an increase by **7.75 %** over 2022. The contributions collected from the 509 reached **10,539 million euros**, with a of 7.46% growth over 2022, while the 103 collected **747,620 million euros**' worth of contributions, with an increase by 11.98% with respect to 2022. In 2023, the fund for notaries (NCC) continued to suffer a drop in its revenues (- 6.23%), mainly due to the decline in real estate transactions and mortgage loans and hence in the number of notarial deeds, caused by high interest rates.

In 2023, the ***pension expenditure*** of the privatized schemes reached **6,969 million euros** with an increase by **12.11 %** over 2022; it amounted to **6,868 million** for the 509 schemes, + 11.97%, and to **101 million** for the 103 schemes, + 22.77%.

The ***balance between contribution revenues and pension expenditure*** continued to grow, albeit moderately, reaching **4.318 billion euros**, with a 1.38 % growth over 2022. The 509 schemes featured a pension balance of **3.671 billion,** basically in line with 2022 (- 0.07%), while the 103 totalled **647 million euros**, with a 10.47% increase. On the other hand, the accounting balance (**4.972 billion**) almost doubled (+ 96.92%), recovering from the *annus horribilis* which triggered a sharp decline in the financial markets (***for further details on the data examined so far, see Tables 1b, 1c, 1d and 2b, 2c, 2d in the Exhibits to this Report***).

The total net worth of these schemes amounted to **85.3 billion** at the end of 2023, again without considering Enasarco, Fasc, Enpaia and Onaosi, with a 6.07% growth over the previous year[3]. If Enpaia, Enasarco and Fasc are taken into account, the net worth grows by 11,978 million (up to 97,278 million).[4]

The sustainability of these funds can be inferred from ***Table 3.1.1*** which presents the following indicators:

In 2023, the ***average annual contributions*** for all these schemes were equal to **8,502 euros,** up by **7.94%** compared to 2022. Specifically, for the 509, the average contributions were **9,497 euros**, + 8.28% with respect to 2022, while for the 103, they amounted to **3,433 euros**, up by 8.84% over the previous year.

Their ***average pension*** was **13.025 euros** (equal to 1.53 times the average contributions), with a 5.70% growth over 2022, lower than that of the average contributions. In detail, for the 509, the average pension in 2023 amounted to **13,514 euros** (+ 5.66%), while for the 103, the average pension was equal to **3,751 euros**, up by f 13.75% with respect to 2022, higher than the average contributions.

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[2] As to the 509 scheme, this figure is strongly influenced by Enpam's situation. In fact, for all the other funds, the number of pensions coincides with the number of pensioners while Enpam has different types of pensions often provided to the same doctor; therefore, when considering the number of pensioners, the average pension amount paid to the beneficiary rises considerably from 9,843 euros to 19,143 euros, more in line with what is paid d to other professionals (*for further details see Table 4d published in the web section*).

[3] The 103 schemes featured a lower amount of net assets compared to the total because they do not include pension funds under this liability item in their accounts.

[4] For further details on the assets of the schemes, see the 2024 Report on Institutional Investors related to the 2023 accounts on www.itinerariprevidenziali.it.

The very low average annual amount of pension benefits provided by the 103 schemes is not only the result of the low contributions paid by their members, but also because these benefits often supplement those accrued within other first-pillar public schemes, especially for older workers (***for these indicators, see Tables 4b, 4c, 4d, 5b, 5c, 5d in the Exhibits to this Report*).**

The ***ratio of the number of pensions vs. the number of active workers*** of all these schemes was equal to **0.403** (just under 2.5 active workers for each pensioner), with a steady growth (+ 6.25%). In detail, the ratio of the number of pensioners vs. the number of active workers for the 509 schemes was equal to **0.458** (2.18 active workers for each pensioner) while for the 103 it reached **0.123** (vs. 0.117 in 2022) equal to 8.12 active workers for each pensioner (***see Tables 6b, 6c, 6d in the Exhibits to this Report***).

Table 3.1.1 - Indicators: Average Pension, Average Contributions, Average Pension vs. Average Contributions, Number of Pensions vs. Number of Active workers paying contributions and Contribution revenues vs. Pension expenditure

	509 schemes			103 schemes			Grand total		
	2022	2023	Var. %	2022	2023	Var. %	2022	2022	Var. %
Average contributions	8.771	9.497	8,28%	3.155	3.433	8,84%	7.877	8.502	7,94%
Average pension	12.790	13.514	5,66%	3.297	3.751	13,75%	12.323	13.025	5,70%
Average pension/average contributions	1,458	1,4230	-2,42%	1,045	1,092	4,52%	1,564	1,532	-2,08%
Number of pensions/Number of active workers paying contributions	0,429	0,458	6,78%	0,117	0,123	4,90%	0,379	0,403	6,25%
Contribution revenues/Pension expenditure	1,599	1,535	-4,03%	8,146	7,430	-8,79%	1,685	1,620	-3,89%

In 2023, the ***average pension/average contribution ratio*** continued to decrease, going down to **1.532**, - 2.08%; the ratio for the 509 was **1.423** ***(*** *- 2.42%*), while for the 103 was **1.092** (+ 4.52%). The reduction in the ***average pension/average contribution*** ratio improved, albeit slightly, the economic sustainability of the system (***see Tables 4b, 4c, 4d in the Exhibits to this Report***).

The ***ratio of contribution revenues vs. pension expenditure*** reached **1.620** in 2023, down by 3.89% with respect to 2022. For the 509, this ratio amounted to **1.535** compared to 1.599 in 2022, while for the 103, this ratio was equal to 7.430, down by 8.79% from 8.146 in 2022.

3.2 Analysis of each individual scheme and key indicators

After considering the ***sustainability*** indicators of the ***privatized schemes as a whole in the medium and long term,*** the analysis now focuses on each individual scheme. *The* ***first sustainability indicator*** for expenditure in the medium and long term is the ***pension balance***, i.e. the ratio of revenues from subjective and supplementary contributions vs. the cost of pension benefits.

In addition to the pension balance, there are another two fundamental sustainability ratios that have been already discussed above for the privatized schemes as a whole: the demographic ratio, the number of pensioners vs. the number of active members, and the economic ratio, the average pension vs. the average contributions.

The ***ratio of contribution revenues vs. pension expenditure*** **(*Table 3.2)*** was good for the 509 schemes for chartered accountants, veterinary doctors, Inarcassa and lawyers; it was close to or above 2, i.e. their contribution revenues were more than double with respect to their pension benefits (2.83 times for CDC); the other schemes were characterised by a substantially stable balance, with slight fluctuations. As regards the ***ratio of the numbers of pensioners vs. the number of active workers,*** the best in class were Cassa Forense (only 13.59 pensioners for every 100 active members), Cassa Dottori Commercialisti (15.69), while the ratio for Cassa del Notariato (53.09) and for Cassa

Geometri (51.29) was higher. As to physicians, Enpam provides different types of pensions often at the same time to the same subject; and this is the reason why the ratio was high (86.65).

The "***average pension/contribution ratio*"** ranged from 1.30 for veterinarians to 3.44 for lawyers; in any case, all these schemes featured a lower ratio with respect to the previous year, except for the fund for pharmacists (from 2.24 to 2.36) and notaries (from 1.28 to 1.39).

Table 3.2 - Economic and demographic indicators of the 509 schemes in 2023 (millions of euros)

		ENPACL	ENPAV	ENPAF	CF	INARCASSA	CIPAG	CNPR	CDC	CNN	ENPAM
Pension expenditure	2023 (mln €)	153,20	72,51	177,70	1.030,68	880,57	531,00	261,11	394,18	228,17	3.139,09
	var. % 22-23	8,07	13,93	10,77	10,61	8,26	0,21	5,50	10,95	3,91	17,54
	var. % 18-23	30,16	94,98	-0,04	38,93	116,78	25,79	22,16	66,68	19,59	130,36
	var. % 13-23	72,76	7.405,66	52,86	1.371,63	3.482,04	1.990,88	2.631,39	2.359,76	338,48	153,50
	var. % 1989-23	1.996,04	8.450,63	69,32	1.527,83	3.777,95	1.995,27	2.781,67	2.629,04	355,64	1.527,83
Contribution revenues for pension benefits	2023 (mln €)	221,54	164,39	286,98	2.204,78	1.699,64	744,77	295,87	1.114,99	309,50	3.496,98
	var. % 22-23	6,47	6,32	5,58	12,78	16,93	13,03	2,16	10,50	-6,23	0,58
	var. % 18-23	26,61	43,84	7,59	39,91	59,37	45,55	-4,89	35,03	5,61	19,85
	var. % 13-23	47,18	91,02	10,70	52,58	60,45	72,92	9,25	52,58	52,58	58,32
	var. % 1989-23	1.483,92	5.309,19	177,64	2.135,43	1.831,47	965,90	1.217,55	2.135,43	2.135,43	732,12
Pension balance	2023 (mln €)	68,34	91,88	109,27	1.174,10	819,07	213,77	34,76	720,81	81,33	357,89
	var. % 22-23	3,06	1,00	-1,90	14,75	27,95	65,64	-17,49	10,25	-26,38	-55,60
	var. % 18-23	19,31	29,27	-4,39	55,38	100,24	914,87	-55,80	32,56	-4,29	-71,79
	var. % 13-23	10,51	79,20	13,50	59,78	30,42	-3.257,57	-43,25	64,80	233,58	-63,12
	var. % 1989-23	923,40	4.093,33	-6.976,90	3.224,84	1.154,51	380,06	159,51	1.867,38	263,07	151,56
Ratio of pension expenditure vs. contribution revenues	2023	1,45	2,27	1,61	2,14	1,93	1,40	1,13	2,83	1,36	1,11
	2022	1,47	2,43	1,69	2,10	1,79	1,24	1,17	2,84	1,50	1,30
	2018	1,52	2,63	1,77	2,02	1,74	1,06	1,34	2,91	1,40	1,74
	2013	1,55	2,44	1,58	1,98	2,46	0,99	1,26	2,90	1,07	1,86
	1989	1,91	3,58	0,98	1,56	3,88	2,76	2,48	3,54	1,45	1,51
Ratio of the number of pensioners vs. the number of active workers	2023	46,28	33,97	26,26	13,59	25,98	51,29	49,88	15,69	53,09	86,65
	2022	45,13	31,15	26,30	12,91	24,40	49,94	46,53	14,58	51,86	79,96
	2018	40,66	23,12	26,06	11,89	20,25	42,54	37,69	11,63	52,82	59,66
	2013	33,04	22,78	31,04	14,32	13,79	29,99	27,75	10,65	52,87	50,50
	1989	15,35	35,95	45,22	32,01	26,54	13,70	9,67	27,30	51,89	28,90
Average pension/average contribution ratio	2023	1,49	1,30	2,36	3,44	1,99	1,39	1,77	2,25	1,39	1,04
	2022	1,51	1,32	2,24	3,69	2,29	1,61	1,84	2,41	1,28	0,96
	2018	1,65	1,64	2,19	4,38	3,04	2,25	1,98	2,94	1,34	0,95
	2013	1,78	1,77	2,02	3,43	2,95	3,39	2,79	3,21	1,68	1,11
	1989	3,41	0,78	2,25	2,01	0,97	2,65	4,17	1,04	1,33	2,29

Given their "recent inception, the 103 schemes still pay out few pension benefits, so their ***ratio of pension expenditure vs contribution revenues*** is generally very positive, although slightly diminishing following the aging and the retirement of their members and the accrual of pension requirements for their older ones (***Table 3.3***).

In fact, this ratio ranged from 4.60 for industrial experts (EPPI) to 12.33 for nurses (ENPAPI); the ratio for agricultural experts (Enpaia gestione Agrotecnici) was still very positive at 39.02, even though not very significant since this scheme started operating in 2008 and paid out only 119 pensions.

The ***ratio of the number of pensioners vs. the number of active workers*** was very positive too: except for the two small Enpaia special funds, it ranged from 8.29 pensioners out of 100 active members for the fund for psychologists (Enpap) to the maximum of 46.68 r pensioners out of 100 active members for the fund for industrial experts (Eppi); the other schemes maintained a slightly increasing ratio of around 8-14 pensioners with respect to their number of active members.

Finally, the "***average pension/contribution ratio,*"** again without the two Enpaia special schemes, showed that the average pension was 2.03 times the average contributions for journalists (INPGI-separate scheme), and 1.32 times for the many categories managed by EPAP. The other schemes featured a good ratio, less than 1, with a slight reduction compared to the previous year.

Table 3.3 - Economic and demographic indicators of the 103 schemes in 2023 (millions of euros)

		EPPI	ENPAP	ENPAPI	ENPAB	ENPAIA AGR	ENPAIA PA	EPAP	INPGI 2
Pension expenditure	2023 (mln €)	30,97	22,42	8,93	11,24	0,19	2,21	15,56	9,10
	var. % 22-23	20,34	25,73	32,35	24,59	68,39	17,69	20,52	17,90
	var. % 18-23	82,90	141,05	114,73	145,50	784,77	107,92	101,68	69,02
	var. % 13-23	294,57	434,71	426,64	537,33	1.163,09	296,69	278,03	328,87
	var. % 2000-23	0,00	0,00	0,00	0,00	0,00	2.334,61	0,00	325.469,13
Contribution revenues for pension benefits	2023 (mln €)	142,41	240,65	110,11	81,40	7,53	14,27	91,91	59,35
	var. % 22-23	28,40	6,97	7,37	2,94	17,99	34,71	17,43	8,12
	var. % 18-23	43,70	84,87	18,16	53,75	150,89	69,83	66,19	40,25
	var. % 13-23	107,19	170,34	60,08	145,95	329,83	88,04	71,56	38,17
	var. % 2000-23	243,99	773,78	1.066,03	371,11	1.027,83	219,70	-8,93	417,53
Pension balance	2023 (mln €)	111,44	218,22	101,18	70,16	7,34	12,06	76,35	50,25
	var. % 22-23	30,83	5,36	5,61	0,15	17,07	38,37	16,81	6,52
	var. % 18-23	35,63	80,55	13,65	45,06	146,25	64,33	60,44	36,06
	var. % 13-23	83,04	157,27	50,82	83,04	322,50	71,54	54,38	23,06
	var. % 2000-23	169,19	692,36	971,50	169,19	998,92	175,87	-24,35	338,28
Ratio of pension expenditure vs. contribution revenues	2023	4,60	10,73	12,33	7,24	39,02	6,47	5,91	6,52
	2022	4,31	12,61	15,20	8,76	55,69	5,65	6,06	7,11
	2018	5,85	13,99	22,42	11,56	137,60	7,92	7,17	7,86
	2013	8,76	21,23	40,58	18,76	114,66	13,65	13,02	20,24
	2000	0,00	0,00	0,00	0,00	0,00	49,26	0,00	4102,59
Ratio of the number of pensioners vs. the number of active workers	2023	46,68	8,29	10,12	14,83	4,78	25,23	12,84	7,55
	2022	43,78	8,00	9,92	13,55	3,82	24,01	11,99	6,94
	2018	32,35	6,75	6,07	10,21	2,48	21,99	9,13	5,33
	2013	18,94	5,01	3,28	5,80	1,16	12,80	6,05	4,21
Average pension/average contribution ratio	2023	0,47	1,12	0,80	0,93	0,54	0,61	1,32	2,03
	2022	0,53	0,99	0,66	0,84	0,47	0,74	1,38	2,02
	2018	0,53	1,06	0,74	0,85	0,29	0,57	1,53	2,39
	2013	0,60	0,94	0,75	0,92	0,75	0,57	1,27	1,17

3.3 Other sustainability indicators, operating costs, and accounting data

The second ***long-term sustainability indicator*** is the ***overall balance between all contribution and financial revenues and all benefits and operating expenditure***, which gives the most exhaustive picture of the situation of individual schemes and of their ***accounting balance***, i.e. their overall operating result[5]. In 2023, the accounting balance for both types of schemes had a major rebound over the previous year due to the economic recovery. In detail, the total accounting balance of the 509 schemes almost doubled, reaching 4.7 billion euros (+ 99.26 %); while that of the 103 schemes rose from 109 million in 2022 to 215 million in 2023 (+ 97.25 %). The 509 schemes with the highest growth rate were the funds for accountants (CNPR + 445.76%), for engineers/architects (INARCASSA + 226.46%) and for physicians (ENPAM + 200.19%). The only exception was the fund for notaries (CNN -16.62%), which was affected by the poor performance of the construction/real estate sector during 2023, as mentioned above. The 103 with the highest growth rate were the funds for nurses (ENPAPI + 528.22%), for biologists (ENPAB + 196.68%), for industrial experts (EPPI + 144.01%); instead, the 2 ENPAIA schemes did not perform very well. The fund for psychologists experienced a downward trend (ENPAP - 49.51%) largely ascribed to its dwindling financial proceeds. Finally, this Report also shows the ratio of operating costs vs. the ***value of production*** (the sum of total revenues and expenditure), which is of particular interest. In 2023 for the 509, this ratio remained stable at 2.11 % with respect to 2.14 % in 2022, due to the increase in revenues, to the moderate growth in operating expenses (+10.88 %), and to the growth in the value

[5] Just for the record, it should be remembered that in relation to the projected sustainability of accounts at 50 years (Article 24, par. 24, Act no. 214/2011 Monti-Fornero), we do not agree with the constraint (also questionable from a technical point of view) that imposes an always positive pension balance without considering revenues from assets and without being able to use part of these assets in periods characterised by a temporary growth in pension expenditure, which frequently happen at times of economic crisis or changing work scenarios. We wonder what these assets are used for since they are continuously increasing and pose serious problems of profitability and maintenance of real values.

of production (+12.26 %). For the 103 as a whole, despite the significant increase in the asset management proceeds (+17.9%), this ratio went slightly down to 4.61% from the previous 4.83%, due to the growth, albeit limited, in operating expenses. ***Tables 3.4 and 3.5*** summarize the above indicators for the 509 and 103 schemes, respectively.

Table 3.4 - Other indicators for the 509 schemes in 2023 (millions of euros, as %)

	ENPACL	ENPAV	ENPAF	CF	INARCASSA	CIPAG	CNPR	CDC	CNN	ENPAM	TOTALE
Contributions for pension benefits	221,54	164,39	286,98	2.204,78	1.699,64	744,77	295,87	1.114,99	309,50	3.496,98	10.539,43
Contributions for welfare benefits	29,52	4,15	4,84	96,39	13,64	22,07	16,64	8,47	1,90	24,47	222,07
Revenues from assets under management and other sources	40,54	50,28	154,70	475,27	475,27	58,00	188,49	458,18	45,46	1.356,82	3.303,00
Total revenues	291,59	218,81	446,51	2.878,01	2.188,55	824,84	500,99	1.581,64	356,86	4.878,26	14.166,07
Pension benefit expenditure	153,20	72,51	177,70	1.030,68	880,57	531,00	261,11	394,18	228,17	3.139,09	6.868,21
Welfare benefit expenditure	11,44	7,63	12,10	92,71	40,49	8,42	8,09	33,48	42,10	38,23	294,70
Other expenses	27,33	47,87	39,82	112,98	112,98	102,48	147,90	259,71	23,83	1.162,60	2.037,52
Total Costs	191,97	128,02	229,63	1.471,32	1.034,03	641,91	417,10	687,38	294,11	4.339,91	9.435,37
Accounting balance	99,62	90,80	216,88	1.406,69	1.154,52	182,93	83,89	894,26	62,75	538,35	4.730,69
Total revenues + benefits	456,23	298,95	636,31	4.001,40	3.109,60	1.364,26	770,19	2.009,31	627,14	8.055,57	21.328,97
Operating expenses	14,75	12,88	15,84	146,20	38,74	94,02	18,10	22,56	20,49	66,20	449,78
As % of the production value	3,23%	4,31%	2,49%	3,65%	1,25%	6,89%	2,35%	1,12%	3,27%	0,82%	2,11%

Table 3.5 - Other indicators of the 103 schemes in 2023 (millions of euros, as %)

	EPPI	ENPAP	ENPAPI	ENPAB	ENPAIA AGR	ENPAIA PA	EPAP	INPGI 2	TOTALE
Contributions for pension benefits	142,41	240,65	110,11	81,40	7,53	14,27	91,91	59,35	747,62
Contributions for welfare benefits	0,08	15,01	1,96	3,45	0,05	0,04	0,56	3,67	24,81
Revenues from assets under management and other sources	145,39	117,09	138,31	41,08	3,37	8,92	69,68	10,85	534,69
Total revenues	287,88	372,75	250,37	125,93	10,96	23,22	162,15	73,87	1307,13
Welfare benefit expenditure	30,97	22,42	8,93	11,24	0,19	2,21	15,56	9,10	100,62
Operating costs	4,29	25,33	2,64	5,43	0,06	0,10	1,96	0,90	40,72
Other expenses	172,53	285,28	220,39	85,58	10,27	19,66	139,28	17,48	950,46
Total Costs	207,79	333,03	231,96	102,25	10,52	21,97	156,79	27,48	1091,80
Accounting balance	80,09	39,72	18,42	23,68	0,44	1,25	5,36	46,38	215,33
Total revenues + benefits	323,13	420,50	261,94	142,61	11,21	25,53	179,67	83,87	1448,46
Operating expenses	11,12	9,12	12,56	10,08	1,23	2,55	5,55	14,57	66,79
As % of the production value	3,44%	2,17%	4,80%	7,07%	11,00%	9,98%	3,09%	17,38%	4,61%

3.4 Welfare benefits

In addition to social security and welfare benefits, new needs have emerged induced by the progressive aging of the population, new technologies, in particular artificial intelligence, insufficient investment in training and skills, the collapse in the number of university students, and the increasingly unattractive labour market; so, these schemes are focusing on the provision of active welfare tools. For this reason, based on their budget and their aim to effectively protect and support their members, they are already allocating resources to welfare measures by taking them from supplementary contributions, additional subjective contributions, penalties and interests for non-compliance with contribution obligations and reporting requirements, as well as from additional operating cost reductions. In this context, the Funds are implementing additional and new forms of aid, support, development and promotion of the liberal professions with a medium and long-term structured approach. Therefore, alongside "traditional" welfare measures, such as birth-rate and parenting incentives (maternity and paternity allowances, aid to new parents, contributions for school expenses, etc.), work-life balance support (baby-sitting services, contributions for day-care centres, caregivers' bonuses, etc.) and aid to disadvantaged individuals (single-income families, health-care, death or LTC insurance, extraordinary contributions for catastrophic events, etc.), these schemes are adopting innovative welfare actions such as:

1. ***Welfare support to start a profession***: it consists of all the actions to promote the start of a profession, from mentoring "junior" professionals on the part of "senior" professionals, to ad-hoc funds to buy equipment or office spaces, from professional insurance to subsidized mortgages and loans;
2. ***Welfare for development***: it entails all the actions designed to promote the professional practice and its activities, as well as measures to enhance knowledge and personal skills based on work and training (guarantee funds and credit facilities, revolving fund, co-working, banking agreements, etc.);
3. ***Welfare for the promotion of the profession and the digital transition***: it entails the development of new projects ranging from the creation of academy platforms for training, web platforms to provide retirement simulations, professional consultation platforms, to partnerships and collaborations with Ministries, secondary schools, universities, hospitals and foundations, etc.

These benefits do not affect the sustainability of these schemes as they are financed partly by special purpose contributions and partly by supplementary contributions, but most importantly, ***they do not involve permanent future commitments***. In 2023, the value of these benefits for the 509 remained essentially stable for both contributions and benefits, with a slight growth for both (***Table 3*.6**). For the 103s, contributions and benefits remained stable but with a limited absolute value.

Table 3.6 - Contributions and welfare benefits of the 509 schemes in 2022 and 2023 (millions of euros)

Anno	2023	ENPACL	ENPAV	ENPAF	CF	INARCASSA	CNN	CIPAG	CNPR	CDC	ENPAM	TOTALE
2023	Contributi prestazioni assistenziali	29,52	4,15	4,84	96,39	13,64	1,90	22,07	16,64	8,47	24,47	222,07
	Spesa prestazioni assistenziali	11,44	7,63	12,10	92,71	40,49	42,10	8,42	8,09	33,48	38,23	294,70

Anno	2022	ENPACL	ENPAV	ENPAF	CF	INARCASSA	CNN	CIPAG	CNPR	CDC	ENPAM	TOTALE
2022	Contributi prestazioni assistenziali	28,43	2,45	6,42	85,05	10,98	2,15	10,55	16,20	8,30	18,70	189,23
	Spesa prestazioni assistenziali	7,08	16,51	13,07	91,48	36,85	41,14	9,91	7,94	28,28	37,25	289,50

Contributions for welfare benefits Welfare benefit expenditure

Table 3.7 - Contributions and welfare benefits of the 103 schemes in 2022 and 2023 (millions of euros)

Anno	2023	EPPI	ENPAP	ENPAPI	ENPAB	ENPAIA AGR	ENPAIA PA	EPAP	INPGI 2	TOTALE
2023	Contributi prestazioni assistenziali	0,08	15,01	1,96	3,45	0,05	0,04	0,56	3,67	24,81
	Spesa prestazioni assistenziali	4,29	25,33	2,64	5,43	0,06	0,10	1,96	0,90	40,72

Anno	2022	EPPI	ENPAP	ENPAPI	ENPAB	ENPAIA AGR	ENPAIA PA	EPAP	INPGI 2	TOTALE
2022	Contributi prestazioni assistenziali	0,04	13,71	1,78	3,27	0,05	0,04	0,63	4,08	23,60
	Spesa prestazioni assistenziali	2,68	26,74	3,84	4,89	0,02	0,10	1,71	0,92	40,89

Contributions for welfare benefits Welfare benefit expenditure

4. Other types of schemes: GPT (Temporary Benefit Schemes) and GIAS (Welfare Benefit Scheme); FIS and active labour policies

In addition to pension funds, the Italian social protection system provides a series of welfare benefits. In this Chapter, we focus on non-pension schemes managed almost exclusively by INPS, in particular on GPT (Temporary Benefit Scheme) which provides a range of income support benefits in case of involuntary unemployment, unemployment, sickness, maternity and other benefits for workers and their families, and on GIAS which provides most of the pension and welfare benefits paid by the State. As discussed later, other welfare benefits with a lower impact on the financial equilibrium of the system are managed by local authorities. Finally, INPS collects the contributions from workers and companies for bilateral funds that offer income support and training benefits, and directly manages the largest fund, FIS, and allocates the resources to these schemes that manage active and passive labour policies. The financial situation of these two schemes is analysed below, together with a look into bilateral funds.

4.1 The Temporary Benefit Scheme (GPT): income support benefits, financial results and beneficiaries in 2023

The **Temporary Benefit Scheme** was set up pursuant to Article 24 of Act no. 88 of March 9, 1989[1] and integrated some pre-existing schemes in an organic manner; its aim is to provide income support benefits to ***private-sector employed workers*** in case of unemployment, sickness and maternity, as well ***notional contributions*** for periods of inactivity for the purpose of pension entitlement and level of benefits; it also provides family allowances (ANF) (purely welfare benefits totally decoupled from the world of work and not financed by employed workers and employers) which were replaced by the Single Universal Child Benefit (AUUF)[2] in 2022. GPT operates in synergy with FPLD (pension fund for employed workers), as a single unit also in accounting terms. Article 21 of Act no. 88/1989 introduced the principle of solidarity within this domain; so, the INPS Board of Directors may decide to use any surplus of GPT, without interests, to support FPLD if it runs a deficit, thus allowing this fund to restore its equilibrium.

Under Article 24 (2) of Act no. 88/1989 and following the above-mentioned reorganisation, GPT is financed by the contributions paid by enterprises which were previously paid to the pre-existing funds and schemes merged into INPS with all their assets and liabilities and it provides the benefits related to these contributions.

[1] Act no.88/89 which reformed INPS and re-organized the economic and financial structure of the main pension and welfare and income-support funds; it was the first organic attempt to separate the welfare and pension systems.

[2] Article 10, paragraph 3 of Legislative Decree no. 230 of December 29, 2021 established ***the Single and Universal Allowance for Dependent Children*** (AUUF); as a consequence, households with children and orphans will no longer be eligible for the family allowance (ANF), provided for under Art. 2 of Law Decree no. 69 of 13/3/1988, transposed into Act no. 153 of May 13, 1988 and under art. 4 of the Framework law on family allowances, approved by Presidential Decree no. 797 of May 30, 1955, and of the family allowances for households with children and orphans, who are now protected by the Single Allowance.

These are the main benefits provided to workers who fulfil some particular conditions:

(a) ***NASPI benefits[3] and benefits against involuntary unemployment;***
b) ***Guarantee fund for termination of employment benefits (TFR)*** and the payment of the last three months of salary on behalf of the insolvent employer;
(c) ***Supplementary income benefits for workers in the industry and construction sectors***;
(d) ***Wage subsidies for agricultural workers;***
(e) ***Single fund for family and household allowances[4]***.;
(f) ***Sickness and maternity benefits*** and any other ***temporary*** benefits other than pensions;
(g) ***Extraordinary benefits*** as happened during the ***COVID-19*** pandemic crisis[5].

- **Work-life balance measures**.
- **Contribution incentives -** The contribution incentives for the South introduced a partial exemption up to 30% for employers hiring in disadvantaged areas in southern Italy, with a 10% reduction by 2029. For 2023, this relief was confirmed for long-term contracts for women, young people under 36 and recipients of the citizenship income, as well as for workers over 29 who are NASPI recipients with an apprenticeship contract; this incentive is also granted for hiring outplacement allowance recipients and former convicts with fixed-term or long-term contracts.
- **Agile work -** With the end of the Covid emergency, teleworking is still allowed only in a few cases, such as parents who have to support their children (under 14, and under 16 as of March 2021) still in a distance learning mode. However, some special conditions are provided for categories of workers who are fragile or in conditions of severe hardship (immunocompromised and disabled persons, parents of disabled children and others); this benefit was extended until the end of 2023 for these categories.
- **Other labour market measures -** The establishment of the "***New Skills Fund***" (Article 88 of Law Decree no. 34/2020) to train the subjects working with companies that enter into

[3] NASpI, which replaces Aspi, was introduced on May 1, 2015, under Leg. Decree no. 22 of 2015 to provide a monthly unemployment benefit to support the income of workers who involuntarily lost their job (INPS Circ. no. 94 of 12/5/2015). The amount of the benefits depends on the taxable salary of the last four years, linked to the income ceilings and it is divided by the number of weeks of contribution by 4.33. If the result is below the annual threshold, 1,425.21 euros per month in 2024, the amount will be 75% of the salary. If it exceeds this threshold, the amount will be 75% of the reference amount plus 25% of the difference between the monthly salary and the threshold. The maximum amount of the benefits is 1,550.42 euros per month in 2024. NASpI is paid monthly for a period equal to half of the contribution weeks of the last four years., with a 3% reduction for each month starting from the 6th month. For those who are 55 years of age or older at the time of the application, the reduction starts from the eighth month after inception. The mobility allowance (benefit paid by GIAS) was abolished on January 1, 2017.
[4] Article 1 of Legislative Decree no. 230 of December 29, 2021, in implementation of Act no. 46, (delegation to the Government to reorganize, simplify and strengthen measures to support dependent children through the Single and Universal Allowance), provides that as of March 1, 2022: (a) the benefits of Family Unit Allowance and Family Allowance for households with children and orphans eligible for the Single Allowance protection will no longer be applicable; b) on the other hand, the benefits of Family Unit Allowance and the Family Allowance will continue to be provided to family units composed only of spouses, excluding the legally and effectively separated spouse, of brothers, sisters and grandchildren, under the age of eighteen years or without age limit, if they are, due to illness or physical or mental impairments, in absolute and permanent inability to engage in gainful employment, in case they are orphans of both parents and are not entitled to a survivor's pension. Consequently, the amount of resources to be transferred to INPS has gone down in line with the reduced demand for AF and ANF benefits.
[5] For further details, see the X Report.

collective agreements to reshape their working hours due to changed organisational needs and to promote outplacement paths for workers, which has become a permanent measure.

Here follows a summary of the additional 2023 major regulatory interventions related to GPT and GIAS in terms of income support benefits:

Act no. 197/2022 (2023 Budget Law):

- Exemption of the invalidity, old-age and survivors' (IVS) pension contributions for workers, at 2% per year in 2023 (Art. 1, par. 281);
- Extension of Social APE to 2023 (Art. 1, par. 288-291);
- Total contribution exemption up to 8,000 euros per year for a maximum of 12 months in favour of employers who hire subjects entitled to the citizenship income in 2023 (Art. 1, par. 294-296);
- Total contribution exemption up 8,000 euros per year for a maximum of 36 months for employers who hire young people under 36 in 2023 (Art. 1, par. 297);
- Total contribution exemption up to 8,000 euros per year for a maximum of 18 months for employers who hire women in 2023 (Art. 1, par. 298);
- Extension of the contribution exemption for young farmers and agricultural entrepreneurs until the end of 2023 (Art. 1, par. 300);
- Reliefs for disadvantaged people in social cooperatives (Art. 1, par. 308);
- Revision of the citizenship income and increase in AUU expenditure (Art. 1, par. 313-320);
- AUU additional benefits (Art. 1, par. 357);
- Review of the overall AUU funding (Art. 1, par. 358);
- Parental leave – increase up to 80% for one month for fathers and mothers (Art. 1, par. 359).

Law Decree no. 48/2023:

- Inclusion Allowance (Arts. 1-9);
- Hiring and self-entrepreneurship incentive for inclusion allowance recipients (Art. 10);
- Training and employment support, inclusion allowance (Art. 12);
- Increased benefits for the Single Universal Allowance in case of death of one of the parents (Art. 22);
- Youth employment incentives (Art. 27);
- Redundancy fund in derogation for exceptional business crises and reorganization requirements (former GKN) (Art. 30);
- Partial exemption of IVS contributions for employed workers (Art. 39).

Law Decree no. 104/2023:

- Extension of the Alitalia redundancy fund (Art. 12, par. 1);
- Reliefs for hiring Alitalia redundant workers (At.12. par. 6).

4.2 Operating results

The analysis of income support benefits, even if targeted only to employed workers, is particularly relevant given the large number of these workers (more than half of the workforce) in terms of costs, notional contributions and of the 2018 ***citizenship income*** provisions, especially the ones designed to bring unemployed subjects or individuals who have lost their jobs back to work through a subsidy of about 780 euros per month that is terminated if jobseekers refuse a third job offer, which had very modest results so far, replaced, by the Inclusion Allowance (ADI) (Art. 1-9 LD no. 48/2023) on January 1, 2024. Here follows an analysis of the GPT financial results in terms of ***contribution revenues*** generated by the production sector (and the impact on the final labour cost) and of ***income-support benefit expenditure***. ***Table 4.1*** shows the summary data of the last 15 fiscal years, from 2008 to 2023.

In 2022, this scheme ran a surplus of 12.679 billion, the all-time high in the last 16 years after the peak 2020 following the pandemic (-3.8 billion). In detail, in 2023, the revenues went back to pre-pandemic levels (30 billion) and expenditure dropped by 1.5 billion with respect to 2022. During the period under review, ***contribution revenues*** (*proceeds and charges*) generated by production enterprises remained essentially stable at around 18.9 billion euros until 2012 and then they have gradually risen since 2013 due to the joint effect of the employment growth and the trend in the gross per-capita wages.

Table 4.1 - GPT accounts from 2008 to 2023. Summary of the economic situation (millions of euros)

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Proceeds and revenues	18.832	17.999	18.782	18.833	18.912	19.743	19.994	20.208	20.805	21.719	22.514	23.545	20.932	23.531	25.937	27.303
Other revenues (**)	2.507	2.531	2.370	2.428	2.600	2.444	2.545	2.328	2.436	2.401	2.407	2.426	2.121	2.471	2.531	2.543
Total value of production (A)	**21.339**	**20.530**	**21.152**	**21.261**	**21.512**	**22.187**	**22.539**	**22.536**	**23.241**	**24.120**	**24.921**	**25.971**	**23.053**	**26.002**	**28.468**	**29.847**
Institutional benefit expenditure,	11.459	13.907	13.550	13.506	14.633	15.149	14.267	13.534	15.006	15.055	14.841	14.835	18.895	14.004	13.903	12.234
Other operating costs	4.472	7.117	6.934	6.394	7.901	6.654	6.616	6.644	4.960	5.026	5.141	5.542	7.944	5.013	4.761	4.934
Total Costs of Production (B)	**15.931**	**21.024**	**20.484**	**19.900**	**22.534**	**21.803**	**20.883**	**20.178**	**19.966**	**20.081**	**19.982**	**20.377**	**26.839**	**19.017**	**18.664**	**17.168**
Difference (A) - (B)	**5.408**	**-494**	**668**	**1.361**	**-1.022**	**384**	**1.656**	**2.357**	**3.275**	**4.039**	**4.939**	**5.594**	**-3.786**	**6.985**	**9.804**	**12.679**

(*) Gross of proceeds, financial and extraordinary charges and taxes

(**) Administrative sanctions and GIAS transfers (no resources to finance exemptions or contribution incentives, changes in the taxable contribution base and lower contribution revenues for wage support benefits).

This growth continued in the following years also due to the introduction of two new types of contributions and the change in the contribution rates in 2015, related to the supplementary wage benefits granted to all part-time and full-time employed workers, including those with vocational apprenticeship contracts[6] .

[6] Additional NASPI contribution (1.40%): with effect on contribution periods accrued as of January 1, 2013, Art. 2, 28 et seq. of Act no. 92/2012 introduced an additional contribution equal to 1.40% to be paid by employers for term contracts. As a result of this provision, the total contribution due for Aspi is 3.01% (1.61 %+ 1.40%) of the taxable remuneration, subject to any reductions in the contribution referred to in paragraph 25 (1.31%). Given the wording of the rule, the additional contribution is applicable to all employment relationships not of indefinite duration except for the following categories of workers: a) workers hired under a fixed-term contract to replace absent workers; b) workers hired under a fixed-term contract to carry out seasonal activities provided for under Presidential Decree no. 1525/1963, as well as, for the contribution periods accrued from January 1, 2013 to December 31, 2015, to carry out seasonal activities defined as such by municipal notices and national collective agreements signed by December 31, 2011, by the most representative workers' and employers' organizations; c) apprentices; d) employees (fixed-term) of public administrations referred to under Art. 1, par. 2, Legislative Decree no. 165/2001, as amended. Article 3, par. 2 of Law Decree no. 87 of July 12, 2018 (the so-called Dignity Decree, Act no. 96/2018), increased the additional contribution by 0.5% on the occasion of each

This upward trend was significant in 2018 and 2019, amounting to **4.6%** (3.7% in the previous two years), while in the 2019-2020 period, it turned downward by 11.1% for the first time in the reported historical series. In contrast, in 2021, revenues grew by 12.42%, the most significant annual increase since 2008. In 2022, there was a further year-on-year increase by 10.22%. In 2023, this upswing went on with an increase in contribution revenues by 5.27% over 2022.

Table 4.2 shows the 2008-2023 revenues generated by the contributions paid by employers and members on the basis of the contribution rates shown in Table 4.8; ***Table 4.3*** below shows the revenues for GPT, coming from the transfers from GIAS to adjust to the changes to the taxable income on which contributions are levied, and the exemptions and rate reductions in favour of production sectors or categories and other benefits.

Table 4.2 - GPT accounts in 2008-2023: contributions paid by employers and members

Description	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Family allowances	6.224	5.887	6.124	6.201	6.216	6.419	6.454	6.299	6.434	6.833	7.074	7.378	6.672	7.422	8.122	8.585
Ordinary wage supplementary benefits	2.926	2.715	2.817	2.741	2.674	2.680	2.649	2.744	2.661	2.605	2.625	2.831	2.595	2.992	3.241	3.465
- construction	*687*	*598*	*607*	*567*	*488*	*417*	*459*	*456*	*419*	*387*	*426*	*417*	*369*	*545*	*618*	*684*
- stone industry	*28*	*26*	*26*	*25*	*23*	*21*	*23*	*22*	*19*	*20*	*19*	*20*	*17*	*20*	*21*	*21*
- stone crafts industry	*3*	*3*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*1*	*1*	*2*	*2*
- industria	*2.208*	*2.088*	*2.182*	*2.147*	*2.161*	*2.240*	*2.165*	*2.264*	*2.221*	*2.196*	*2.178*	*2.392*	*2.208*	*2.426*	*2.600*	*2.758*
Cisoa	37	34	38	37	40	38	40	44	41	45	46	50	46	50	52	54
Unemployment benefits	3.784	3.802	3.948	3.947	4.042	128	135	160	157	150	150	155	155	165	172	172
ASpI /NASpI benefits						4.516	4.678	4.790	5.038	5.297	5.596	5.903	5.151	5.679	6.422	6.637
Sickness benefits	4.214	3.962	4.197	4.247	4.223	4.243	4.351	4.468	4.745	4.968	5.179	5.402	4.605	5.318	5.907	6.271
Maternity benefits	1.088	1.063	1.100	1.095	1.130	1.138	1.121	1.158	1.152	1.214	1.250	1.282	1.162	1.294	1.390	1.459
Termination of employment benefits and other benefits	580	554	582	582	606	599	601	610	646	664	686	709	648	706	774	815
Financing of the guarantee fund for omitted or insufficient contributions from employers to complementary pension schemes;	2	2	2	2	2	2	2	2	2	2	2	2	3	3	3	3
Total	**18.854**	**18.018**	**18.808**	**18.852**	**18.932**	**19.763**	**20.032**	**20.275**	**20.876**	**21.778**	**22.608**	**23.712**	**21.037**	**23.629**	**26.083**	**27.461**

Table 4.3 - GPT accounts in 2008-2023: active transfers from GIAS to GPT

(millions of euros)

Description	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Family allowances	1.368	1.348	1.323	1.354	1.457	1.448	1.576	1.466	1.572	1.577	1.588	1.566	1.362	1.510	1.621	1.667
Ordinary wage supplementary benefits	208	204	182	195	208	171	152	144	113	99	71	90	98	240	97	81
- construction	*129*	*136*	*116*	*128*	*137*	*102*	*103*	*96*	*79*	*72*	*49*	*67*	*76*	*54*	*78*	*58*
- stone industry	*5*	*5*	*5*	*5*	*5*	*4*	*4*	*4*	*4*	*3*	*4*	*4*	*4*	*4*	*3*	*4*
- stone crafts industry	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
- industry	*74*	*63*	*61*	*62*	*66*	*65*	*45*	*44*	*30*	*24*	*18*	*19*	*18*	*182*	*16*	*19*
Cisoa	64	81	66	66	71	68	72	73	77	79	82	82	62	75	76	76
Unemployment benefits	165	184	158	164	174	116	59	62	65	68	69	71	53	62	61	60
ASpI /NASpI benefits						49	81	52	43	34	15	22	23	19	27	22
Sickness benefits Maternity benefits	648	649	580	590	631	540	557	494	486	471	458	511	457	521	562	561
Termination of employment benefits and other benefits	22	25	21	22	24	20	17	13	13	10	6	7	7	8	10	8
Total	**2.475**	**2.491**	**2.330**	**2.391**	**2.565**	**2.412**	**2.514**	**2.304**	**2.369**	**2.338**	**2.289**	**2.349**	**2.062**	**2.435**	**2.454**	**2.475**

Note*: the data in Table 4.2 on contribution revenues are not fully in line with those in Table 4.1; the same occurs in Table 4.3 with respect to the second item in 4.1. The difference can be explained as follows: the annual amount of contributions in Table 4.2 is calculated before the corrective and compensatory current gross revenue items equal to 105 million euros in 2020 and differs from the amount related to proceeds and expenses as the latter is a net value. The amounts related to 'other revenues and proceeds' shown in Table 4.1 include penalties for 2020 amounting to 59 million euros, and are excluded from Table 4.3 that is only related to transfers from GIAS.*

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renewal of a fixed-term contract, including temporary contracts. The provisions of the previous period do not apply to domestic labour contracts (see *Table 4.8*).

At the same time, ***institutional benefits*** (***Table 4.4***) grew from 2008 (at the start of the economic crisis) to 2013 and then gradually dropped down to the 2015 level, which was lower than that of 2009. In particular, in 2015, the accrued benefit expenditure decreased by 5.2% compared to the previous year, while the contribution revenues increased by 1.1%. As a result, this scheme had a surplus of more than 2.3 billion. The drop in the amount of benefits in 2015 was mostly due to a combination of accounting effects on accruals at the beginning and at the end of the year due to the elimination of ASPI and mini ASPI benefits in the same year and of the accrued payments of ordinary non-agricultural unemployment benefits still in force in early 2015. In 2016 and 2017, institutional benefit expenditure amounted to approximately15,000 million euros. In 2018, the total benefit expenditure dropped by around 1.4%, and the same in 2019. In 2020, as a result of the measures adopted to deal with the effects of the COVID-19 pandemic on the labour market, the institutional benefit expenditure rose by almost 4 billion euros; in 2021 instead, it returned to the 2015 levels at around14,000 million.

In the period under review, benefit expenditure net of recovered non-eligible benefits (item B in Table 4.4) rose from 11,459 million euros in 2008 to12,234 million in 2023, up by **6.76%,** mainly due to the higher number of unemployment and NASPI benefits, which, added to the residual Aspi benefits, became the ***largest income support expenditure*** item which clearly needs to be verified. The substantial increase by 27.37% in 2020 over the previous year was largely attributed to the increase in supplementary wage subsidies from 312 million euros in 2019 to 4,152 million and in NASpI benefits. In 2021, these benefits returned to the 2015 levels at 618 million (-85%).
They experienced a further decline in 2022, down to 303 million, and then an upswing in 2023, with an expenditure of 418 million euros, thus bringing the institutional benefit expenditure from 18,896 million in 2020 to 12,234 million in 2023. Compared to the total institutional expenditure, in 2023, the top three cost items were unemployment benefits, accounting for about 59% of the total, sickness benefits (21.3%) and family allowances (4.5%).

Transfers from GPT to FPLD to finance ***notional contributions***[7] are included under "***Other operating expenses***" *(**Table 4.1**),* and account for the bulk of these charges. They are analytically illustrated in ***Table 4.5*** below**.**

[7] With regard to notional contributions for periods of unemployment, INPS, in its Circular no. 11 of January 28, 2013, illustrated the methods to ***automatically calculate*** the notional remuneration for unemployment events registered in individual accounts; the calculation by average imposed by the information structured on an annual basis is no longer used ; so, in full compliance with the regulations in force, reference is made to the remuneration figures during the periods of absence from work that workers would have received under normal working conditions. When finalizing the financial accounts, a special report is drafted pursuant to Article 4 of Act no. 218/1952, as amended, which sets out the methods, the technical bases and the amounts to be transferred to FPLD by the Temporary Benefit Fund and by GIAS, each for its share, to finance periods of unemployment in the agriculture sector, of NASPI and of anti-tubercular entitlements. Most charges for these notional sums are linked to NASPI.

Table 4.4 - GPT accounts from 2008 to 2023: institutional benefit expenditure Accruals (millions of euros)

Description	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Family allowances	3.831	3.760	3.552	3.670	3.726	3.817	3.676	3.611	3.733	3.693	3.580	3.341	3.019	2.701	2.003	549
Supplementary wage benefits	365	1.755	1.141	769	1.044	1.146	747	680	519	411	346	312	4.152	618	303	418
Unemployment benefits and Mini ASpI	3.051	4.198	4.656	4.560	5.233	3.057	1.855	1.102	1.113	1.215	1.133	1.256	1.300	1.229	1.318	1.417
ASpI benefits						2.253	3.401	2.301	311	31	14	8	5	2	2	2
NASpI (*) benefits								1.300	4.907	5.488	5.775	5.966	6.269	4.756	5.082	5.863
Sickness benefits	2.165	2.079	1.992	2.053	2.044	2.017	1.950	1.958	2.036	2.157	2.234	2.334	2.702	3.140	3.636	2.602
Maternity benefits	2.038	2.124	2.088	2.216	2.284	2.292	2.186	1.990	1.878	1.729	1.606	1.542	1.545	1.514	1.645	1.613
Termination of employment benefits and others	446	415	585	672	795	1.087	1.042	1.253	1.217	1.047	891	816	568	581	510	479
Total (A)	**11.896**	**14.331**	**14.014**	**13.940**	**15.126**	**15.669**	**14.857**	**14.195**	**15.715**	**15.772**	**15.579**	**15.575**	**19.560**	**14.541**	**14.499**	**12.943**
Recovered benefits and others (B);	437	424	464	434	493	520	590	661	709	717	738	740	664	537	596	709
Total benefit expenditure (A-B)	**11.459**	**13.907**	**13.550**	**13.506**	**14.633**	**15.149**	**14.267**	**13.534**	**15.006**	**15.055**	**14.841**	**14.835**	**18.896**	**14.004**	**13.903**	**12.234**

***** *NASpI was launched on May 1 2015, under Art. 12 Leg. Decree no. 22/2015*

Table 4.5 - GPT accounts from 2008 to 2023: expenditure for notional contributions (millions of euros)

Description	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Wage supplementary benefits:																
industry	139	1.091	622	344	565	583	278	342	297	229	77	119	2.370	552	183	168
construction	86	144	139	146	181	195	170	174	90	74	83	54	97	93	52	73
stone works	4	7	7	8	9	10	9	8	5	5	4	2	11	4	3	3
Unemployment benefits	3.198	4.984	4.908	4.907	5.941											
Aspi						2.431	3.882	2.759	364	46	23	11	6	2	1	1
Mini AspI and farmers						1.036	585	350	12	3	2	2	0	0	0	0
NASpI (Art. 12, Leg. Decree no. 22/2015)*								953	2.553	3.116	3.364	3.436	3.623	2.775	2.851	3.261
***Other unemployment benefits**						1.207	604	436	443	428	435	499	390	425	402	376
Total	**3.427**	**6.226**	**5.676**	**5.405**	**6.696**	**5.462**	**5.528**	**5.022**	**3.764**	**3.901**	**3.988**	**4.123**	**6.497**	**3.851**	**3.492**	**3.882**

In order to have an exhaustive overview of ***income-support benefits***, it is also important to consider the benefits paid by **GIAS** only for ***income- support purposes,*** (other activities of GIAS are analysed in the next section) that were transferred to GPT:

- consideration for the loss of contribution revenues, as a result of exemptions and rate reductions
- provided for particular production sectors or categories (including on-the-job training contracts,
- solidarity contracts and apprenticeships);
- the share of family allowances as provided for under Act no. 153/1988;
- the share of family allowances for agricultural workers (Act no.1038/1961);
- the share of ordinary agricultural unemployment benefits under Acts no. 1115 of November 5, 1968, no. 1038/1961 and no. 427 of August 6, 1975;
- the share of NASPI benefits;
- the financing of family allowances for farm employed workers (Act no. 1038/1961);
- the share of the ordinary agricultural unemployment benefits under Acts no. 1115 of November 5, 1968 and no. 427 of August 6, 1975;
- the share of NASpI benefits.

The share of the family allowances under Act no. 153/1988 is no longer financed following the introduction of the single universal allowance (AUUF). Moreover, GIAS has to bear the expenses for institutional benefits such as ***extraordinary wage support benefits, mobility allowances*** (***for cases starting before 1/1/2017)*** and ***safety net measures*** (under derogation***)*** introduced under Law Decree no. 185 of November 29, 2008 (Anti-crisis Decree) transposed into Act no. 2/2009.

Table 4.6 analyses in particular the costs related to income-support benefits and the transfers to FPLD for the notional contributions of these periods. Unemployment benefits mainly include: the share of ordinary non-agricultural unemployment benefits, former ASPI, Mini-ASPI and now NASPI benefits, the unemployment benefits not for the agricultural sector under Act no. 247/2007, special construction unemployment benefits and allowances for socially useful activities (ASU).

The 2021 accounting data related to benefit expenditure (***Table 4.4***) and contribution revenues (***Table 4.2*** and ***4.3***) show the effects of the provisions introduced by Act no. 92 of June 28, 2012, which repealed the following benefits and hence the contributions to finance them as of 1 January 2017:

- ordinary mobility allowances;
- special unemployment benefits for the construction industry as provided for under Law Decree no. 299 of May 16, 1994, as amended by Act n. 451 of July 19, 1994;
- special unemployment benefits for the construction industry under Articles 9 to 19 of Act no. 427 of August 6, 1975.

Therefore in 2023, the overall ***expenditure for income support benefits and for notional contributions paid by GPT and GIAS*** (the sum of all the items in Tables 4.4, 4.5, 4.6[8] Sections A and B) amounted to **24,916 million euros,** compared to 51,197 million in 2020, a decrease by 51.3% net of the operating expenses and the share of the two special funds.

[8] In part (a) related to benefits in Table 4.6, INPS changed the entry “one-off COVID allowance” to “other COVID allowances' compared with the previous year.

Table 4.6 - GIAS accounts from 2008 to 2023: wage support charges

(millions of euros)

A) Prestazioni	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Trattamenti di disoccupazione	1.419	2.191	2.165	2.239	2.621	2.884	3.557	2.717	3.855	3.996	4.172	4.318	4.980	3.787	4.390	5.011
AspI e mini AspI						*1.586*	*2.921*	*1.299*	*195*	*21*	*9*	*5*	*2*	*1*	*1*	*1*
*NASpI**								*770*	*3.033*	*3.363*	*3.568*	*3.742*	*3.877*	*3.199*	*3.446*	*4.424*
COVID - proroga NASpI													*524*	*0*	*1*	*0*
altri						*1.298*	*636*	*648*	*627*	*612*	*595*	*571*	*577*	*587*	*942*	*586*
Indennità di mobilità	882	1.144	1.346	1.435	1.685	2.081	2.284	2.108	1.462	863	58	100	48	35	31	18
ordinaria	*794*	*1.043*	*1.169*	*1.192*	*1.387*	*1.716*	*1.980*	*1.888*	*1.334*	*776*	*47*	*97*	*45*	*30*	*30*	*17*
in deroga	*88*	*101*	*177*	*243*	*298*	*365*	*304*	*220*	*128*	*87*	*11*	*3*	*3*	*5*	*1*	*1*
Trattamenti CIGS	508	1.121	2.173	1.981	2.449	2.811	2.914	1.856	1.499	892	522	511	6.840	4.863	853	579
ordinaria	*396*	*825*	*1.608*	*1.386*	*1.634*	*2.038*	*2.195*	*1.489*	*1.300*	*772*	*503*	*474*	*414*	*648*	*451*	*558*
in deroga	*112*	*296*	*565*	*595*	*815*	*773*	*719*	*367*	*199*	*120*	*19*	*37*	*48*	*55*	*1*	*0*
COVID - CIGO + ANF connesso													*665*	*95*	*65*	*0*
COVID - CIGS													*8*	*18*	*7*	*0*
COVID - CIG in deroga													*2.553*	*2.092*	*181*	*1*
COVID - Assegno ordinario FdS													*3.151*	*1.955*	*148*	*0*
COVID - Altre indennità													1	0		20
Trattamenti diversi	1	3	1	9	5	11	1	32	44	84	360	544	7.364	5.052	528	631
Totale	**2.810**	**4.459**	**5.685**	**5.664**	**6.760**	**7.787**	**8.756**	**6.713**	**6.860**	**5.835**	**5.112**	**5.473**	**19.232**	**13.737**	**5.802**	**6.239**
B) Coperture figurative e IVS	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Trattamenti di disoccupazione	83	316	188	197	271	142	92	67	34	23	12	1	0	0	0	0
Indennità di mobilità	679	815	951	1.039	1.219	1.391	1.462	1.412	1.107	701	194	40	14	11	5	4
ordinaria	*617*	*742*	*830*	*896*	*948*	*1.088*	*1.228*	*1.249*	*1.013*	*637*	*186*	*38*	*12*	*7*	*4*	*4*
in deroga	*62*	*73*	*121*	*143*	*271*	*303*	*234*	*163*	*94*	*64*	*8*	*2*	*2*	*4*	*1*	*0*
Trattamenti CIGS	387	894	1.750	1.729	1.935	2.082	2.034	1.608	1.315	676	481	428	4.155	3.282	593	405
ordinaria	*302*	*686*	*1.228*	*1.146*	*1.244*	*1.550*	*1.540*	*1.358*	*1.182*	*595*	*468*	*422*	*370*	*414*	*351*	*361*
in deroga	*85*	*208*	*522*	*583*	*691*	*532*	*494*	*250*	*133*	*81*	*13*	*6*	*1*	*41*	*4*	*0*
COVID - CIGO													*439*	*83*	*37*	*18*
COVID CIGS													*1*	*12*	*7*	*0*
COVID - CIG in deroga													*1.580*	*1.325*	*120*	*5*
COVID - Assegno ordinario FdS													*1.764*	*1.407*	*74*	*21*
Trattamenti NASpI				6	0	0	0	0	1.521	1.813	1.960	2.018	**2.403**	**1.733**	**1.878**	**2.152**
ordinari									*1.521*	*1.813*	*1.960*	*2.018*	2.099	1.733	1.878	2.152
COVID - proroga													*304*	*0*	*0*	*0*
Trattamenti diversi				6	0	0	0	0	0	0	0	0	0	0	0	0
Totale	**1.149**	**2.025**	**2.889**	**2.971**	**3.425**	**3.615**	**3.588**	**3.087**	**3.977**	**3.213**	**2.647**	**2.487**	**6.572**	**5.026**	**2.476**	**2.561**

(*) L'articolo 1 del D.Lgs n.22 del 2015 ha istituito, dal 1° maggio 2015, una indennità mensile di disoccupazione denominata Nuova prestazione di Assicurazione Sociale per l'impiego (NASpI), in sostituzione delle indennità ASpI e Mni-ASpI introdotte dall'articolo 2 della legge n.92 del 2012.

A) Benefits; **Unemployment benefits**: AspI and Mini AspI, NaSpI*, Covid extension of NaSpI, others, **Mobility benefits**: ordinary benefits, "derogation" benefits, **CIGs benefits:** ordinary benefits, "derogation" benefits, Covid-Cigo + ANF, Covid-Cigs, Covid- "derogation" CIG, Covid-ordinary FdS allowance; Covid – other benefits; **Other benefits**, **Total**; **B) Notional contributions and disability, old-age and survivors' benefits**; **Unemployment benefits Mobility benefits**: ordinary benefits, "derogation" benefits, **CIGs benefit**s: ordinary benefits, "derogation" benefits, Covid-Cigo, Covid-Cigs, Covid- "derogation" CIG, Covid-ordinary FdS allowance; **NASPI benefits**: ordinary benefits, Covid – extension; **Other benefits**; **Total;** ***(*)*** Art. 1 of Law Decree no. 22 of 2015 introduced a monthly unemployment benefit called New Social Security Benefit dor Employed Workers (NASpI), to replace the ASpI and Mini-ASpI allowances envisaged under Art. 2 of Act no. 92 0f 2012.

Table 4.7 shows the following contribution rates paid by employers: 0.30% for mobility allowance, 0.80% for special construction unemployment benefits and 0.90% (of which 0.30% paid by workers) for extraordinary supplementary wage benefits.

Table 4.7 - GIAS accounts from 2008 to 2023: contributions paid by employers and members

(millions of euros)

Years	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Mobility allowance	524	549	706	641	589	579	609	587	485	50	18	7	2	1	0	1
Cigs benefits (*)	1.041	977	1.066	1.071	1.085	1.110	1.073	1.083	1.139	1.255	1.278	1.316	1.205	1.310	1.835	2.083
Special benefits for construction workers	120	106	109	100	90	79	80	76	75	3	1	-	-	-	-	-
Total	**1.685**	**1.632**	**1.881**	**1.812**	**1.764**	**1.768**	**1.762**	**1.746**	**1.699**	**1.308**	**1.297**	**1.323**	**1.207**	**1.311**	**1.835**	**2.084**

(*) One third of the Cigs contribution rate is paid by workers (0.30%)

Table 4.8 shows the contribution rates to be paid by enterprises for the GPT and GIAS schemes.

Table 4.8 - Contribution rates for the main sectors in 2023 (as % of the taxable income)

Contributions	NASpI (*) (**)		mination of employment ber		CUAF		ordinary Cig		extraordinary Cig		sickness benefits		maternity benefits		Total	
Sector	Blue collars	White collars	Blue collars	White collars	Blue collars	White collars	Blue collars	White collars	Blue collars	White collars	Blue collars	White collars	Blue collars	White collars	Blue collars	White collars
Industry																
up to 15 employees	1,61	1,61	0,20	0,20	0,68	0,68	1,70	1,70			2,22		0,46	0,46	**6,87**	**4,65**
from 16 to 50 employees	1,61	1,61	0,20	0,20	0,68	0,68	1,70	1,70	0,90	0,90	2,22		0,46	0,46	**7,77**	**5,55**
above 50 employees	1,61	1,61	0,20	0,20	0,68	0,68	2,00	2,00	0,90	0,90	2,22		0,46	0,46	**8,07**	**5,85**
Construction (***)																
up to 15 employees	2,41	2,41	0,20	0,20	0,68	0,68	4,70	1,70			2,22		0,46	0,46	**10,67**	**5,45**
from 16 to 50 employees	2,41	2,41	0,20	0,20	0,68	0,68	4,70	1,70	0,90	0,90	2,22		0,46	0,46	**11,57**	**6,35**
above 50 employees	2,41	2,41	0,20	0,20	0,68	0,68	4,70	2,00	0,90	0,90	2,22		0,46	0,46	**11,57**	**6,65**
Artisans	0,70	0,70	0,20	0,20							2,22				**3,12**	**0,90**
Construction artisans (***)																
up to 50 employees	1,50	1,50	0,20	0,20			4,70	1,70			2,22				**8,62**	**3,40**
above 50 employees	1,50	1,50	0,20	0,20			4,70	2,00			2,22				**8,62**	**3,70**
Stone work artisans																
up to 50 employees	0,70	0,70	0,20	0,20			3,30	1,70			2,22				**6,42**	**2,60**
above 50 employees	0,70	0,70	0,20	0,20			3,30	2,00			2,22				**6,42**	**2,90**
Credit and Insurance	1,61	1,61	0,20	0,20	0,68	0,68							0,46	0,46	**2,95**	**2,95**
Retail																
up to 50 employees	1,61	1,61	0,20	0,20	0,68	0,68					2,44	2,44	0,24	0,24	**5,17**	**5,17**
from 50 to 200 employees	1,61	1,61	0,20	0,20	0,68	0,68			0,90	0,90	2,44	2,44	0,24	0,24	**6,07**	**6,07**
above 200 employees	1,61	1,61	0,20	0,20	0,68	0,68			0,90	0,90	2,44	2,44	0,24	0,24	**6,07**	**6,07**
reduced CUAF in the retail sector																
up to 50 employees	0,48	0,48	0,20	0,20	0,00	0,00					2,44	2,44	0,00	0,00	**3,12**	**3,12**
from 50 to 200 employees	0,48	0,48	0,20	0,20	0,00	0,00			0,90	0,90	2,44	2,44	0,00	0,00	**4,02**	**4,02**
above 200 employees	0,48	0,48	0,20	0,20	0,00	0,00			0,90	0,90	2,44	2,44	0,00	0,00	**4,02**	**4,02**

(*) NASpI includes 0.30% to be allocated to the Revolving Fund under former Art. 25 of Act no. 845/1978

(**) Act no. 92/2012, par. 28, envisages a 1.40% contribution for long-term employment contracts except for the cases provided for under paragraph 29.

(***) For NASpI, this item includes a 0.80% rate for special benefits

4.2.1 Beneficiaries of income support measures by number of hours and amount of benefits

In order to complete the analysis of the financial situation of GPT and the contributions from GIAS, it is important to look at the number of beneficiaries of income support benefits and at the number of hours required for each of the main safety net measures[9]:

- ***NASpI***[10] (a new measure to fight unemployment and promote mobility) with more than **2.7 million *beneficiaries*** in 2018, about 24% of whom above 50 years of age; in 2019, the number of recipients rose to **2,930,000** with an expenditure of more than 15 billion euros (benefits + notional contributions). In 2020, their number reached about **3,200,000** for an ***expenditure of* 16.7 billion** (benefits + notional contributions); in 2021, the number of beneficiaries reached 3,000,000 (estimated) for a total expenditure of 12.46 billion (including individuals who received this benefit

[9] Source INPS: Statistical Observatory: "Fund for *supplementary wage benefits, Solidarity Funds, and Unemployment*" October 2024 services2.inps.co.uk/services/observatories/statistics/api/getAllegato/?idAllegato=1008

[10] NASpI (former Aspi and mini Aspi) replaced the mobility benefit, which operated until 2017 and, as of 2022 it provides a maximum monthly amount of 1,335.4 euros.

only for a few months). A more meaningful assessment of the impact of NASpI on the labour market can be obtained by calculating the average number of benefits paid per month, that is 1,243,823 in 2020 and 982,473 in 2021. As regards ***DisColl***, similar to NASpI and applied to non-employed workers, its number of benefits amounted to 7,892 in 2020 and to 6,301 in 2021. In 2022, the number of NASpI recipients reached 2,583,700 (8.529 million euros' worth of benefits), plus 23,143 DisColl benefits (temporary workers) and 544,792 unemployed benefits for agriculture workers, for a total of almost 3,143,632, with an amount of expenditure equal to 13.259 billion euros. In 2023, the number of NASpI recipients was 2,691,096 (more than 10.287 million euros' worth of benefits), that of agriculture unemployment benefit recipients was 527,254 and that of DisColl beneficiaries reached 28,024, an increase by 6.5%, for a cost of 15.7 billion euros;

- ***Redundancy Fund*** (ordinary, extraordinary, derogated and in the field of agriculture), with a cost equal to1,426.8 million euros in 2019 (including derogations and notional contributions) and about **600,000 *recipients***, including a significant number of workers close to retirement age; in 2020, the number of recipients of these benefits (ordinary, extraordinary, derogated, solidarity funds) was about **7 million**, the vast majority for COVID reasons. The highest peak was in April, with 5,360,000 beneficiaries; in November, there were still about 2 million, after a trough in September (976,000); about 45% of employed workers were granted redundancy benefits. In 2020, benefit expenditure amounted to approximately 11 billion euros, plus 6.635 billion for notional contributions, for a total of **17.5 billion euros** and 11 million benefits; in 2021, the total expenditure was 13.8 billion with 10 million benefits 5; in 2022, 1.167 million benefits were paid out across the different redundancy systems, for a total expenditure of 2 billion. In 2023, the number of beneficiaries reached 961,500, with a cost of 1.61 billion, including 648 billion euros' worth of notional contributions.

- ***Act no. 104/1992,*** largely targeted to older workers who take time off from work to care for their elderly parents and who do not meet the 30-year contribution requirement to be entitled to Social APE; in 2021, the number of recipients of these benefits was over 500,000 (estimated) for an expenditure of 1.07 billion euros vs. 1.18 billion in 2022.

Table 4.9 - Beneficiaries and charges for safety net measures from 2020 to 2023. Accruals

(millions of euros - benefits in thousands of euros)

Type of Benefit	Year 2018				Year 2019				Year 2020				Year 2021				Year 2022				Year 2023			
	Beneficiaries	Benefits	Notional contributions	Total	Beneficiaries	Benefits	Notional contributions	Total	Beneficiaries	Benefits	Notional contributions	Total	Beneficiari	Prestazioni	Coperture figurative	Totale	Beneficiaries	Benefits	Notional contributions	Total	Beneficiaries	Benefits	Notional contributions	Total
Ordinary CIG:		333,2	164,5	497,7		303,2	175,5	478,7		4.110,4	2.478,5	6.588,9		605,2	649,1	1.254,3		296,9	238,2	535,1		399,6	243,4	643,0
- construction		147,6	83,4	231,0		112,0	54,1	166,1		183,5	97,2	280,7		188,8	93,4	282,2		82,3	52,7	135,0		129,6	72,4	202,0
- stone works industry		7,6	4,4	12,0		4,4	2,0	6,4		16,6	9,1	25,7		7,7	3,0	10,7		4,2	2,8	7,0		4,8	2,8	7,6
- stone works artisans		0,8	0,1	0,9		1,2	0,4	1,6		3,4	1,6	5,0		1,3	0,8	2,1		0,0	0,3	0,3		0,7	0,3	1,0
- industry		177,2	76,6	253,8		185,6	119,0	304,6		3.906,9	2.370,6	6.277,5		407,4	551,9	959,3		210,4	182,4	392,8		264,5	167,9	432,4
Extraordinary CIG		521,9	480,8	1.002,7		521,9	480,8	938,9		6.839,9	4.155,0	10.994,9		9.389,4	3.281,4	12.670,8		870,2	594,3	1.464,5		561,9	404,7	966,6
- ordinary benefits		502,6	467,9	970,5		474,3	422,2	896,5		414,2	370,1	784,3		647,8	414,1	1.061,9		451,3	351,4	802,7		558,2	361,0	919,2
- "derogation" benefits		19,3	12,9	32,2		36,9	5,5	42,4		48,1	1,4	49,5		55,0	40,5	95,5		0,9	0,5	1,4		0,0	0,0	0,0
- COVID - CIGO										665,0	438,6	1.103,6		95,3	82,9	178,2		65,4	44,0	109,4		1,1	18,1	19,2
- COVID - CIGS										8,0	1,4	9,4		17,8	12,0	29,8		7,2	4,4	11,6		0,0	0,0	0,0
- COVID - CIG derogated benefits										2.552,9	1.579,9	4.132,8		2.091,7	1.325,0	3.416,7		180,7	120,4	301,1		0,0	4,9	4,9
- Covid-ordinary FdS allowance										3.150,4	1.763,6	4.914,0		1.955,2	1.406,9	3.362,1		147,4	73,6	221,0		0,3	20,7	21,0
- Covid lump sum										0,0	0,0	0,0		0,0	0,0	0,0		17,3	0,0	17,3		2,3	0,0	2,3
- COVID - other benefits										1,3	0,0	1,3		4.526,6	0,0	4.526,6		0,0	0,0	0,0		0,0	0,0	0,0
Mobility benefits		57,6	194,1	251,7		57,6	194,1	140,1		48,7	13,7	62,4		34,8	10,6	45,4		31,0	5,4	36,4		18,4	4,1	22,5
- ordinary benefits		46,6	186,2	232,8		96,9	38,0	134,9		45,4	11,5	56,9		29,9	6,5	36,4		29,8	4,5	34,3		17,6	3,7	21,3
- "derogation" benefits		11,0	7,9	18,9		3,1	2,1	5,2		3,3	2,2	5,5		4,9	4,1	9,0		1,2	0,9	2,1		0,8	0,4	1,2
NASPI benefits(*)	2.795.700	9.343,7	5.324,4	14.668,1	2.933.400	9.708,5	5.453,3	15.161,8		10.670,4	6.026,6	16.697,0		7.955,5	4.507,9	12.463,4		8.529,8	4.729,6	13.259,4		10.287,5	5.412,2	15.699,7
- ordinary benefits										10.146,3	5.722,6	15.868,9		7.955,5	4.507,9	12.463,4		8.529,3	4.729,3	13.258,6		10.287,3	5.412,1	15.699,4
- Covid-extension										524,1	304,0	828,1		0,0	0,0	0,0		0,5	0,3	0,8		0,2	0,1	0,3
Art.33, par 1,2 and 3 of Act no. 104/1992 and Art. 20 Act no. 53/2000 (*)		823,5	215,7	1.039,2		849,3	221,5	1.070,8		1.185,0	326,1	1.511,1		839,8	230,5	1.070,3		934,2	247,2	1.181,4		1.056,7	276,1	1.332,8
- ordinary benefits		823,5	215,7	1.039,2		849,3	221,5	1.070,8		884,1	234,3	1.118,4		839,8	230,5	1.070,3		934,0	247,2	1.181,2		1.055,7	274,7	1.330,4
- Covid extensions										300,9	91,8	392,7		0,0	0,0	0,0		0,2	0,0	0,2		1,0	1,4	2,4
Social APE beneficiaries (Art. 1, par. 179-186 Act no. 232/2016)		330,4		330,4		523,9		523,9		516,7		516,7		510,0		510,0		495,0		495,0		528,0		528,0

Beneficiaries mean: distinct tax code holders with at least 1 benefit during the year; Source: INPS (updated up to December 31, 2023)

Considering that, in 2023, the number of authorized ordinary and extraordinary redundancy hours (including other derogations, Covid provisions etc.), together with Naspi, Discoll, and agriculture unemployment allowances reached 362.07 million, the number of people subsidized amounted to 3.5 million (as in 2022) before any duplication; considering also that about 2.7 million people received the citizenship income (down sharply from the previous three years), the total number of subsidized subjects climbed to more than 6.2 million out of a total of about 24 million employed workers; policy-makers should really reflect on these figures also in view of the labour shortages in many sectors (***Table 4.9***).

4.3 GIAS, the scheme for welfare and support benefits for the INPS pension funds: definitions, measures and transfers

The ***Scheme for welfare benefits (***GIAS) was set up within the INPS system under Article 37, par. 3, let. d of ***Act no. 88/89;*** it is the ***accounting instrument*** to apply the rules related to ***State welfare measures***, ***not only welfare benefits but also support measures for pension funds***. It has considerably evolved over time in terms of its regulatory framework, extending its scope of action to ever broader sectors. Its special feature with respect to all the other schemes managed by INPS, is its requirement to balance its annual "operating results" and its financial results. Thanks to its ***detailed accounting data, it is possible to separate pension-related items from welfare-related ones, in accordance with the legislation in force***; the former items are financed by the special-purpose contribution paid by companies and workers, and the latter by general taxes.

GIAS revenues – The actions implemented by ***GIAS mainly come from transfers from the State budget,*** which amounted to **164,432 million** in 2023 ((+ 4.7% vs. 2022), including 24 million transferred from the regions compared to 157,004 in 2022. A relatively small share, **2,084 million** (up from 1,835 million in 2022) came from the proceeds of the contribution rates paid by employers and workers with the aim of financing wage-support allowances and benefits resulting from the reduction of social security charges. Finally, workers shared some costs of their specific schemes for an amount of **163 *million***.

The accounts of this scheme show that, in 2023, the "***value of production***" amounted to **141,918 million** (142,295 in 2022), net of **25,086 million euros'** worth of the corrective items of current revenues[11] (related to contributions rebates); the "cost of production", equal to 141,922 million, was the same as the "value of production" (141,918 million) due to adjustments, extraordinary charges and taxes (- 4 million).

The State transfers (164,432 million) were earmarked to finance the following charges:

- ***Pension expenditure*:** the transfers from GIAS to pension funds amounted to **93,072 million euros** in 2023, with an increase by **5,003 million** compared to 88,069 million in 2022[12], broken down as follows: ***a)*** **43.829 million euros**, + 3.601 billion compared to 2022, (see ***Box 1*** and ***Table 1a***), to

[11] As to the support provided to pension funds, it is important to mention the ***rebates in contribution charges*** provided for by GIAS to support the national production system. The amount of this state contribution is indicated under the item "***Corrective and compensatory revenue items***", which amounted to **25,086 *million*** in the year under review. In the INPS accounting system, the contributions with these rebates are booked as gross amounts, even though revenues are booked as net; therefore, the GIAS financial statements analytically show the regulatory references (and their related amounts), but not the beneficiary schemes. It can be estimated that pension schemes receive about half of this amount.

[12] The increase mainly refers to the State contributions for the charges provided for in Art. 37 c.3 lett. c of Act no. 88/1989 and Art.59 c.34 of Act no. 449/1997 (in total + 2,655 million) related to the share of each monthly pension payment and to the provision of disability pensions before Act no. 222/1984, to the State contributions to finance social allowances under Art. 3 c.6 of Act no. 335/1995 (+524 million) and the benefits for public-sector employed workers under Art.2 par. 3 of Act no. 335/1989 supplemented by Art.2 par.5 of Act no. 183/2011 (+2,595 million). On the other hand, the charges related to early retirements with the "100 Quota" (-1,557 million), only partly offset by those provided with the "102 and 103 Quota" measures have been going down.

the pension funds for private-sector employed workers and self-employed workers to finance periods not covered by contributions or with reduced contributions and the deficits of CDCM and of the fund for postal workers[13] ***; b)*** **16,791 million** (+ 2.692 billion) to the former INPDAP schemes; ***c)*** **5.513 million** (+ 337 million) to finance the expenses for social allowances, social pensions and additional benefits disbursed in the year; ***d)*** **20,303 million**, (+ 2.099 billion) allocated to the fund for disabled civilians, to directly pay pensions for disabled civilians and caregivers' allowances***; e)*** **5,128 million**, (+ 435 million) to finance the operating deficits of some INPS Special Funds for employed workers (*customs agents, consumer tax collectors, Trieste and Genoa dockers, and former FF.SS. workers*); ***f)*** **1,148 million** to directly pay some categories of pension benefits (pensions paid to CDCM before 1989; benefits to members of the suppressed ENPAO.

- ***Wage support benefits***: **8,002 million euros** (+ 546 million compared to 7,456 in 2022); this growth was due to the higher state contributions to finance NASpl benefits.
- ***Family allowances*****: 21,594 million** (up by 4,952 million vs. **16,642** in 2022); this increase was due to the single universal allowance for the entire year of 2023, with the application of equalization as opposed to 2022, when this allowance came into effect on March 1.
- ***Economic benefits from the reduction in social security contributions*** (TB and Maternity): **530 million euros** (+13.2% compared to 468 million in 2022).
- ***Contribution incentives and other tax reliefs*****: 31,553 million euros** (+ 7,596 million or + 31.7% compared to 23,957 million in 2022); this growth was related to regulatory changes; the higher state transfers to GIAS compared to the previous year were caused by the partial exemption of contributions from October 1 to December 31, 2020 for companies in disadvantaged areas under Law Decree no. 104 of August 14, 2020 (+ 2,127 million) and by the contribution relief from January 1, 2022 to December 31, 2022 (+ 7,490 million) under Article 1 par. 121 of Act no.234 of December 30, 2021 and Law Decree of August 9, 2022 transposed by Act no. 142 of September 21, 2022. As already explained above, INPS accounted these charges, as ***recovered contributions,*** equal to **25,086 million**.
- ***Other measures*****: 2,732 million euros** (compared to 12,286 million in 2022). The reduction by 9,554 million resulted from the expiry of the measures introduced in 2022 by Law Decree no.

[13] The ***special fund for the employed workers of Poste Italiane spa*** was transferred to INPS under Art.7 and.3 of L. D. of. 31/05/2010, transposed into Act no.. 122 of 30/07/2010. Previously, under the L.D. D.no..487/1993, transposed into Act no.71/1994, the charges related to former employed workers retired as of 07/31/1994 were to be borne by GIAS. Therefore, the Exhibit to the Report on institutional benefits for 2023 shows the expenditure items to be borne by GIAS, including the transfers to the former Ipost fund amounting to 1,036 million versus the total expenses to be borne by GIAS equal to 1,330 million. This fund featured 118,277 members of the, with 168,881 outstanding pensions, 1,161million euros' worth of contributions and 2,401 million euro' worth of benefits; by Dec. 31, 2023, its deficit reached 1,204 million and its assets dropped to 4,081 million. Under Article 37 par.6 of Act no.88/1989, GIAS must directly pay the charges for the pension benefits paid by the ***CDCM fund before 1/01/1989*** and the related survivors' pensions, including the additional social benefits provided for under Article 38 of Act no.448/2001. The 2023 Report featured 621 million for these charges directly borne by GIAS and not by CDCM, of which 213.7 million for supplementary minimum benefits and 2.6 million for additional social benefits; therefore, in addition to the 3,686 million euros' worth of expenses that GIAS had to bear for the CDCM fund as reported in the GIAS financial accounts, the Report under BOX 1 featured an amount of 4,306.7 million, s inclusive of the aforementioned 621 million.

50/2022 and Law Decree no.144/2022 (200 and 150 euro one-time allowances granted to various categories of workers).

- ***Citizenship income and pensions***: **6,949 million** compared to 8,126 million in 2022, under Act no. 26/2019, which transposed Law Decree no. 4 of January 28, 2019 and the regulatory changes and funding revisions introduced by the 2023 Budget Law (Act no.197/2022), which established the provision of these benefits until July (7 monthly payments) except for the categories indicated in paragraph 314 of the same article. To promote the labour integration of people at risk of social and labour exclusion, Article 12, par.7 of Law Decree no. 48/2023, transposed into Act no.85/2023, introduced the allowance to participate in labour activation measures to support training and work as of September 1.

Table 4.10 shows the historical series of the transfers of financial resources from the State to GIAS from 2011 to 2023.

Table 4.10 - Transfers from the State budget to GIAS (millions of euros)

	Pension charges	Wage support measures	Family support measures	Economic benefits from the reduction in social security charges	Contribution Reliefs and other incentives	Various measures	Citizenship income and pensions	TOTAL TRANSFERS FROM THE STATE BUDGET
2011	58,271	6,360	3,411	688	14,031	1,141	-	**83,902**
2012	63,804	8,333	3,671	696	16,018	1,278	-	**93,800**
2013	67,982	9,592	3,992	677	15,488	1,338	-	**99,069**
2014	67,454	10,387	3,856	656	14,832	1,255	-	**98,440**
2015	72,172	8,794	4,033	622	15,897	2,155	-	**103,673**
2016	70,971	8,695	4,502	603	21,203	1,400	-	**107,374**
2017	72,699	8,067	5,485	583	21,014	2,302	-	**110,150**
2018	72,738	7,129	5,835	540	17,821	1,603	-	**105,666**
2019	78,428	7,106	6,012	528	15,759	2,558	3,879	**114,270**
2020	82,797	24,486	9,852	496	17,471	2,467	7,189	**144,758**
2021	84,055	17,978	8,231	482	22,620	2,416	8,433	**144,215**
2022	88,069	7,456	16,642	468	23,957	12,286	8,126	**157,004**
2023	93,072	8,002	21,594	530	31,553	2,732	6,949	**164,432**

The table shows the growth of "***welfare***," measures which, as will be discussed below, is a consequence of the more generous welfare interventions brought about by legislative provisions without appropriate financial resources and therefore financed by general taxes or debt. The total State transfers (**164,432 million euros**) in 2023 grew by **96%** compared to 2011, absorbing 24.4% of the State revenues (679,251 million). The State transfers to pay ***pension benefits*** went up by 59.7% compared 2011, i.e. an average annual increase by 5%. Over the same period, GDP featured a more limited change by 29.8% (from 1,638.9 billion to 2,128 billion). The trend of ***public wage support measures*** accounted for 25.8% over the same time frame, with a surge in subsidies in 2020 and 2021 due to the COVID-19 epidemic.

The State family support measures had a steady growth, with a spike by more than 140% between 2011 and 2021. In the past two years, they were further expanded following the transformation of the different forms of family allowances into the single universal child allowance (AUUF), with a surge by162% in 2023 with respect to 2021. The level of State family support interventions accounted for 1% of GDP and for about 1.7%, considering the resources allocated to these measures by local authorities (estimated to be 13 billion euros).

Institutional benefit expenditure – **GIAS** also receives public transfers to provide "***institutional benefits***" also classified by type of benefit, before the undue benefits recovered. ***Table 4.11*** illustrates the historical series of institutional benefits provided from 2011 to 2023, disaggregated by type of measure.

Table 4.11 - Institutional benefits provided by GIAS (millions of euros)

	Pension charges (*)	Wage support charges	Family support charges	Contribution relief charges	Miscellaneous charges	Citizenship income and pensions and training and employment support	**TOTAL INSTITUTIONAL BENEFITS**
2011	37,849	5,664	3,098	577	6	-	**47,194**
2012	42,845	6,760	3,286	593	7	-	**53,491**
2013	46,071	7,787	3,525	585	9	-	**57,977**
2014	45,956	8,756	3,408	567	8	-	**58,695**
2015	50,550	6,713	3,573	542	14	-	**61,392**
2016	49,515	6,862	4,057	532	10	-	**60,976**
2017	50,638	5,835	4,809	523	10	-	**61,815**
2018	50,695	5,112	5,243	490	11	-	**61,551**
2019	54,780	5,474	5,195	482	587	3,825	**70,343**
2020	59,649	19,232	6,224	458	454	7,198	**93,215**
2021	61,290	13,663	6,498	423	371	8,872	**91,117**
2022	64,167	5,801	16,881	462	9,005	8,039	**104,355**
2023	**68,272**	**6,239**	**21,142**	**500**	**939**	**6,705**	**103,797**
(*) The total includes early retirements.							

Pension charges: this figure includes the interventions in favour of all pension funds (see ***BOX 1*** for further details) and the charges for the provision of ***welfare benefits*** (social pensions and allowances to subjects over 65 years of age and additional benefits). These benefits provided by GIAS were introduced by Act no. 88/1989 and subsequent provisions; here follows a list of the most relevant ones from an economic point of view:

- ***the share of each monthly pension***[14] which reached **24,410 million euros**, compared to 22,453 in 2022, net of 2,841 million euros' worth of the share paid to retired civil servants registered with the former INPDAP fund;

[14] The so-called "***share of each monthly payment***" derives from Act no. 903 of July 21, 1965, which established a ***Social Fund***, financed by Art. 1 of Act no. 153 of 1969, fully paid by the State as of 1/1/1976, equal to 12,000 lire per month for each pension; this amount was adjusted by Act no. 910 of December 26, 1986, up to 100,000 lire per month for each pension and, according to Art. 37 of Act no. 88 of 1989, this cost was charged to GIAS. According to the law, the amount is adjusted by the Budget laws every year, on the basis of changes in the national consumer price index for blue- and white-collar households, calculated by ISTAT. Act no. 67 /1988 extended this measure to the funds for self-employed workers (artisans, retailers and farmers). The subsequent Act no. 335/1995 (Art. 3, par. 2), updated the annual adjustment criteria, providing for a 1% increase in the annual ISTAT index. Finally, Act no. 183/2011 (Art. 2, par. 4) expanded this measure, providing for a State contribution also for the pensions for public-sector employed workers paid by former INPDAP. In reality, the income-based system calculation method does not provide for the addition of any share for the recipients of a pension above the minimum; in fact, due to the calculation method of the income-based system (2% for each year worked for a maximum of 40 years, which means 80% of the ***average pensionable salary*** [RMP] or 70% with 35 years, with the RMP calculated on the basis of stated incomes of the last 10 years for employed workers and 15 years for the self-employed (in the past it was the last year for civil servants, the last 5 years for private-sector employed workers and 10 years for the self-employed), there many cases of tax-dodging and abuse because pension benefits were higher than contributions. In this connection, see the results of the '2001 Brambilla Commission' of the General Accounting Office (RGS), the Ministry of Labour and www.itineriprevidenziali.it. With the entry into force of the Amato and

- ***the share of pension benefits*** under Art. 1 of Act no. 59/1991(***yearly pensions***), equal to **291 million euros**, down from 335 million in 2022;
- ***the additional benefits*** under Art. 5. of Act no. 127/2007 (***fourteenth month)*** amounting to**1,456 million euros**, down from 1,497 million in 2022;
- ***the share of disability pensions*** before Act no. 222/1984 amounting to **6,207 million euros**, compared to 5,709 million in 2022;
- ***early retirements***, whose cost dropped to 8,221 million in 2023 from 9,400 million in 2022, of which 2,511 million euros related to the instalments of former INPDAP pensions (vs. 3,313 million in 2022). This decrease was due to the end of the years of early retirement with respect to the statutory age requirements for many workers who had opted for this measure under Article 14 of Law Decree no. 4 /2019 (100 Quota), only partially offset by the early retirements still in place under Act no. 234/2021, (102 Quota), Act no.197/2022, (103 Quota 103) and the Women's Option in addition to the early workers and Social Ape measures. The early retirements of many former employed workers protected by the 9 "safeguard measures". also came to an end.

In addition to these charges, it is important to look at the ***current direct pensions paid to farmers, tenant farmers and sharecroppers with effect as of 01/01/1989 and their survivors' pensions*** amounting to **621 million**, down from 699 million in 2022. There was also a reduction with respect to 2022 of the charges for the ***pensions of the abolished ENPAO*** (down from 519 to 511 million) and for the ***life annuities paid to former employees of the State and of other public administrations***, from 16.9 to 16.8.

All the pension charges, net of recovered non-eligible benefits, amounted to a total expenditure of **43,829 million euros** (***Table 1.a***). ***BOX 1*** presents the analysis of the costs GIAS has to bear for all the pension schemes resulting from the current GIAS legislation. In addition, under Act no. 183/2011, which established GIAS within the former INPDAP, and in line with what was provided for INPS under Act no. 88/1989, the State financial contribution had to be extended to the public-sector funds, which amounted to **16,791 million**, compared to 14,976 in 2022.

In order to arrive at the total of 68,272 million, it is necessary to add to the above-mentioned charges, those related to the direct provision of welfare benefits:

1) Social pensions, social allowances and related additional benefits provided for under Article 38, letter a, Act no. 488/2001, to subjects aged over 65 without any income. In 2023, these benefits cost ***5*,513 million euros** (net of 268 million euros' worth of recovered benefits), up from the costs incurred in 2022. As of December 31, 2023, the number of outstanding social pensions was equal to 8,361 (981 to men and 7,380to women), with an average monthly amount of 534 euros, down from the 11,565 social pensions at the end of the previous year. In fact, this group of subjects is steadily

subsequent reforms (1994 Berlusconi, 1995 Dini and 1997 Prodi), the reduction of the pro rata coefficients, the lengthening of the RMP calculation period and the introduction of the contribution-based system (in 2020 there were no more pure income-based cases, except for a few 'silent' ones; all the others are mixed or defined by contributions), pension benefits are increasingly related to contributions and without any supplementary benefits. Therefore, the share, which is expected to be totally revised, will be used to finance the costs of supplementary minimum benefits for specific categories of pensions, totally with the income-based or mixed method; these types of benefits will decrease over time also because the contribution component will become prevalent.

diminishing. As of as of December 31, 2023, the number of social allowances which replaced social pensions under Act no. 335/1995 was equal to 836,459 (319,145 to men and 517,314 to women) with an increase by 3.8%, + 30,787 allowances compared to 2022. This figure includes the social allowances deriving from the transformation of pensions to disabled civilians and to visually, hearing and speech impaired subjects when they reach the statutory retirement age requirements.

2*) Pensions for disabled civilians and caregivers' allowances*: under Art. 130 of Legislative Decree no. 112/1998, an ad-hoc fund was set up within INPS financed through GIAS called "***Pension fund for disabled civilians and caregivers' allowances***", with the aim to pay welfare benefits to disabled civilians and to hearing and visually impaired individuals. In 2023, the transfers amounted to **19,613 million**, compared with 18,625 in 2022[15] . These sums were used to pay **4,000 million euros'** worth of pension instalments to disabled civilians, **340 million** to the visually impaired, and **80 million** to subjects with hearing and speech impairment. In addition, the State provided **15,054 million euros'** worth of ***caregivers' allowances*** to the same categories of disabled subjects (of which 14,135 to disabled civilians, 780 to the visually impaired and 139 to subjects with hearing and speech impairment). These figures do not include the additional social benefits amounting to 270 million (Art. 38 of Act no. 448/2001), directly paid by GIAS. Under Legislative Decree no. 104/2020, this scheme extended to disabled civilians between 18 and 60 years of age **1,256 million euros'** worth of the additional benefits provided for in Art. 38 lett. a) of Act no. 448/2001. The total expenditure for this scheme was **20,303 million** in the year under review, net of the benefits recovered equal to 427 million; in addition, it directly paid benefits for non-EU disabled civilians, with a cost of more than 620 million. As of December 31, 2023, the total number of outstanding benefits was 3,297 (social pensions and caregivers' allowances), up from 3,217,147 in 2022.

3) *Veterans' pensions*: the public pension benefits whose cost is borne by the Treasury should also include ***veterans' pensions*** (direct and indirect), which are paid by the Ministry of Economy and Finance; as of December 31, 2023, the number of these outstanding benefits was 102,724 (compared to 111,736 at the end of the previous year), with a total cost per year of 1,013 million euros, up from 1,000 in 2022. Of these, 47,359 were direct pensions and 55,365 indirect pensions, respectively down from 49,732 and 62,004 pensions at the end of the previous year. These pensions also cover events that occurred after World War II, such as explosions of war devices and fatal events or disability outcomes for the military personnel operating in special missions or fulfilling institutional duties; these benefits are paid by INPS, and and are administered by the department of human resources of the Ministry of Economy and Finance.[16]

The ***GIAS transfers to support the revenues of the INPS pension funds***, classified under the item "***Miscellaneous operating expenses***", amounted to **37,397 million** up from 36,192 million in 2022. In addition to the above-mentioned transfer of **19,613 million** to the fund that provides pensions and allowances to disabled civilians, this aggregate also includes the following charges according to their economic relevance:

[15] These values result from the GIAS accounts (p.161) and are slightly different from the cost-related values shown in Table 5.6, built on the databases and stock data.
[16] For the requirements and provisions of veterans'pensions, see ***Act no. 210/1992*** and the webpage "war and survivors' pension benefits" of the General Administration Department of the Ministry of Economy and Finance.

a) charges to offset the shortfall in contribution revenues due to contribution exemptions and rate reductions amounting to 6,960 million (6,767 in 2022);

b) transfers to finance the operating deficits of the fund for former consumer tax collectors, the fund for the workers of the Genoa and Trieste port consortium, the fund for former customs shipping agents and the FF.SS fund. for a total of 5,128 million euros (4,771 in 2022);

c) transfers to finance IVS wage-support and family-support benefits and allowances for an amount equal to 3,254 million compared to 3,121 million in 2022~~.~~

Box 1 - The **"Analysis of the *GIAS measures*"** shows, for each compulsory pension scheme, its benefits and the amount of its transfers (together with the ones from GPT and the Regions) that increase its "contribution revenues".

Box 1 - GIAS measures to support pension funds

IMPORTI A CARICO GIAS PER PRESTAZIONI (valori assoluti espressi in milioni di euro)				TRASFERIMENTI DALLA GIAS E ALTRE GESTIONI (valori assoluti espressi in milioni di euro)						
	2021	2022	2023		2021		2022		2023	
	TOT.	TOT.	TOT.		GIAS	Altri Enti/Gestioni/Stato	GIAS	Altri Enti/Gestioni/Stato	GIAS	Altri Enti/Gestioni/Stato
DIPENDENTI PRIVATI	**31.523,24**	**32.081,89**	**33.340,98**	**DIPENDENTI PRIVATI**	**10.051,16**	**12,91**	**9.976,14**	**12,92**	**10.685,44**	**14,92**
Dipendenti Privati INPS	**30.155,24**	**30.644,96**	**31.871,54**	**Dipendenti Privati INPS**	**10.019,28**	**12,91**	**9.945,19**	**12,92**	**10.653,65**	**14,92**
FPLD	29.627,26	30.018,28	31.023,61	FPLD (4)	5.251,95	12,88	5.223,49	12,92	5.455,12	14,90
TRASPORTI	48,72	59,92	51,05	TRASPORTI	121,99	0,00	0,00	0,00	117,04	0,00
TELEFONICI	38,33	48,26	43,87	TELEFONICI	1,48	0,00	1,61	0,00	1,61	0,00
ELETTRICI	44,28	56,79	51,85	ELETTRICI	1,01	0,00	1,44	0,00	1,44	0,00
VOLO	10,78	12,30	10,27	VOLO	0,29	0,00	0,31	0,00	2,96	0,00
IMPOSTE CONSUMO	2,87	2,94	299,13	IMPOSTE CONSUMO (3)	114,32	0,00	110,40	0,00	111,93	0,00
CREDITO*	0,00	0,00	0,00	CREDITO*	0,00	0,00	0,00	0,00	0,00	0,00
FFSS	143,03	157,91	121,96	FFSS	4.522,82	0,03	4.602,56	0,00	4.958,38	0,02
INPDAI	239,98	288,57	269,79	INPDAI	5,42	0,00	5,38	0,00	5,17	0,00
Altri Fondi dipendenti privati	**110,86**	**133,57**	**139,63**	**Altri Fondi dipendenti privati**	**19,84**	**0,00**	**18,24**	**0,00**	**20,60**	**0,00**
ISTITUTO GIORNALISTI	**0,00**	**15,88**	**23,81**	ISTITUTO GIORNALISTI	0,00	0,00	0,00	0,00	0,00	0,00
ENTE LAVORATORI SPETTACOLO**	110,86	117,69	115,81	ENTE LAVORATORI SPETTACOLO**	19,84	0,00	18,24	0,00	20,60	0,00
Fondi Ex Aziende Autonome	**1.257,15**	**1.303,36**	**1.329,81**	**Fondi Ex Aziende Autonome**	**12,04**	**0,00**	**12,71**	**0,00**	**11,19**	**0,00**
IPOST	1.257,15	1.303,36	1.329,81	IPOST	12,04	0,00	12,71	0,00	11,19	0,00
DIPENDENTI PUBBLICI	**14.098,73**	**14.976,15**	**16.791,09**	**DIPENDENTI PUBBLICI**	**93,31**	**31,40**	**92,93**	**48,46**	**92,93**	**7,79**
CPDEL	1.658,44	1.804,10	1.262,45	CPDEL	34,60	20,60	34,22	4,43	34,22	1,91
CPI	17,10	17,74	12,69	CPI	0,60	0,15	0,60	0,01	0,60	0,01
CPS	301,73	317,19	261,10	CPS	8,53	7,43	8,53	4,83	8,53	3,72
CPUG	3,41	3,98	2,97	CPUG	0,15	0,00	0,15	0,00	0,15	0,00
CTPS	12.118,05	12.833,14	15.251,88	CTPS	49,43	3,22	49,43	39,19	49,43	2,15
AUTONOMI E PROFESSIONISTI				**AUTONOMI E PROFESSIONISTI**	**612,78**	**185,37**	**654,62**	**17,55**	**723,69**	**17,10**
Autonomi Inps	**8.537,54**	**9.569,91**	**10.292,24**	**Autonomi Inps**	**612,78**	**167,70**	**654,62**	**0,00**	**723,69**	**0,00**
ARTIGIANI	3.377,49	4.001,99	3.954,17	ARTIGIANI	285,02	0,00	326,47	0,00	361,27	0,00
COMMERCIANTI	1.917,55	2.025,19	2.031,32	COMMERCIANTI	278,72	167,70	320,34	0,00	354,61	0,00
CDCM	3.242,50	3.542,73	4.306,75	CDCM	49,04	0,00	7,81	0,00	7,81	0,00
Liberi Professionisti	**0,05**	**0,05**	**0,05**	**Liberi Professionisti**	**0,00**	**17,67**	**0,00**	**17,55**	**0,00**	**17,10**
CASSE PRIV 509 ESCLUSO ENPAM	0,05	0,05	0,05	CASSE PRIV 509 ESCLUSO ENPAM	0,00	17,67	0,00	17,55	0,00	17,10
ENPAM	0,00	0,00	0,00	ENPAM	0,00	0,00	0,00	0,00	0,00	0,00
CASSE PRIV 103	0,00	0,00	0,00	CASSE PRIV 103	0,00	0,00	0,00	0,00	0,00	0,00
FONDO CLERO	**9,50**	**9,51**	**12,55**	**FONDO CLERO**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
GESTIONE PARASUBORDINATI	**149,14**	**159,70**	**174,47**	**GESTIONE PARASUBORDINATI**	**409,36**	**0,00**	**413,61**	**0,00**	**425,36**	**0,00**
INTEGRATIVI INPS	**8,90**	**8,88**	**9,02**	**INTEGRATIVI INPS**	**38,03**	**61,89**	**36,30**	**57,02**	**35,97**	**56,31**
miniere	5,33	5,18	5,38	miniere	0,04	9,46	0,04	8,87	0,05	9,19
gas	0,64	0,56	0,59	gas	0,00	0,00	0,00	0,00	0,00	0,00
esattoriali	1,31	1,26	1,19	esattoriali	0,00	0,00	0,00	0,00	0,00	0,00
portuali	0,22	0,37	0,34	portuali (1) (3)	37,99	0,00	36,26	0,00	35,92	0,00
enti disciolti	1,41	1,49	1,52	enti disciolti (2)	0,00	52,43	0,00	48,15	0,00	47,12
ENASARCO	**0,00**	**0,00**	**0,00**	**ENASARCO**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
TOTALE	**54.327,10**	**56.806,08**	**60.620,38**	**TOTALE**	**11.204,64**	**291,57**	**11.173,60**	**135,95**	**11.963,39**	**96,12**
TOT. GIAS al netto dei DIP_PUBB.	**40.228,37**	**41.829,93**	**43.829,29**	**TOTALE**	**11.496,21**		**11.309,55**		**12.059,51**	

*Fondo Credito confluito in FPLD nel 2013; ** Fondo Enpals Cumulativo di gestione spettacolo e sportivi; (1) Trasferimenti GIAS ai sensi dell'art. 13 DL 873/1986; (2) Trasferimenti da parte di altri enti previsto dai commi 5 e 6 art. 77 Legge 833/1978; (3) inseriti dal 2020 i Rimborsi da parte GIAS a copertura del disavanzo di gestione DZR, FDR e GIR; (4) inserito il contributo di solidarietà art 25 L.41/1986

BENEFIT TRANSFERS FROM GIAS (millions of euros in absolute terms), TRANSFERS FROM GIAS AND OTHER SCHEMES (millions of euros in absolute terms); PRIVATE-SECTOR EMPLOYED WORKERS: INPS, FPLD, TRASPORTATION, TELEPHONY, ELECTTRICITY, AVIATION, CONSUMER TAXES, CREDIT*,FFSSI, INPDAI, Other funds JOURNALISTS, SHOW BUSINESS ** Funds for former autonomous entities; Ipost; PUBLIC-SECTOR EMPLOYED WORKERS; SELF-EMPLOYED AND PROFESSIONALS; INPS self-employed workers; ARTISANS, RETAILERS, CDCM; Professionals, 509 PRIV. FUNDS EXCLUDING ENPAM, 103 PRIV. FUNDS, Clergy Fund, Fund for Atypical Workers, INPS supplementary funds, Miners, Gas Workers, Tax collectors, Dockers, Dissolved entities, ENASARCO; TOTAL, TOT. GIAS net of Public Employees; *Credit fund integrated into FLPD in 2013; **ENPALS fund including show business and sports; (1) GIAS transfers under Art. 13 LD no. 873/1986; (2) transfers from other entities as provided for under paragraphs 5 and 6 Art. 77 Act no. 883/1978; (3) Including the refunds from GIAS to finance the deficit of DZR, FDR and GIR as of 2020; (4) including the solidarity contribution under art 25 of Act no. 41/1986*

4.4 Bilateral funds and active labour policies

In order to manage income support measures in case of working time reductions or work suspension, and in case of skilling and upskilling requirements, the social partners were given the opportunity to set up ***solidarity***, ***interprofessional*** and ***bilateral funds*** in 2023, under different legislative provisions. In the absence of a framework law, the number of these funds has skyrocketed (up to 137 funds) and needs to be rationalised[17], in order to optimize their resources; this can also be done through a legislation specifying their tasks, their supervision and their interventions; in fact, under the delegated Act no. 30 of February 14, 2003, as of 2004, over 1.5 billion were taken away from INPS and were channelled to these private entities set up by the social partners, which are financed by the employers and in some cases also by the workers and are designed to provide new forms of social protection in addition to the public one, replacing the ones previously provided by INPS.

Table 4.12 -Funds: functions, benefits and financing

Fund	Institutional purposes	Resources used in 2023
Fund for supplementary wage benefits	It provides supplementary benefits for workers in companies with more than 5 employees on average in sectors for which no agreement on the establishment of solidarity funds has been concluded or which are not entitled to Cig.	Ordinary contribution revenues from employers and employees amounting to approximately 2,763 million, of which 1,336 million related to the credit fund and over 1,098 million related to fund for supplementary wage benefits.
12 Solidarity funds	They provide workers in some sectors (credit, post, railways, insurance, air transport, maritime and former tax collectors) with extraordinary income support allowances, training and vocational upskilling, in particular for the credit and air transport sectors, and an extraordinary allowance for early-retirement 5 years in advance (so-called redundancy funds).	Expenses for ordinary and extraordinary benefits including administrative and operational costs: more than 1,775 million, of which 1,305 related to the credit fund and 87 to the fund for supplementary wage benefits. In particular, the credit sector, insurance, tax collection and railways sectors featured extraordinary contribution revenues amounting to almost1,054 million against extraordinary benefit expenses of about 1,042 million.
19 Interprofessional funds	These funds provide continuous training in the industry, agriculture, services and crafts sectors.	Their revenues derive from applying a 0.30 % rate on wages to be paid by enterprises. Total revenues: 1,222 million euros, of which 890 million paid to the funds for continuous training.
105 Bilateral funds	They mainly provide training services and, in some still very limited cases, supplementary income support benefits paid by INPS, while about 10 of them provide supplementary health benefits paid by the NHS.	Payments made by nearly 1.2 million member companies amounting to 1.3 million, referring to a population of more than 8 million workers.

[17] There are 137 funds with presidents, boards, premises, equipment, assemblies and bodies, as well as with large operating expenses, and, due to their size many of them are poorly skilled especially in effective resource allocation. There is an excessive proliferation, with overlapping measures for the same categories of subjects; so, it necessary to streamline the system and rationalize the resources, especially for greater social purposes, also taking into account the high operating and governance costs of each of these entities, that have an impact on recipients, and the lack of an effective control by a “super partes” body to ensure that they are efficiently managed.

INPS collects contributions and allocates these resources to the funds to meet their accounting requirements; it also manages the largest fund ***(FIS), the fund for supplementary wage benefits***[18]**.** ***Table 4.12*** shows the types of measures provided for, that, if properly regulated and made more economically viable, could actually result in a true "***second pillar***" of a private-sector nature (along the lines of pension and health funds) that complements the public system and lightens its burden. Unfortunately, instead of rationalising the second-pillar system, as can be seen from footnote 15, the legislator has established the obligation to set up new solidarity funds even for employers with only one employed worker, who operate in the sectors not regulated by the supplementary wage benefit legislation and who can submit a contribution compliance certificate (DURC).

Table 4.13 - Financial accounts, income and expenditure in 2023

Solidarity Funds	Ordinary contribution revenues, additional and emergency benefits	Contribution revenues related to emergency benefits	Ordinary benefit expenditure*	Emergency benefit expenditure	Training expenditure	Contributions related to emergency benefits	Contributions related to ordinary benefits	Contributions related to supplementary benefits
Ordinary credit	30.140.360	1.095	1.397	216.266		2.191	148.545	
Cooperative credit	6.713.332	-	41.413	0		137.800	497	
Tax collection	1.028.129	-	70	0	329.190		0	
Post	16.075.874	-	54.351.547	0			10.992.718	
Insurance	7.612.056	-	25.395	0			39.247	
Fund for supplementary wage benefits	1.098.718.202	-	21.196.359	0			63.815.643	
Railways	4.817.944	-	0	0			734.871	
Public transportation	18.016.244	-	35.153	0			279.336	
Solimare	3.802.370	-	293.299	0			346.097	
Dockers	183.369	-	0	0			0	
TRENTINO	6.752.952	-	12.065	0			160.540	
Bozen	11.290.823	-	133.625	0			323.402	
Environmental services	18.212.432	-	157.191	0			77.578	
Professional activities	39.274.467	-	2.850.589	0			1.475.451	
Total	**1.262.638.555**	**1.095**	**79.098.104**	**216.266**	**329.190**	**139.991**	**78.393.924**	**0**
Air transportation	7.666.623	-	1.422.944	0				28.000
Total	**1.270.305.177**	**1.095**	**80.521.048**	**216.266**	**329.190**	**139.991**	**78.393.924**	**28.000**

Solidarity Funds	Extraordinary contribution revenues	Contribution revenues related to extraordinary benefits	Contribution revenues and State contributions and additional municipal boarding taxes	Extraordinary benefit expenditure	Supplementary benefit expenditure	Total administrative expenses (including operating costs and extraordinary allowances)	Operating costs for extraordinary allowances	Asset by December 31, 2023
Ordinary credit	924033539,00	381761399,02		914688442,42		4449049,55	3543445,32	146556484,18
Cooperative credit	30755876,17	13614438,38		30674617,25		352322,34	146473,05	87550184,32
Tax collection	403,08	0,00		0,00		626148,23	403,00	8215037,81
Post	0,00	0,00		0,00		801538,83	0,00	27940926,19
Insurance	96112157,03	42315417,53		93217751,67		404697,14	261853,44	57797205,70
Fund for supplementary wage benefits	0,00	0,00		0,00		1921632,98	0,00	4866657108,00
Railways	2983398,91	1265984,94		3412626,29		418649,61	35719,20	14872302,53
Public transportation	0,00	0,00		0,00		437278,73	0,00	122010949,49
Solimare	0,00	0,00		0,00		77343,77	0,00	23200270,90
Dockers	0,00	0,00		0,00		21942,52	0,00	483776,72
TRENTINO	0,00	0,00		0,00		211089,37	0,00	35351925,54
Bozen	0,00	0,00		0,00		222035,62	0,00	44702864,91
Environmental services	0,00	0,00		0,00		477507,88	0,00	60272633,82
Professional activities	0,00	0,00		0,00		188035,66	0,00	104509079,18
Total	**1053885374,19**	**438957239,87**	**0,00**	**1041993437,63**	**0,00**	**10609272,23**	**3987894,01**	**5600120749,29**
Air transportation	0,00	0,00	317908155,15	0,00	118210473,73	1316346,78	0,00	1201354512,50
Total	**1053885374,19**	**438957239,87**	**317908155,15**	**1041993437,63**	**118210473,73**	**11925619,01**	**3987894,01**	**6801475261,79**

[18] As of 1 January 2022, Act no. 234\2021 (2022 Budget Law) extended the social protection system to deal with underemployment or unemployment also to subjects working in micro enterprises and established that all the employers, even with a single employed worker, who operate in the sectors not regulated by the supplementary wage benefit legislation set up bilateral solidarity funds through trade unions and employers' organisations, in oredr to provide the same amount of supplementary wage benefits as the ordinary benefits under Act no. 148\2015. The regular payment of the ordinary contributions to all bilateral solidarity funds is a condition to obtain the DURC; in the event of non-compliance, these employers are registered in the ***Fund for supplementary wage benefits*** as of 1 January 2023, These funds are financed by employers and also by a 0.30% contribution levied o the salary of employed workers.

Joint interprofessional funds for continuing education

These funds were launched by Act no.388/2000 (2001 Budget Law); they can be set up by the social partners to finance continuing training for the employees of member companies. There are currently 19 operational interprofessional funds catering for a total of 788,254 companies and 10,360,000 employed workers. They finance training activities for their companies at an interprofessional, sectoral and local level or for specific occupations; they are financed by a contribution equal to 0.30% on the salary of member companies' workers. In 2023, INPS disbursed 777,665,839 to these funds. Over the past 10 years, the resources transferred by INPS, that collects these contributions, amounted to **10,923,983,013 euros,** of which almost 50% to ***Fondimpresa*** alone (established by Confindustria and CGIL CISL UIL) for companies in the sectors governed by collective agreements. In 2023, the 0.30% contributions generated more revenues equal to 1,104 million euros; however, 327 million were not used for training purposes, but essentially for passive income support policies, and 120 million, without a specific target, were allocated by INPS to different funds of the Ministry of Labour. The resources used by the State for this purpose in the last two years (240 million) can be returned to these funds to train redundant workers. In 2023, these activities were financed through "***notices or calls***" open to multiple, local and sectoral enterprises or to single companies (Corporate Accounts), which involved 1,984,000 workers; the highest number of applications came from Fondimprese, which used these corporate accounts to finance its plans. Of these, 408,600 workers participated in the training courses included in the ***New Skills Fund Notice***, which were fully financed by the interprofessional funds.

The monitoring reports produced by ANPAL do not provide an assessment of the effectiveness of these training activities, also because these workers are in a permanent employment relationship. An interest finding is the occupational classification of trainees in 2023: 58.6% were qualified as general workers, 26.6% as administrative and technical staff, and 8.4% as skilled workers. Interestingly, the majority of enterprises that used these training plans belong to the wholesale and retail sector (19.2%), followed by manufacturing (10.3%), professional activities (10.1%) and hospitality and catering (9.6%). Most training courses focused on "innovations in the production and marketing of goods and services that require digital skills.

A ***possible solution*** for these funds would be to redesign their structure and functions, in order to create new organizations with the task of managing both active and passive labour policies, including the ones to implement more flexible retirement solutions. To this end, it would be desirable to adopt legislative provisions and/or memoranda of understanding with the social partners to create a ***multifunctional structure for each economic macro-sector*** (agriculture, industry, retail, credit, insurance, etc.); this might also be achieved by ***consolidating and/or merging bilateral funds*** so as to transfer the provision of health benefits to the existing health funds for each sector (as is already the case) and, by modifying their institutional structure so that they would continue to be financed by member companies, with the aim to provide training and to promote the creation of redundancy funds in all economic sectors, in line with those currently operating in the banking and insurance domains. Therefore, solidarity funds/redundancy funds are now really the most suitable instruments to be used and they have to be more extensively implemented and more specifically regulated, also in view of the revision of the whole bilateral system (***Table 4.12 bis***).

Table 4.12a - Funds: functions, benefits and financing

New funds	Institutional purposes	Financing
Training funds	Vocational training, including that currently provided by interprofessional funds	Part of the contributions currently paid to the bilateral organizations.
Redundancy funds	Income support benefits	Current resources allocated to redundancy funds, provided by employers and, in part, by workers, in sectors where these funds do exist;
	Extraordinary allowance for early retirement, following the model already used for solidarity funds operating in the credit sector and others.	Use, even partial, of the assets of existing solidarity funds, which, as of December 2023, amounted to 6.8 million euros, a significant increase by about 1.1 million euros compared to 2022;
		Reinstatement of the former mobility contribution (0.30% of the income pool) abolished since 2017 by Act no. 92\2012, which ensured revenues of about 600 million euros per year;
		Funding currently allocated to interprofessional funds, (0.30% of the total amount of wages under Acts no. 388\2000 and no. 30\2003), which ensure revenues of approximately 1,000 million euros per year;
		Part of the contributions currently paid to bilateral organizations;
		Savings from the more limited use of the existing social safety net measures or from the rationalisation of existing early retirement options;
		Any additional resources.

These funds could also manage expansion contracts.[19] These provisions show that early retirement, APE, strenuous jobs and similar measures should substantially be ***financed by companies*** and not by tax revenues**.** Now, bilateral and training funds can also deal with active labour policies, thus creating economies of scale and rationalizing and integrating continuing education activities with those organized by the INPS solidarity funds; the aim is to integrate income support measures with policies for job placement or outplacement of redundant personnel and active labour policies in the planning of professional needs. In this connection, it is also important to mention the ***Funds of the Ministry of Labour***, not managed by INPS, for skilling and upskilling, such as the New Skills Fund that often interacts with the interprofessional funds; finally, the GOL program that partly overlaps with the scope of interprofessional funds, but with an explicit outplacement target; its funding reached 5,500 million euros and, in four years, it allowed for the placement of 24% of the people taken on board. There is no doubt that a functional aggregation of bilateral and public funds could lead to significant operational cost savings but also to greater efficiency.

[19] For expansion contracts, see the Appendix, with reference to Budget Laws.

5. The overall data of the pension and welfare system: The Register

After having analysed all pension and welfare funds, below we focus of ***the current set of*** pension, welfare and indemnity benefits provided, broken down by type, number, gender, average amount, mean age at retirement, duration and other characteristics, on the basis of data that all pension funds must send to the ***INPS Central Register of Pensioners and Pensions Retirement Database managed by INPS.*** In this way, we can obtain a ***complete picture*** of the benefits provided, also including indemnity and welfare benefits; however, this picture does not include the pension benefits paid to retirees of constitutional bodies and entities and the life annuities of members of parliament and of regional councillors that are not communicated to the general Register[1] .

5.1 Pensions, benefits and pensioners

Number of pensioners: as, already pointed out in the previous chapters, the pension reforms introduced more stringent old-age retirement requirements and managed to reduce the number of pensioners to an all-time low in 2018; however, the early-retirement exceptions envisaged as of 2014 and the introduction of the 100 Quota measure in 2019 and then of the 102 in 2022 and 103 Quota in 2023 put a stop to this drop in the number of pensioners in the Italian system, who grew from 16.004,503 in 2018 to 16,035,165 in 2019, rising to 16,041,202 in 2020, then to 16,098,748 in 2021, to 16,131,414 in 2022 and finally to **16,230,157** in **2023.** Another major concomitant issue was the increase in the number of welfare pensioners. Of these, **51.6 %** were women, who account for 86.7 %[2] of the total INPS survivors' pensions (ranging from 60 % and 30 % of the direct pension of the predecessor, depending on the income of the survivors)[3]. In 2023, the number of pensioners grew by 98,743 with respect to 2022 (***Table 5.1***), i.e. + **0.61%;** the number of retired women increased by 29,780 vs. 2022 (they had increased by 5,530 between 2021 and 2022), while that of men increases by 68,963 (+27,136 pensioners between 2021 and 2022).

Table 5.1 - Number of pensioners and raw retirement rates by gender, overall amount, number of pensions, number of pensions per pensioner, average pension amount per year and pension income on December 31, 2022 and 2023

Gender/year	no. of pensioners		raw retirement rate (1)		overall amount (millions of euros)		no. of pensions		no. of pensions per pensioner		average amount of benefits per year		average amount of pension-related income per year	
	2022	2023	2022	2023	2022(2)	2023(2)	2022	2023	2022	2023	2022	2023	2022	2023
Male	7.794.325	7.863.288	27,02%	27,25%	180.574	193.995	10.272.250	10.372.719	1,318	1,319	17.578,80	18.702,45	23.167,34	24.671,02
Female	8.337.089	8.366.869	27,66%	27,76%	141.659	153.037	12.499.754	12.547.169	1,499	1,500	11.332,96	12.196,90	16.991,46	18.290,78
Total	**16.131.414**	**16.230.157**	**27,35%**	**27,51%**	**322.233**	**347.032**	**22.772.004**	**22.919.888**	**1,412**	**1,412**	**14.150,40**	**15.141,08**	**19.975,50**	**21.381,92**

Source: *INPS Central Register of Pensioners and Pensions, the 2023 data are provisional; 1) number of pensioners/resident population; 2) see Table 5.3 for the breakdown of these figures*

[1] The estimates and evaluations of these funds can be found in previous Reports.

[2] As to survivors' or survivors' pensions paid directly by INPS as of 1.1.2024, out of a total of 4,163,492 pensions (INPS funds for private-sector employed workers and for public-sector employed workers - GDP), there were 3,610,665 survivors' pensions paid to women, accounting for 86.7 % of the total.

[3] In its judgment no. 162 of June 30, 2022, the Constitutional Court ruled that the survivors pension, when combined with additional income of the beneficiary, cannot be reduced by an amount that exceeds the total amount of these additional sums (amendment to Act no. 335/95).

The decrease in the number of retired women resulting from the past reforms that extended the retirement age for women and equalized the retirement age of both genders, stopped with the full impact the 2012 reform when age parity was reached in 2018; then it started to pick up again in 2019 to 67 years for the old age pension for both men and women. ***The crude retirement rate*** was slightly increasing, thus showing that the number of pensioners out of the total resident population totalled **27.51 %**, i.e., ***out of 3.63 resident subjects, one was retired,*** a figure that is ***objectively far too high***. In the entire period between 2008 and 2023 (see ***Table 5.2***), the number of pensioners decreased by a total of 549,398 individuals, with a negative % change for the entire period of - 3.27%; however, this reduction came to a halt s in 2019, as already pointed out.

Table 5.2 - Number of pensioners and pensions by category, annual and overall %age variation by December 31 from 2008 to 2023

	Years								
	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Number of pensioners	**16.779.555**	**16.733.031**	**16.707.026**	**16.668.584**	**16.593.890**	**16.393.369**	**16.259.491**	**16.179.377**	**16.064.508**
Annual %age variation	-	-0,28	-0,16	-0,23	-0,45	-1,21	-0,82	-0,49	-0,71
Number of IVS pensions (1)	*18.626.737*	*18.600.174*	*18.620.674*	*18.569.652*	*18.469.661*	*18.230.958*	*18.089.748*	*17.962.816*	*17.795.577*
Annual % age variation	*-*	*-0,14*	*0,11*	*-0,27*	*-0,54*	*-1,29*	*-0,77*	*-0,70*	*-0,93*
Number of annuities (2)	*951.264*	*907.501*	*880.129*	*847.569*	*827.272*	*805.788*	*786.059*	*767.844*	*748.471*
Annual %age variation	*-*	*-4,60*	*-3,02*	*-3,70*	*-2,39*	*-2,60*	*-2,45*	*-2,32*	*-2,52*
Number of welfare benefits (3)	*4.129.294*	*4.216.007*	*4.147.165*	*4.135.541*	*4.138.303*	*4.132.262*	*4.166.498*	*4.195.364*	*4.242.824*
Annual %age variation	*-*	*2,10*	*-1,63*	*-0,28*	*0,07*	*-0,15*	*0,83*	*0,69*	*1,13*
Total	**23.707.295**	**23.723.682**	**23.647.968**	**23.552.762**	**23.435.236**	**23.169.008**	**23.042.305**	**22.926.024**	**22.786.872**
Annual %age variation	-	0,07	-0,32	-0,40	-0,50	-1,14	-0,55	-0,50	-0,61

	Years							
	2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**Var. ass. e var. %**
Number of pensioners	**16.041.852**	**16.004.503**	**16.035.165**	**16.041.202**	**16.098.748**	**16.131.414**	**16.230.157**	**-549.398**
Annual % age variation	-0,14	-0,23	0,19	0,04	0,36%	0,20%	0,61%	-3,27%
Number of IVS pensions (1)	*17.757.896*	*17.698.960*	*17.695.435*	*17.694.155*	*17.719.800*	*17.710.006*	*17.752.596*	-874.141
Annual % age variation	*-0,21*	*-0,33*	*-0,02*	*-0,01*	0,14%	-0,06%	0,24%	-4,69%
Number of annuities (2)	*732.593*	*716.213*	*699.202*	*677.917*	*659.759*	*641.161*	*627.143*	-324.121
Annual % age variation	*-2,12*	*-2,24*	*-2,38*	*-3,04*	-2,68%	-2,82%	-2,19%	-34,07%
Number of welfare benefits	*4.316.520*	*4.370.538*	*4.411.128*	*4.345.048*	*4.379.238*	*4.420.837*	*4.540.149*	410.855
Annual % age variation	*1,74*	*1,25*	*0,93*	*-1,50*	0,79%	0,95%	2,70%	9,95%
Total	**22.807.009**	**22.785.711**	**22.805.765**	**22.717.120**	**22.758.797**	**22.772.004**	**22.919.888**	**-787.407**
Annual % age variation	0,09	-0,09	0,09	-0,39	0,18%	0,06%	0,65%	-3,32%

(1) Old-age/Seniority/early pensions; Disability/inability and survivors' pensions; (2) Inail and former Ipsema annuities for work-related accidents and occupational diseases; (3) Benefits for disabled civilians, caregivers' allowance, social pensions/allowances and veterans' benefits; *INPS Central Register of Pensioners and Pensions, the 2023 data are provisional.*

Number of benefits **-** In 2023, the number of benefits increased over the previous year, from 22,772,004 in 2022 to **22,919.888 (+ 0.65%),** mainly due to the share of welfare benefits; after the halt in 2020 due to the pandemic, they resumed their growth compared to 2022 with an increase by

2.70%[4], while the number of IVS pensions rose by 0.24% compared to 2022 and indemnity pensions continued to drop (-2.19%). Over the entire 2008-2023 period, the number of benefits decreased by **787.407** (-3.32% over 16 years) due to the reduction in the number of IVS pensions (-4.69%) and in indemnity pensions (-34.07%), notwithstanding the surge in the number of welfare pensions, + **410,855** over the same period, that is **+ 9.95% (*Table 5.2*)**.

Types of pension, indemnity and welfare benefits **-** In 2023, **22,919,888** ***pension benefits*** were provided of which: **a)** ***17,752,596 IVS benefits*** (INPS private-sector and public-sector funds, schemes for professionals and complementary pension funds) **b) 4.540,149** ***INPS and Ministry of Economy and Finance welfare pensions***, including 3,583,243 for disabled civilians, 854,182 social pensions and allowances, and 102,724 direct and indirect veterans' pensions of the Ministry of Economy; **c) 627,143** INAIL ***indemnity benefits (Table 5.3)***.

It is important to point out that there is a difference between the data in this Report[5] and those from the INPS/ISTAT Register ***(Table 5.3)*** due to the different date of data extraction: December 31, 2023 from the INPS pension archive and July 2024 from the Register. This may be the cause of discrepancies in the number and amounts of pension benefits. For example, some pensions starting as of December 1, 2023, may have been processed, calculated and settled late in March 2024, however, the Register counts them even if they are not included among the "outstanding pensions on December 31, 2023; the same applies, but with the opposite sign, to pensions to be eliminated. Another reason for these discrepancies, but only for IVS pensions, is that the Register stores the data of all private and public-sector funds, including approximately 359,000 IVS pensions of the schemes for professionals, the almost 285,000 pensions of sectoral and non-sectoral complementary funds, 3,497 pensions of the military personnel in auxiliary service and another 18,285 IVS benefits of the employees of the Autonomous Region of Sicily. To be precise, in this Report, the total number of outstanding IVS pensions on December 31, 2023, was lower than the figure reported in the Register by 982,032, with - 285,289 benefits for disabled civilians and 9,362 social pensions or allowances.

In ***Table 5.3***, the total annual amount of ***IVS pensions*** is **314.894** billion, of which 179.649 billion, or 57.1 %, paid to men and 135.245 billion, 42.9 %, to women; the number of IVS pensions for men (8.041,265) accounts for 45.3 % of the total IVS pensions (17,752,596), while that for women (9,711,331), including the strong survivors' component, is 54.7 % of the total IVS category. This amount is 3.957 billion higher than the 310.937 billion euros' worth of IVS pensions reported in ***Table 1.a***, because of the reasons stated above, but also because the Register features the annual amount as a stock figure which does not coincide with the pension expenditure derived from accounting data (profit and loss accounts) and also because the IVS pensions in the Register include not only the share of the IVS pensions provided by GIAS (supplementary social benefits, the 14th month, carers' allowance, additional benefits), but also those of the privatised schemes for professionals, the Autonomous Region of Sicily, the military commands, the air-force, and the (very modest) benefits of the complementary pension funds (occupational, open-ended and insurance funds).

[4] The data of the historical series on welfare benefits, in particular for disabled civilians, are different from those published before 2018 due to a revision of classification procedures by INPS and ISTAT.

[5] See Tables **series *B.33 a-b, B34a-b and 1.a*** for a comparison.

Table 5.3 - Pension benefits and their total and average annual amount by type of pension in 2022 and 2023

Tipologia di pensione	2022						2023					
	Numero pensioni	%	Importo complessivo		Importo medio		Numero pensioni	%	Importo complessivo		Importo medio	
			milioni di euro	%	*euro*	N.I.			*milioni di euro*	%	*euro*	N.I.
Ivs	**17.710.006**	**77,8**	**292.103**	**90,6**	**16.494**	**116,6**	**17.752.596**	**77,5**	**314.894**	**90,7**	**17.738**	**117,2**
di cui:												
Ivs Maschi	*7.990.222*	*35,1*	*167.207*	*51,9*	*20.926*	*147,9*	*8.041.265*	35,1	*179.649*	51,8	*22.341*	147,6
Ivs Femmine	*9.719.784*	*42,7*	*124.896*	*38,8*	*12.850*	*90,8*	*9.711.331*	42,4	*135.245*	39,0	*13.927*	92,0
di cui:												
Vecchiaia	*12.198.356*	*53,6*	*235.257*	*73,0*	*19.286*	*136,3*	*12.296.749*	*53,7*	*254.069*	*73,2*	*20.662*	*136,5*
Invalidità	*955.025*	*4,2*	*12.529*	*3,9*	*13.119*	*92,7*	*930.138*	*4,1*	*13.154*	*3,8*	*14.142*	*93,4*
Superstiti	*4.556.625*	*20,0*	*44.317*	*13,8*	*9.726*	*68,7*	*4.525.709*	*19,7*	*47.671*	*13,7*	*10.533*	*69,6*
Indennitarie	**641.161**	**2,8**	**4.027**	**1,2**	**6.280**	**44,4**	**627.143**	**2,7**	**4.262**	**1,2**	**6.796**	**44,9**
di cui:												
Indennitarie Maschi	*469.083*	*2,1*	*2.525*	*0,8*	*5.384*	*38,0*	*458.628*	2,0	*2.669*	0,8	*5.818*	38,4
Indennitarie Femmine	*172.078*	*0,8*	*1.501*	*0,5*	*8.724*	*61,6*	*168.515*	0,7	*1.594*	0,5	*9.457*	62,5
Assistenziali	**4.420.837**	**19,4**	**26.104**	**8,1**	**5.905**	**41,7**	**4.540.149**	**19,8**	**27.875**	**8,0**	**6.140**	**40,6**
di cui:												
Asssistenziali Maschi	*1.812.945*	*8,0*	*10.841*	*3,4*	*5.904*	*41,7*	*1.872.826*	8,2	*11.678*	3,4	*6.235*	41,2
Assistenziali Femmine	*2.607.892*	*11,5*	*15.262*	*4,7*	*5.779*	*40,8*	*2.667.323*	11,6	*16.198*	4,7	*6.073*	40,1
di cui:												
Invalidità civile	*3.475.822*	*15,3*	*19.953*	*6,2*	*5.741*	*40,6*	*3.583.243*	*15,6*	*21.154*	*6,1*	*5.903*	*39,0*
Pensioni sociali	*833.279*	*3,7*	*5.150*	*1,6*	*6.181*	*43,7*	*854.182*	*3,7*	*5.709*	*1,6*	*6.683*	*44,1*
Guerra	*111.736*	*0,5*	*1.000*	*0,3*	*8.950*	*63,2*	*102.724*	*0,4*	*1.013*	*0,3*	*9.862*	*65,1*
Totale	**22.772.004**	**100,0**	**322.233**	**100,0**	**14.150**	**100,0**	**22.919.888**	**100,0**	**347.032**	**100,0**	**15.141**	**202,6**

Type of pension; No. of pensions, Overall amount, average amount; **IVS pensions: for men, for women,** Old-age, Invalidity and Survivors' pensions; **Indemnity Welfare pensions;** Benefits for disabled civilians, Social pensions; Veterans' benefits*; Source: INPS Central Register of Pensioners – The 2023 data are provisional.*

<u>Average pension benefits and per capita gross and net pension income</u>: the amounts of pensions and of pension income is often the subject of distorted communications; so, for the sake of accuracy, it is important to highlight that the *<u>gross average amount of pension benefits</u> and the <u>average gross and net pension income per pensioner</u>* are fundamental to evaluate the ***social adequacy*** of pensions. ***Tables 5.4*** and ***5.5*** below illustrate in detail the number of pensions and the number of pensioners broken down by amount levels with respect to minimum benefits, equal to 567.94 euros per month in 2023; in particular ***Table 5.4*** shows ***<u>the number of benefits</u>*** paid out, reported in ***Table 5.3*** above, before taxes (personal income taxes (IRPEF), additional municipal and regional charges, deductions and incentives); instead, ***Table 5.5*** shows the ***<u>number of pensioners</u>*** (capita) with ***their gross and net pension income***[6] for each amount level.

The average amount of pension benefits, out of total number of benefits (22,919,888) is **15,141.08 *per year before taxes*** (1,647.70 per month for 13 months).

Since there are 16,230,157 pensioners receiving these benefits, the average per capita pension income[7] is **21,381.92 *euros per year before taxes*** (about 17,381 euros per year after taxes), i.e. **1,645 *euros*** per month before taxes (about 1,337 euros per month after taxes) again for 13 months. The second figure related to the pension income, is indeed correct, even though it is the first figure that is often improperly circulated, which divides the total value of pension expenditure (347.032 billion euros) by the number of benefits and not by the number of pensioners.

Table 5.5 also shows an ***estimate*** of the tax burden on pension income, taking into consideration ***personal income taxes (IRPEF),*** that is **64.9 billion euros** (65.2 billion reported in the accounts) out

[6] Pension income amounts net of IRPEF have been estimated by INPS; the estimate of the net amounts does not include the additional regional and municipal taxes, household deductions and incentives, if any and tax reliefs. The accounting data are reported in Chapter 6. Pension income is defined as the sum of pensions and benefits, including welfare benefits, received by each pensioner; as indicated in ***Table 5.1***, i.e. **1.424** pensions for each pensioner.

[7] The average annual pension income is equal to the sum of the amounts of all pension benefits received by a beneficiary per year, be compulsory or complementary pension, annuity and/or welfare benefits.

of 347.032 billion euros' worth of gross pension expenditure; this would result in ***a total average tax rate*** of **18.7.*%*** (17.6% in 2018, 17.9% in 2019, 18.1% in 2021, 18.4% in 2022 and 18.9% in 2023), reducing the net pension expenditure actually incurred by INPS, by the State, by the private pension funds and schemes to approximately **282.10 billion.** Moreover, these figures do not take into account the additional municipal and regional taxes on pension income. In reality, the average IRPEF rate is higher, because all the benefits of a welfare and/or income-related nature (about 10.8 million) are not subject to IRPEF; not only, for low pensions, the IRPEF rate is reduced to around 3.03% up to a gross annual amount of around 14,777 euros, two times the minimum benefits), taking into consideration the '***no tax area'*** (8,145 euros per year for pensioners in 2023) and the tax deductions and incentives they benefit from. In fact, according to the results of the IRPEF survey on income in 2024[8] almost 40% of all pensioners is totally or partially dependent on the community. It follows that in 2023, most of the pension tax burden (53.7 billion euros), that is 82.7% (81.8% in 2019, 82.3% in 2020, 83.0% in 2021 and 84.1% in 2022) was borne by 6.367 million pensioners, 39.2% of the total, namely those with a pension income over 3 times the minimum benefits (over 1.704 euros per month before taxes), for a total taxable amount of about 226.351 billion out of 347.032 billion euros, bringing the average rate to around 23.7%, which jumps to 33.8% for incomes over 8 times the minimum benefits (4,544 euros per month before taxes). The number of ***pensioners*** with a pension income in excess of 3,408 euros per month before taxes (more than 6 times the minimum benefits) is equal to 977,056, that is 6.1% of the total; their average work-related income accounts for 72% of the ***average incomes*** deriving from the salaries of almost 650,000 managers, officials and executives currently working in the private sector, which confirms a suitable correlation between pensions and salaries.

Another interesting finding is the ***number of pensions*** up to **1 *time the minimum benefits*** (567.94 euros per month), just under 7.503 million, but with 2,208,001 pensioners. The same applies to the next amount level (from 567.95 to 1,135.88 euros per month before taxes), with 6.811 million pensioners out of 3.770 million. This phenomenon is explained by the fact that pension income often includes, for the same individual (32% of pensioners), a medium or high pension and a second or third low pension (shares of international pensions, supplementary pensions, caregivers' allowances, complementary pensions, survivors' pensions, etc.); when they are added together and they are no longer classified as individual pension benefits within their amount level, but as ***pensioners*** (capita) and hence as pension income levels produced by the aggregation of pensions and pension incomes (***Table 5.5)***, pensioners are placed in higher income levels than the lower ones where the individual pensions are positioned ***(Table 5.4)***. In total, the pensions up to two times the minimum benefits (1.135.88) were around 14.313 million, or 62.5% of the benefits paid out, but the number of pensioners was about 5.978 million (36.8% of the total number of pensioners); these pensioners mainly received benefits that were in whole or in part of a welfare nature, so without contributions, (benefits for disabled civilians, social allowances, veterans' allowances or with additional social benefits, the 14th month allowance, the citizenship pension) or supplementary minimum benefits or an increase with respect to the Berlusconi's former one-million-a-month incentive[9] (136.44 euros per month in 2023, plus the minimum benefits, so 704.38 euros per month). These subjects paid few or no contributions during their active life (and at the same time few or no taxes) and are therefore supported by the community. Or they received supplementary old age pensions obtained after the age

[8] See the Observatory on Public Expenditure and Revenues 2024: *'2022 Income Tax Returns for IRPEF Purposes'*, produced by the Itinerari Previdenziali Study and Research Centre, available on www.itinerariprevidenziali.it.
[9] Art. 38 of Act no. 488/2001.

of 67 thanks to the contributions paid before or after they retired to a fund other than the main one where they became entitled to their pension, if these contributions were not sufficient to establish an independent right to a pension.

For example, the INPS separate scheme provided the subjects with an average age of 76.4 years with more than 491,000 supplementary old age pensions (the second pension), for an average amount per month of 312.26 euros before taxes, determined on the basis of contribution-based calculation system, and they are taxed at the marginal personal income tax rate. Therefore, claiming that almost 1/3 of pensions are lower than 568 euros per month is wrong from a ***technical point of view*** and it is a great argument to promote tax dodging and evasion; why should young people pay contributions to INPS for over 20/40 years if the amount of benefits is so low? Actually, it is better to ***refer to pensioners***, that is to the beneficiaries of one or more benefits, and to their pension income, rather than to individual benefits.

Number of benefits per pensioner: the ratio of the number of pensions vs. the number of pensioners shows that, on average, each Italian pensioner receives **1.412** ***pensions***, almost one and a half pensions each. In 2023, **68%** of pensioners received **1** ***pension***, **24.1%** of pensioners received ***2 pensions***, **6.7% 3** ***pensions*** and **1.2% 4** ***or more***. For all these reasons, in order to accurately calculate the average amounts of pensions, it is necessary to remove welfare benefits (including supplementary minimum benefits, additional social benefits and the 14th month salary) from the calculation, since they are partially or totally financed by general taxes. This allows us to obtain the average amount only of the pension benefits financed by contributions, thus avoiding the unjustified concern generated by mixing up very heterogeneous benefits. For example, what is the point of calculating the average pension and survivors' benefits which range from 30% to 60% of direct pensions related to the survivors' income and are sometimes shared with other family members (spouses and children)? The same concept applies to social pensions and social allowances (417.85 euros and 507.03 euros per month respectively in 2023), supplementary minimum benefits (567.38 euros), the so-called "one million a month" (about 704.38 euros), benefits for disabled civilians (313.91 euros per month), caregivers' benefits (527.16 euros per month for 12 months), or the INAIL indemnities for industrial accidents or for occupational diseases (522.77 per month on average); what is the point of including them in the calculation of the average pension? These data should be reported separately. In fact, by excluding the first two pension income levels (up to twice the minimum benefits, that is 1,135.88 euros per month before taxes), fed by benefits which typically have a full or partial welfare nature[10] for a total of 5,978,177 pensioners, the average pension income (financed by contributions) of the remaining 10,381,92 million pensioners would amount to about **29,019 euros** per year before taxes (against the official 21,975.50 euros before taxes calculated for all pension income levels) equal to about 21,213 euros per year after taxes. It is true that 36.8% of pensioners have a pension income lower than 1,135.89 euros per month before taxes, but these are not strictly pension benefits but mainly welfare benefits. The reclassification of the average pension income should also include ***age-related data*** and exclude about 550,000 recipients of benefits for disabled civilians under 40 years of age and then about 32,000 survivors (0.2% of the total number of pensioners), minor orphans with a 20% share of the survivors' pension and other young survivors.

[10] Often, each pensioner receives two or more allowances (for example disability and caregivers' allowances, plus other additional benefits and, in some cases, also survivors' pension benefits).

<u>The gender gap in terms of average pension income before taxes</u>: according to the data from this survey, ***women*** account for **51.6% *of pensioners*** and receive **44.1%** of the gross amount of all benefits: **193,995 million** euros go to men and **153,037 *million*** to women ***(see Table 5.1)***. By adding up pension benefits, welfare and indemnity benefits (a total of 22,919,888 pensions) and considering pensioners instead of the amount of each benefit, the annual pension income of women rises to **18,291 *euros*** and that of men to **24,671 *euros. Retired women*** have the highest number of *per capita* pension: an ***average of* 1.5 *pensions per capita,*** compared to **1.319** for men. In fact, women account for 58.1% of beneficiaries of 2 pensions, for 68.4% of beneficiaries of 3 pensions and for 69.3% of recipients of 4 + types of benefits. In 2023, the number of ***survivors' pensions*** was equal to **4,525,709** and that of retired survivors' pensioners to 4,230,188, more than two thirds of whom (***around* 67.7%**) also received other types of benefits; women accounted **85.8%.** of all survivors' pensioners. Women also prevailed in terms of benefits produced through "voluntary contributions", that are generally low because of very low contribution levels and of supplementary minimum benefits: women (56.6% employed in the private sector and 43.4% were self-employed) received 83.4% of the minimum benefits and were also the main beneficiaries of the additional benefits, (62.7%) and the 14^{th}month salary. As already stated, they also benefited from the ***survivors' pensions*** of self-employed workers and of old-age or disability pensioners with supplementary minimum benefits up to a maximum of 60% of the direct pension or, within their income limits, from a survivors' pension with supplementary minimum benefits.

So, stating in a non-analytical way, as is often the case, that women receive significantly lower benefits with respect to men is correct from a formal point of view, but the reasons for this gap are largely related to survivors' and minimum welfare benefits. Moreover, the causes should also be sought in the labour market, which has an impact on the pension amounts: women earn much less than men, their contribution seniority is always lower and fragmented than men's. However, it is a well-known that, in Italy, career levels still see women at a disadvantage even though they are on the upswing, but above all, they are paid less for the same job; in 2022 in Italy, the average gender wage gap was 22.0% in favour of men, and even for workers in the entire 50-54 age group, the average salary for men exceeded the average salary for women by 26.1%. Obviously, this has a significant impact on the future pensions of all working women and particularly in the next 15 years.

Table 5.4 - Number of pensions and their total gross annual amounts(1) by monthly amount levels(2) in 2023

Classi di importo mensile *(importo diviso 13)*		**Numero di pensioni**	**Importo complessivo lordo annuo**	**Importo medio lordo annuo**
Fino a 1 volta il minimo	Fino a 567,94	7.502.615	34.044.473.152	4.537,68
Da 1 a 2 volte il minimo	Da 567,95 a 1135,88	6.810.874	69.037.763.017	10.136,40
Da 2 a 3 volte il minimo	Da 1135,89 a 1703,82	3.484.601	64.143.214.298	18.407,62
Da 3 a 4 volte il minimo	Da 1703,83 a 2271,76	2.329.325	59.933.309.980	25.729,90
Da 4 a 5 volte il minimo	Da 2271,77 a 2839,70	1.473.616	48.729.135.355	33.067,73
Da 5 a 6 volte il minimo	Da 2839,71 a 3407,64	567.565	22.808.246.965	40.186,14
Da 6 a 7 volte il minimo	Da 3407,65 a 3975,58	258.687	12.301.669.471	47.554,26
Da 7 a 8 volte il minimo	Da 3975,59 a 4543,52	147.447	8.115.928.159	55.043,02
Da 8 a 9 volte il minimo	Da 4543,53 a 5111,46	94.824	5.934.256.912	62.581,80
Da 9 a 10 volte il minimo	Da 5111,47 a 5679,40	74.862	5.241.861.377	70.020,32
Da 10 a 11 volte il minimo	Da 5679,41 a 6247,34	59.250	4.583.497.458	77.358,61
Da 11 a 12 volte il minimo	Da 6247,35 a 6815,28	37.063	3.135.249.308	84.592,43
Da 12 a 13 volte il minimo	Da 6815,29 a 7383,22	24.423	2.247.119.301	92.008,32
Da 13 a 14 volte il minimo	Da 7383,23 a 7951,16	16.877	1.679.178.522	99.495,08
Da 14 a 15 volte il minimo	Da 7951,17 a 8519,10	11.034	1.178.822.468	106.835,46
Da 15 a 16 volte il minimo	Da 8519,11 a 9087,04	6.829	779.627.801	114.164,27
Da 16 a 17 volte il minimo	Da 9087,05 a 9654,98	4.466	543.158.505	121.620,80
Da 17 a 18 volte il minimo	Da 9654,99 a 10222,92	2.962	382.039.097	128.980,11
Da 18 a 19 volte il minimo	Da 10222,93 a 10790,86	2.188	298.342.228	136.353,85
Da 19 a 20 volte il minimo	Da 10790,87 a 11358,80	1.732	249.142.538	143.846,73
Da 20 a 21 volte il minimo	Da 11358,81 a 11926,74	1.464	221.362.632	151.203,98
Da 21 a 22 volte il minimo	Da 11926,75 a 12494,68	1.344	213.349.836	158.742,44
Da 22 a 23 volte il minimo	Da 12494,69 a 13062,62	1.065	176.678.271	165.895,09
Da 23 a 24 volte il minimo	Da 13062,63 a 13630,56	946	164.218.409	173.592,40
Da 24 a 25 volte il minimo	Da 13630,57 a 14198,50	852	153.938.451	180.678,93
Da 25 a 26 volte il minimo	Da 14198,51 a 14766,44	530	99.645.824	188.010,99
Da 26 a 27 volte il minimo	Da 14766,45 a 15334,38	460	89.788.673	195.192,77
Da 27 a 28 volte il minimo	Da 15334,39 a 15902,32	325	65.987.689	203.039,04
Da 28 a 29 volte il minimo	Da 15902,33 a 16470,26	237	49.852.714	210.349,01
Da 29 a 30 volte il minimo	Da 16470,27 a 17038,20	195	42.415.108	217.513,37
Da 30 a 31 volte il minimo	Da 17038,21 a 17606,14	158	35.573.299	225.147,46
Da 31 a 32 volte il minimo	Da 17606,15 a 18174,08	96	22.314.996	232.447,87
Da 32 a 33 volte il minimo	Da 18174,09 a 18742,02	100	23.978.680	239.786,80
Da 33 a 34 volte il minimo	Da 18742,03 a 19309,96	95	23.471.531	247.068,75
Da 34 a 35 volte il minimo	Da 19309,97 a 19877,90	61	15.524.751	254.504,12
Da 35 a 36 volte il minimo	Da 19877,91 a 20445,84	65	17.055.372	262.390,34
Da 36 a 37 volte il minimo	Da 20445,85 a 21013,78	55	14.820.265	269.459,36
Da 37 a 38 volte il minimo	Da 21013,79 a 21581,72	49	13.566.934	276.876,21
Da 38 a 39 volte il minimo	Da 21581,73 a 22149,66	41	11.642.539	283.964,36
Da 39 a 40 volte il minimo	Da 22149,67 a 22717,60	45	13.124.715	291.660,33
Da 40 a 41 volte il minimo	Da 22717,61 a 23285,54	30	8.970.427	299.014,24
Da 41 a 42 volte il minimo	Da 23285,55 a 23853,48	38	11.645.885	306.470,67
Da 42 a 43 volte il minimo	Da 23853,49 a 24421,42	23	7.221.289	313.969,08
Da 43 a 44 volte il minimo	Da 24421,43 a 24989,36	31	9.968.809	321.574,50
Da 44 a 45 volte il minimo	Da 24989,37 a 25557,30	13	4.257.531	327.502,39
Da 45 a 46 volte il minimo	Da 25557,31 a 26125,24	23	7.733.989	336.260,40
Da 46 a 47 volte il minimo	Da 26125,25 a 26693,18	28	9.638.501	344.232,16
Da 47 a 48 volte il minimo	Da 26693,19 a 27261,12	20	7.027.252	351.362,59
Da 48 a 49 volte il minimo	Da 27261,13 a 27829,06	18	6.448.389	358.243,83
Da 49 a 50 volte il minimo	Da 27829,07 a 28397,00	24	8.769.270	365.386,26
Oltre 50 volte il minimo	Oltre 28397,00	217	115.810.526	533.689,06
Totale		**22.919.888**	**347.031.838.469**	**15.141,08**

Monthly pension income levels (divided by 13), Number of pensions, Overall gross annual amount, Average gross annual amount; From….up to…the minimum benefits; Total.

Table 5.5 - Number of pensioners and their overall annual (1) gross and net pension income by gross monthly income levels (2) in 2023

Classi di reddito pensionistico mensile *(reddito diviso 13)*		Numero dei pensionati	Importo complessivo lordo annuo del reddito pensionistico	Importo medio lordo annuo del reddito pensionistico	Importo complessivo netto(3) annuo del reddito	Importo medio netto(3) annuo del reddito	Aliquota IRPEF media
Fino a 1 volta il minimo	Fino a 567,94	2.208.001	9.331.466.705	4.226,21	9.331.466.705	4.226,21	0,0%
Da 1 a 2 volte il minimo	Da 567,95 a 1135,88	3.770.176	40.196.448.378	10.661,69	38.262.843.768	10.148,82	4,8%
Da 2 a 3 volte il minimo	Da 1135,89 a 1703,82	3.885.273	71.152.855.219	18.313,48	61.865.213.281	15.923,00	13,1%
Da 3 a 4 volte il minimo	Da 1703,83 a 2271,76	2.819.109	72.546.602.910	25.733,88	59.083.219.245	20.958,12	18,6%
Da 4 a 5 volte il minimo	Da 2271,77 a 2839,70	1.765.776	58.447.226.498	33.100,02	45.509.395.367	25.773,03	22,1%
Da 5 a 6 volte il minimo	Da 2839,71 a 3407,64	784.766	31.563.252.284	40.219,95	23.939.509.526	30.505,28	24,2%
Da 6 a 7 volte il minimo	Da 3407,65 a 3975,58	367.088	17.456.540.103	47.554,10	12.903.837.987	35.151,89	26,1%
Da 7 a 8 volte il minimo	Da 3975,59 a 4543,52	197.439	10.864.038.914	55.024,79	7.717.617.576	39.088,62	29,0%
Da 8 a 9 volte il minimo	Da 4543,53 a 5111,46	117.805	7.366.125.437	62.528,12	5.096.986.880	43.266,30	30,8%
Da 9 a 10 volte il minimo	Da 5111,47 a 5679,40	87.400	6.119.249.820	70.014,30	4.143.450.049	47.407,90	32,3%
Da 10 a 11 volte il minimo	Da 5679,41 a 6247,34	69.270	5.361.609.531	77.401,61	3.570.090.421	51.538,77	33,4%
Da 11 a 12 volte il minimo	Da 6247,35 a 6815,28	49.485	4.188.163.626	84.635,01	2.753.244.411	55.637,96	34,3%
Da 12 a 13 volte il minimo	Da 6815,29 a 7383,22	32.025	2.947.439.929	92.035,59	1.916.421.192	59.841,41	35,0%
Da 13 a 14 volte il minimo	Da 7383,23 a 7951,16	21.800	2.169.212.440	99.505,16	1.397.155.108	64.089,68	35,6%
Da 14 a 15 volte il minimo	Da 7951,17 a 8519,10	14.844	1.585.439.780	106.806,78	1.013.467.167	68.274,53	36,1%
Da 15 a 16 volte il minimo	Da 8519,11 a 9087,04	10.224	1.167.632.033	114.205,01	740.947.195	72.471,36	36,5%
Da 16 a 17 volte il minimo	Da 9087,05 a 9654,98	7.022	854.300.093	121.660,51	539.186.641	76.785,34	36,9%
Da 17 a 18 volte il minimo	Da 9654,99 a 10222,92	4.939	636.968.882	128.967,18	400.918.160	81.173,95	37,1%
Da 18 a 19 volte il minimo	Da 10222,93 a 10790,86	3.415	465.753.224	136.384,55	292.119.421	85.540,09	37,3%
Da 19 a 20 volte il minimo	Da 10790,87 a 11358,80	2.678	385.139.393	143.816,05	240.637.776	89.857,27	37,5%
Da 20 a 21 volte il minimo	Da 11358,81 a 11926,74	2.102	317.808.120	151.193,21	197.692.703	94.049,81	37,8%
Da 21 a 22 volte il minimo	Da 11926,75 a 12494,68	1.796	284.939.012	158.652,01	176.691.235	98.380,42	38,0%
Da 22 a 23 volte il minimo	Da 12494,69 a 13062,62	1.412	234.296.579	165.932,42	144.996.003	102.688,39	38,1%
Da 23 a 24 volte il minimo	Da 13062,63 a 13630,56	1.170	202.918.759	173.434,84	125.685.521	107.423,52	38,1%
Da 24 a 25 volte il minimo	Da 13630,57 a 14198,50	999	180.473.818	180.654,47	113.857.986	113.971,96	36,9%
Da 25 a 26 volte il minimo	Da 14198,51 a 14766,44	749	140.789.995	187.970,62	88.311.786	117.906,26	37,3%
Da 26 a 27 volte il minimo	Da 14766,45 a 15334,38	647	126.460.638	195.456,94	80.903.235	125.043,64	36,0%
Da 27 a 28 volte il minimo	Da 15334,39 a 15902,32	475	96.315.015	202.768,45	62.487.152	131.551,90	35,1%
Da 28 a 29 volte il minimo	Da 15902,33 a 16470,26	329	69.166.587	210.232,79	43.686.935	132.787,04	36,8%
Da 29 a 30 volte il minimo	Da 16470,27 a 17038,20	276	60.045.279	217.555,36	38.332.473	138.885,77	36,2%
Da 30 a 31 volte il minimo	Da 17038,21 a 17606,14	224	50.401.564	225.006,98	31.289.560	139.685,54	37,9%
Da 31 a 32 volte il minimo	Da 17606,15 a 18174,08	168	39.049.294	232.436,27	23.979.613	142.735,79	38,6%
Da 32 a 33 volte il minimo	Da 18174,09 a 18742,02	143	34.312.422	239.947,01	20.880.840	146.019,86	39,1%
Da 33 a 34 volte il minimo	Da 18742,03 a 19309,96	123	30.403.257	247.180,95	18.416.185	149.725,08	39,4%
Da 34 a 35 volte il minimo	Da 19309,97 a 19877,90	100	25.476.588	254.765,88	15.425.496	154.254,96	39,5%
Da 35 a 36 volte il minimo	Da 19877,91 a 20445,84	95	24.894.720	262.049,68	15.194.269	159.939,67	39,0%
Da 36 a 37 volte il minimo	Da 20445,85 a 21013,78	85	22.905.002	269.470,62	14.085.150	165.707,64	38,5%
Da 37 a 38 volte il minimo	Da 21013,79 a 21581,72	56	15.509.879	276.962,13	9.377.020	167.446,78	39,5%
Da 38 a 39 volte il minimo	Da 21581,73 a 22149,66	59	16.742.987	283.779,45	9.967.843	168.946,49	40,5%
Da 39 a 40 volte il minimo	Da 22149,67 a 22717,60	49	14.273.961	291.305,33	8.486.911	173.202,27	40,5%
Da 40 a 41 volte il minimo	Da 22717,61 a 23285,54	36	10.749.570	298.599,15	6.527.707	181.325,19	39,3%
Da 41 a 42 volte il minimo	Da 23285,55 a 23853,48	39	11.943.281	306.237,98	7.206.309	184.777,15	39,7%
Da 42 a 43 volte il minimo	Da 23853,49 a 24421,42	31	9.708.265	313.169,84	5.754.344	185.624,00	40,7%
Da 43 a 44 volte il minimo	Da 24421,43 a 24989,36	38	12.219.202	321.557,95	7.234.745	190.388,03	40,8%
Da 44 a 45 volte il minimo	Da 24989,37 a 25557,30	25	8.212.362	328.494,47	4.858.546	194.341,85	40,8%
Da 45 a 46 volte il minimo	Da 25557,31 a 26125,24	27	9.084.009	336.444,78	5.375.025	199.075,02	40,8%
Da 46 a 47 volte il minimo	Da 26125,25 a 26693,18	30	10.306.883	343.562,76	6.098.941	203.298,02	40,8%
Da 47 a 48 volte il minimo	Da 26693,19 a 27261,12	31	10.885.981	351.160,69	6.427.830	207.349,34	41,0%
Da 48 a 49 volte il minimo	Da 27261,13 a 27829,06	21	7.528.093	358.480,62	4.442.833	211.563,48	41,0%
Da 49 a 50 volte il minimo	Da 27829,07 a 28397,00	22	8.042.638	365.574,47	4.743.424	215.610,17	41,0%
Oltre 50 volte il minimo	Oltre 28397,00	265	140.509.511	530.224,57	84.769.169	319.883,66	39,7%
Totale		**16.230.157**	**347.031.838.470**	**21.381,92**	**282.100.914.665**	**17.381,28**	**18,7%**

Monthly pension income levels, (divided by 13), Number of pensioners, Overall gross pension income per year, Average gross pension income per year, Overall net pension income per year (3), Average net pension income per year (3), Average personal income tax rate (IRPEF), Total.

Notes to Tables 5.4 and 5.5 - (1) *The total annual amount is given by the product of the monthly amount of the benefit paid on December 31 and the number of months per year in which the benefit is paid (13 months for pensions and 12 for caregivers' allowances).* ***(2)*** *The monthly pension amounts/income levels are determined on the basis of the 2023 minimum benefits equal to 567.94 euros per month.* ***(3)*** *Estimated amounts. Source: INPS - Central Register of Pensioners, 2023.*

5.2 Welfare benefits

Tables 5.6 and ***D1*** (web attachments) show that, in 2023, **4.246 *million*** benefits had an ***entirely welfare nature*** (benefits for disabled civilians, caregivers' allowances, social and veterans' benefits) and another **6.781 *million*** were typical welfare benefits (supplementary minimum benefits, additional social allowances, additional benefits and the fourteenth month's salary) designed to supplement pension benefits, for a total of **11,027,000 *benefits with a total or partial welfare nature***.

For the benefits that are entirely of a welfare nature, no contributions were paid, for those with some welfare content, very low contributions were paid and for a few years. The ***4,245,498 benefits with an entire welfare nature*** corresponds **to *3,845,483*** recipients; in fact, it is necessary to subtract ***400,015*** welfare benefits since they are given to subjects who simultaneously receive a pension for disabled civilians or a veterans' pension along with the caregiver's allowance. By adding the **629,641 *subjects*** who only receive pensions for disabled civilians to the **1,868,283** recipients of only the allowance and to the **400,015** recipients of both types of benefits, the ***total of disabled recipients is* 2,897,939**. This sum must also include the **102,724 *veterans' pensions,*** already including caregivers' allowances, if any, and the **844,483 *recipients*** of social pensions and allowances for a total of **3,845,483 *recipients of benefits with an entire welfare nature***.

It is necessary to add to the 3,845,483 recipients of benefits with an entire welfare nature, the **2,711,508 *recipients of benefits with a partial welfare nature*** who receive a total of **6,780,748** of these benefits, such as supplementary minimum and additional social benefits, the fourteenth month's salary and the additional amount paid to those who are unable to pay, provided together with and in addition to IVS pensions, but also to other welfare benefits; so, net of the **4.469,255 *duplications,*** the ***total number of pensioners who are fully or partially subsidized reaches 6,556,991***[11], or **40.4 %** out of the t ***total,*** that is **16,230,157 *pensioners,*** who do not pay or marginally pay personal income taxes. Moreover in 2023, 48.6% (46.5% in 2022) of the total number of new pensions paid by INPS (1,364.686), excluding the funds for public-sector employed workers - GDP) had a full welfare nature (pensions for disabled civilians, caregivers' and social allowances); between 2014 and 2023, they showed an upward trend with few exceptions, except for a slight slump in 2016 and 2017; then they experienced a significant drop by 21% in 2020 compared to 2019 due to the administrative slowdown in pension settlements and medical commission visits caused by the pandemic. The backlog was partially processed in 2021 with + 21.2% of the number of settlements compared to 2020 and with + 7.6% in 2022 compared to 2021and with a further 5.1% increase in 2023 compared to 2022.

The gender analysis of beneficiaries of total or partial welfare benefits shows that the number of male recipients was equal to 2,181,951 (33.3% of the total) and that of female recipients to 4,375,040 (66.7% of the total). Of the total annual amount of 33,593 million euros paid out in 2023, 36% was provided to men (12,089 million) and 64% to women (21,504 million).

[11] These figures were obtained by counting ***6,556,991*** fully or partially subsidized beneficiaries (by tax code), equal to 40.4% of the of the total number of beneficiaries (16,230,157), identifying a total of 4,469,255 duplications of welfare benefits (11,026,246 benefits of a partial or full welfare nature, out of a total of 22,919,888 pensions in the entire Italian welfare system). Instead, we have not counted the 151,341 citizenship pensions supplemented with 309.70 euros per month on average in 2023.

Table 5.6 - Number of welfare benefits and their annual, total and average amount by gender and type of benefit by December 31, 2022 and 2023

Type of benefits	Number of welfare benefits		Annual Amount (millions of euros)		Average amount per year (euros)	
	2022	2023	2022	2023	2022	2023
	MASCHI E FEMMINE					
Pensions for disabled civilians	1.010.598	1.029.656	3.872,97	4.294,35	3.832,36	4.170,66
Caregivers' allowance	2.205.375	2.268.298	12.361,95	13.153,73	5.605,37	5.798,94
Social pensions and allowances	817.237	844.820	4.160,42	4.551,53	5.090,83	5.387,57
Veterans' pensions	111.736	102.724	999,98	1.013,07	8.949,53	9.862,10
Direct	*49.732*	*47.359*	*672,05*	*694,68*	*13.513,43*	*14.668,44*
Indirect	*62.004*	*55.365*	*327,93*	*318,39*	*5.288,92*	*5.750,79*
Total	**4.144.946**	**4.245.498**	**21.395,32**	**23.012,68**	**5.161,79**	**5.420,49**
Other welfare benefits	**6.751.556**	**6.780.748**	**10.219,36**	**10.580,43**	**1.513,63**	**1.560,36**
of which:						
Supplementary minimum benefits	2.367.110	2.259.766	5.976,12	6.018,33	2.524,65	2.663,25
Additional social benefits (1)	1.122.124	1.154.608	2.796,28	3.053,59	2.491,96	2.644,70
Fourteenth month salary	2.864.388	3.021.622	1.386,32	1.455,54	483,99	481,71
Additional amount	397.934	344.752	60,63	52,98	152,37	153,68
	MASCHI					
Pensions for disabled civilians	472.851	483.682	1.811,51	2.018,20	3.831,04	4.172,57
Caregivers' allowance	863.737	901.061	4.742,73	5.118,67	5.490,94	5.680,72
Social pensions and allowances	306.367	320.126	1.598,13	1.767,93	5.216,39	5.522,62
Veterans' pensions	45.956	43.541	561,95	576,24	12.227,95	13.234,51
Direct	*41.027*	*39.057*	*541,32*	*556,61*	*13.194,31*	*14.251,19*
Indirect	*4.929*	*4.484*	*20,62*	*19,63*	*4.184,34*	*4.378,90*
Total	**1.688.911**	**1.748.410**	**8.714,32**	**9.481,04**	**5.159,73**	**5.422,67**
Other welfare benefits	**1.683.396**	**1.695.948**	**2.445,98**	**2.607,97**	**1.453,00**	**1.537,76**
of which:						
Supplementary minimum benefits	394.397	375.279	849,28	859,19	2.153,36	2.289,47
Additional social benefits (1)	406.515	430.444	1.204,58	1.347,34	2.963,20	3.130,11
Fourteenth month salary	761.767	786.539	373,82	385,54	490,73	490,17
Additional amount	120.717	103.686	18,29	15,90	151,54	153,31
	FEMMINE					
Pensions for disabled civilians	537.747	545.974	2.061,46	2.276,15	3.833,52	4.168,98
Caregivers' allowance	1.341.638	1.367.237	7.619,22	8.035,06	5.679,04	5.876,86
Social pensions and allowances	510.870	524.694	2.562,29	2.783,59	5.015,53	5.305,18
Veterans' pensions	65.780	59.183	438,04	436,83	6.659,12	7.381,02
Direct	*8.705*	*8.302*	*130,73*	*138,07*	*15.017,50*	*16.631,37*
Indirect	*57.075*	*50.881*	*307,31*	*298,76*	*5.384,31*	*5.871,69*
Total	**2.456.035**	**2.497.088**	**12.681,00**	**13.531,64**	**5.163,20**	**5.418,97**
Other welfare benefits	**5.068.160**	**5.084.800**	**7.773,38**	**7.972,47**	**1.533,77**	**1.567,90**
of which:						
Supplementary minimum benefits	1.972.713	1.884.487	5.126,84	5.159,14	2.598,88	2.737,69
Additional social benefits (1)	715.609	724.164	1.591,70	1.706,25	2.224,26	2.356,16
Fourteenth month salary	2.102.621	2.235.083	1.012,50	1.069,99	481,54	478,73
Additional amount	277.217	241.066	42,34	37,09	152,73	153,84

(1) Additional benefits pursuant to Act no. 544/1988 (Art. 1 and 2) and Act no. 448/2001 (Art. 38), the so-called Berlusconi's one million. If the same person receives more than one additional social allowance, these allowances are counted only once. The additional social allowances for veterans are excluded. Source: *INPS pension archive and Central Register of pensioners (veterans' pensions).*

5.3 Geographical distribution of various types of pensions and INPS pensions abroad

Table 5.7 illustrates the geographical distribution of the 16,770,564 IVS benefits (seniority/early retirement, old-age, invalidity and survivors' benefits) paid by INPS, of which 16,417,050 paid to residents in the different Italian regions and the 353,514 IVS pensions of residents abroad (INPS data up December 31, 2023)[12]**.** IVS pensioners residing in Italy account for 97.9 %of the total and those residing abroad for 2.1 %. In order to carry out a homogeneous geographical comparative analysis not influenced by the different regional numbers of pensions, the four IVS categories: seniority, old age, invalidity and survivors, have been calculated as a percentage of the total in each region and abroad. In ***Table 5.9,*** the provinces are instead distributed as a percentage of the total for each category to offer a different perspective; foreign countries have been excluded.

The ***seniority*** or ***early retirement pensions*** are more widespread in the northern regions of Italy, where they account for well over the national average of 41.6%, as a result of high employment rates and a longer and more continuous contribution periods. Trentino-Alto Adige features the highest share of seniority/early retirement pensions, 50.7% of the pensions paid to the residents in this region, followed by Veneto and Piedmont with 48.9% and 48.8% respectively, Valle d'Aosta (48.1 %), Lombardy (47.3 %), Friuli-Venezia Giulia (47.2 %) and Emilia-Romagna (47.1 %), instead, the only Northern region with a share lower than the national average is Liguria with h 41.3 %. In the Centre, the seniority/early retirement category incidence is above the Italian average in Tuscany and Marche (43.2%), while for Umbria (39.9%) and Lazio (36.2%) the incidence is below the Italian average. instead, the only Northern region with a share lower than the national average is Liguria with 38.3%. In the central regions, the share of seniority/early retirement pensions is above the average In the in Tuscany and Marche (43.2%), while for Umbria (39.9%) and Lazio (36.2%) their share is below the Italian average. In the Southern regions of Italy, this share is below the national average and the region with the lowest percentage of seniority/early-retirement pensions is Calabria (26.6 %). Only 21.3 % of the total number of pensioners residing abroad (353,514) receive seniority/early retirement pensions; 44.7 % of these receive old-age pensions; 30.7 % survivors' pensions, and the remaining 3.3 % receive invalidity pensions.

Old-age pensions, excluding the ones paid abroad, account for 28.4% on average**,** and are mainly provided to residents in the Centre-North regions to (68.9%) compared to the total number of pensions in this category; in detail, in Liguria, the Italian region with the oldest population, the old-age category accounts for 28.4% compared to the total number of pensions provided in this region; in Lombardy, it accounts for 27.1%; in the Centre, Latium features a share higher than the national average with 31.1% (its figures reflect the high number of civil servants) and Tuscany with 29.3%; instead, in the South of Italy, Calabria stands out with 35%, followed by all the other regions in this part of Italy with a share of old-age pensions higher than the national average, with the sole exception of Abruzzo (28.3); instead, Sardinia (28.4) is in line with the national mean.

Invalidity pensions: the regions of Southern Italy, where 33.7% of the Italian population resides, feature the highest number of ***invalidity pensions*** (46.4%), compared to the total for this category (excluding foreign countries); the national average of the invalidity category is **5.3%**. All the regions in the North are below the national average, with the sole exception of Valle d'Aosta 5.3%, which is in line with the national average, with the lowest average figure in Lombardy (2.8%); in the Centre,

[12] The regionalization of pensions is very important because often a large part of pension imbalances derives precisely from regional deficits between contributions and benefits and between contribution-based and welfare pension benefits.

Tuscany (3.7%) has the lowest percentage of invalidity benefits and Umbria the highest (9.0%), almost double with respect to the national average; Marche and Lazio slightly exceed the national average (6.0% and 6.3%, respectively). In all the other southern regions, it is very high: Calabria (11.0%, more than double with respect to the national average), Puglia (9.6%), Basilicata and Sardinia (9.1%), Campania (8.7%), followed by Sicily (7.5%), Molise (6.8%) and Abruzzo (6.7%).

As to ***survivors' pensions***, the national average with respect to all the pension categories is **24.7%**; the highest shares compared to all the categories in each region are found in Sicily (30.2%), Campania (29.5%), Calabria (27.5%) and Molise (27.0%). In the Centre/North part of Italy, the shares of the total in each region are all below the national average with the sole exceptions of Latium (26.3 %) and Liguria (25.6 %). The total number of beneficiaries of survivors' pensions residing abroad account for 2.6% of the total number of survivors' pensioners (for 30.7% of survivors with respect to all the categories abroad).

Table 5.7 - Number and percentage of IVS pensions (1) paid by INPS by category and region of residence by December 31, 2023

Regions	Seniority/Early pensions and early retirement (2)	As % of the total of the regions	Vecchiaia	Old-age pensions	invalidity pensions	Invalidità in % per Regione	Survivors' pensions	Superstiti in % per Regione	Total	% of pensions per region
Piemonte	685.160	48,8%	346.958	24,7%	40.931	2,9%	330.392	23,5%	**1.403.441**	**100,0%**
Valle d'Aosta/Vallée d'Aoste	19.231	48,1%	9.730	24,3%	2.135	5,3%	8.900	22,3%	**39.996**	**100,0%**
Lombardia	1.404.583	47,3%	806.005	27,1%	82.741	2,8%	677.639	22,8%	**2.970.968**	**100,0%**
Trentino-Alto Adige/Südtirol	161.389	50,7%	80.744	25,4%	10.838	3,4%	65.269	20,5%	**318.240**	**100,0%**
Veneto	709.397	48,9%	370.120	25,5%	44.119	3,0%	328.117	22,6%	**1.451.753**	**100,0%**
Friuli-Venezia Giulia	191.626	47,2%	103.563	25,5%	14.495	3,6%	96.013	23,7%	**405.697**	**100,0%**
Liguria	208.740	41,3%	143.761	28,4%	23.541	4,7%	129.710	25,6%	**505.752**	**100,0%**
Emilia-Romagna	680.409	47,1%	383.928	26,6%	60.763	4,2%	318.192	22,0%	**1.443.292**	**100,0%**
Toscana	497.195	43,2%	336.887	29,3%	43.025	3,7%	273.377	23,8%	**1.150.484**	**100,0%**
Umbria	111.774	39,9%	76.088	27,2%	25.183	9,0%	66.995	23,9%	**280.040**	**100,0%**
Marche	212.180	43,2%	134.369	27,3%	29.308	6,0%	115.530	23,5%	**491.387**	**100,0%**
Lazio	492.179	36,2%	422.869	31,1%	85.669	6,3%	357.273	26,3%	**1.357.990**	**100,0%**
Abruzzo	140.929	38,6%	103.450	28,3%	24.429	6,7%	96.096	26,3%	**364.904**	**100,0%**
Molise	32.126	36,1%	26.860	30,2%	6.074	6,8%	23.986	26,9%	**89.046**	**100,0%**
Campania	326.047	29,4%	361.477	32,6%	96.099	8,7%	326.516	29,4%	**1.110.139**	**100,0%**
Puglia	322.463	33,3%	300.166	31,0%	93.170	9,6%	251.807	26,0%	**967.606**	**100,0%**
Basilicata	46.565	30,5%	50.940	33,3%	13.909	9,1%	41.372	27,1%	**152.786**	**100,0%**
Calabria	127.068	26,6%	167.103	35,0%	52.778	11,0%	130.921	27,4%	**477.870**	**100,0%**
Sicilia	309.498	30,6%	321.617	31,8%	75.550	7,5%	304.152	30,1%	**1.010.817**	**100,0%**
Sardegna	152.883	36,0%	120.848	28,4%	38.484	9,1%	112.627	26,5%	**424.842**	**100,0%**
Italia	**6.831.442**	**41,6%**	**4.667.483**	**28,4%**	**863.241**	**5,3%**	**4.054.884**	**24,7%**	**16.417.050**	**100,0%**
Estero	75.199	21,3%	158.044	44,7%	11.663	3,3%	108.608	30,7%	**353.514**	**100,0%**
Totale	**6.906.641**	**41,2%**	**4.825.527**	**28,8%**	**874.904**	**5,2%**	**4.163.492**	**24,8%**	**16.770.564**	**100,0%**

(1) Including the funds for public-sector employed workers - GDP and the fund for entertainment workers and sportspersons, excluding the schemes for professionals and complementary pensions. Source: INPS Pension Archive up to December 31, 2023

Table 5.8 illustrates the ***provincial ranking*** in descending order of the four IVS pension categories provided by INPS in the private and public sectors, classified according to the ratio of the number of pensions vs. the resident population (excluding residents abroad). For the entire national territory, the total average share of IVS pensions was **27.8%** in 2023**.** The ***raw early retirement rate*** continued to grow despite the phasing out of the 100 and the 102 Quota measures and, to a lesser extent, of the limitations to the 103 Quota and the Women's Option; its upward trend went on from 10.0% in 2018, to 10.3% in 2019, 10.7% in 2020, 11.0% in 2021, 11.2% in 2022 and 11.6% in 2023; the raw ***old-age*** retirement rate fell with respect to 8.5% in 2018, it stabilized at 8.3% from 2019 to 2021, it dropped down to 8.2% in 2022 and further down to 7.9% in 2023. This resulted from the alignment of the retirement age requirements for old-age pensions for both genders at 67 years and, to a small extent, from the classification of early retirements (crude retirement rate of 0.3 %), moved from the old-age category, as classified in the past, into the seniority/early retirement category. The raw retirement rates for disability pensions (1.5% and nationwide) decreased by one-tenth for survivors, going from 7.0%, to 6.9%, a sign of a slight increase in longevity.

Table 5.8 - Number of IVS pensions paid by INPS [(1)] vs. the resident population by province and pension category and total retirement rate in descending order by December 31, 2023

Province (2)	Anzianità/ Anticipate e Prepensiona-menti (3)	Vecchiaia	Invalidità	Superstiti	Totale
Biella	20,9%	9,2%	1,1%	9,1%	**40,3%**
Ferrara	18,3%	9,2%	1,4%	8,8%	**37,6%**
Vercelli	18,3%	8,2%	1,3%	8,9%	**36,8%**
Rovigo	17,3%	9,1%	1,4%	8,5%	**36,3%**
Belluno	17,4%	9,2%	1,1%	8,1%	**35,9%**
Alessandria	15,8%	9,2%	1,3%	8,9%	**35,3%**
Savona	15,4%	9,9%	1,1%	8,9%	**35,3%**
Udine	16,5%	9,0%	1,2%	8,3%	**35,0%**
Ravenna	16,8%	8,9%	1,6%	7,6%	**34,9%**
Trieste	15,6%	9,5%	1,1%	8,7%	**34,8%**
Macerata	15,2%	9,3%	1,7%	8,2%	**34,5%**
Asti	16,8%	8,3%	0,9%	8,1%	**34,2%**
Arezzo	15,7%	9,0%	1,8%	7,6%	**34,1%**
Gorizia	16,0%	8,3%	1,4%	8,4%	**34,0%**
Verbano Cusio Ossola	15,4%	9,0%	1,1%	8,3%	**33,8%**
Genova	14,1%	9,4%	1,5%	8,7%	**33,7%**
Fermo	13,8%	10,0%	2,0%	8,0%	**33,6%**
Siena	15,2%	9,3%	1,3%	7,8%	**33,6%**
Lecco	16,2%	9,3%	0,9%	7,0%	**33,4%**
Terni	12,8%	9,1%	3,2%	8,4%	**33,4%**
Ancona	15,3%	8,6%	1,5%	7,7%	**33,2%**
Piacenza	15,0%	8,8%	1,5%	7,7%	**33,1%**
Forlì-Cesena	15,7%	8,9%	1,4%	7,1%	**33,0%**
Grosseto	14,0%	9,0%	1,8%	8,3%	**33,0%**
Cremona	16,5%	7,8%	1,0%	7,7%	**33,0%**
Bologna	15,9%	8,5%	1,4%	7,1%	**32,9%**
Cuneo	17,4%	7,3%	0,9%	7,4%	**32,9%**
Sondrio	15,4%	7,8%	1,7%	7,9%	**32,9%**
Perugia	13,2%	8,8%	2,9%	7,7%	**32,6%**
Aosta	15,6%	7,9%	1,7%	7,2%	**32,5%**
Ascoli Piceno	13,0%	9,1%	2,3%	8,1%	**32,5%**
Novara	15,9%	7,9%	1,0%	7,6%	**32,4%**
La Spezia	12,5%	8,8%	2,5%	8,5%	**32,3%**
Isernia	10,7%	10,5%	2,4%	8,6%	**32,3%**
Pavia	14,9%	8,3%	1,2%	7,9%	**32,3%**
Pesaro-Urbino	13,1%	9,0%	2,7%	7,2%	**32,0%**
Modena	15,5%	8,3%	1,3%	6,8%	**31,9%**
Nuoro	10,7%	9,8%	3,2%	8,2%	**31,8%**
Mantova	15,5%	8,1%	0,9%	7,4%	**31,8%**
Imperia	12,2%	10,3%	1,2%	8,0%	**31,7%**
Torino	15,3%	8,1%	0,9%	7,4%	**31,7%**
Pistoia	13,7%	9,3%	1,2%	7,5%	**31,7%**
Varese	15,0%	8,6%	0,9%	7,1%	**31,6%**
Pordenone	15,7%	7,6%	1,3%	7,0%	**31,5%**
Massa Carrara	12,2%	9,0%	1,8%	8,6%	**31,5%**
Firenze	13,9%	9,6%	0,8%	7,1%	**31,5%**
Lucca	12,9%	9,3%	1,0%	7,7%	**30,9%**
Livorno	13,0%	8,6%	1,3%	7,9%	**30,8%**
Reggio Emilia	14,2%	8,5%	1,3%	6,7%	**30,7%**
Oristano	11,0%	8,6%	2,9%	8,2%	**30,6%**
Como	14,1%	8,5%	1,2%	6,8%	**30,6%**
Trento	15,2%	7,8%	1,1%	6,4%	**30,6%**
Rieti	11,9%	8,5%	2,0%	7,9%	**30,3%**
Campobasso	11,2%	8,8%	2,0%	8,2%	**30,2%**

Province (2)	Anzianità/ Anticipate e Prepensiona-menti (3)	Vecchiaia	Invalidità	Superstiti	Totale
Parma	13,8%	8,2%	1,3%	6,9%	**30,2%**
Vicenza	15,3%	7,4%	0,9%	6,6%	**30,2%**
Pisa	12,6%	9,2%	1,1%	7,2%	**30,1%**
Potenza	8,3%	10,4%	3,3%	8,0%	**30,0%**
Chieti	12,2%	8,0%	1,7%	7,9%	**29,7%**
L'Aquila	10,4%	8,8%	2,7%	7,7%	**29,6%**
Venezia	14,2%	7,2%	1,0%	7,2%	**29,6%**
Monza e Brianza	14,1%	8,2%	0,8%	6,5%	**29,6%**
Treviso	14,7%	7,7%	0,7%	6,4%	**29,4%**
Teramo	11,4%	8,3%	1,9%	7,5%	**29,1%**
Verona	13,8%	7,7%	0,9%	6,4%	**28,9%**
Bergamo	14,3%	7,3%	0,8%	6,5%	**28,9%**
Benevento	9,0%	8,9%	3,0%	7,9%	**28,8%**
Padova	14,0%	7,4%	0,9%	6,5%	**28,7%**
Lodi	14,0%	6,9%	0,7%	6,8%	**28,4%**
Viterbo	10,6%	8,3%	2,0%	7,5%	**28,4%**
Milano	12,9%	8,3%	0,6%	6,5%	**28,4%**
Lecce	7,5%	10,0%	3,7%	7,2%	**28,4%**
Bolzano-Bozen	14,6%	7,1%	0,9%	5,6%	**28,2%**
Rimini	11,4%	8,9%	1,4%	6,4%	**28,1%**
Brindisi	9,8%	9,0%	2,2%	7,1%	**28,0%**
Sud Sardegna	10,0%	7,8%	2,4%	7,8%	**27,9%**
Brescia	13,5%	7,1%	0,8%	6,4%	**27,8%**
Reggio Calabria	7,1%	9,3%	3,8%	7,5%	**27,7%**
Prato	11,7%	8,7%	0,8%	6,3%	**27,5%**
Vibo Valentia	7,7%	9,4%	3,1%	7,0%	**27,2%**
Messina	7,6%	8,9%	2,9%	7,4%	**26,8%**
Pescara	10,1%	7,6%	1,5%	7,2%	**26,4%**
Catanzaro	7,3%	8,8%	3,1%	7,2%	**26,4%**
Matera	9,6%	8,0%	1,4%	7,3%	**26,3%**
Taranto	9,6%	7,5%	2,3%	6,8%	**26,3%**
Sassari	8,8%	7,7%	2,8%	6,8%	**26,2%**
Frosinone	9,9%	7,5%	1,2%	7,4%	**26,0%**
Avellino	7,8%	8,4%	2,3%	7,2%	**25,8%**
Cosenza	6,7%	9,5%	2,1%	7,0%	**25,3%**
Latina	9,0%	7,0%	1,9%	6,4%	**24,2%**
Cagliari	9,7%	6,4%	1,6%	6,2%	**23,9%**
Salerno	6,8%	8,3%	1,9%	6,7%	**23,7%**
Foggia	7,3%	7,4%	2,3%	6,5%	**23,5%**
Bari	8,7%	6,8%	1,9%	6,0%	**23,4%**
Enna	7,0%	7,3%	1,6%	7,3%	**23,1%**
Roma	8,2%	7,3%	1,4%	6,0%	**22,9%**
Trapani	6,7%	7,3%	1,7%	6,9%	**22,5%**
Agrigento	5,8%	7,2%	2,2%	7,1%	**22,3%**
Crotone	5,6%	7,4%	2,4%	6,4%	**21,8%**
Siracusa	7,2%	5,9%	1,6%	6,4%	**21,2%**
Caltanissetta	6,6%	5,9%	1,5%	7,0%	**21,0%**
Ragusa	6,7%	6,6%	1,5%	6,0%	**20,8%**
Barletta-Andria-Trani	6,7%	5,7%	1,9%	5,4%	**19,6%**
Palermo	5,9%	6,4%	1,2%	5,8%	**19,4%**
Caserta	5,6%	6,2%	1,8%	5,6%	**19,2%**
Catania	6,1%	5,9%	1,0%	5,7%	**18,6%**
Napoli	5,0%	5,4%	1,4%	5,3%	**17,1%**
Italia	**11,6%**	**7,9%**	**1,5%**	**6,9%**	**27,8%**

Provinces (2); Seniority; Old-age; Invalidity; Survivors', Total; (1) Including all the INPS private and public-sector funds; (2) Excluding residents abroad, the schemes for professionals and supplementary benefits; *Source: INPS Pension Archive on December 31, 2023.*

Looking at the provincial detail of the ***total raw rate of*** "***IVS pensions***" over the "population", it is possible to see that the top 10 provinces, those with more pensions than the population, are all in the North: Biella (40.3%), Ferrara (37.6%), Vercelli (36.8%), Rovigo (36.3%), Belluno (35.9%), Alessandria and Savona (35.3%), Udine (35.0%), Ravenna (34.9%), and Trieste (34.8%); for these provinces, an analysis of the individual categories shows that the seniority/early-retirement rates, but also the old-age and survivors' rates are high, instead the invalidity pension rates are low and range from 1.1 % in Biella, Belluno, Savona and Trieste to 1.6 % in Ravenna. The lowest raw IVS retirement rates are found in the South, where the population is generally younger and where welfare benefits prevail; however, all the raw retirement rates that increased in the three-year period from 2019 to 2021, are decreasing with a lower ratio of the number of pensioners vs. the resident population. The bottom 10 provinces with the lowest total IVS raw retirement rates are: Naples (17.1 %), Catania (18.6 %), Caserta (19.2 %), Palermo (19.4 %), Barletta-Andria-Trani (19.6 %), Ragusa (20.8 %), Caltanissetta (21.0 %), Syracuse (21.2 %), Crotone (21.8 %) and Agrigento (22.3 %), with a fairly even distribution of pensions relative to the population in the three old-age, seniority and survivors' categories.

The highest raw retirement rates for the ***invalidity pension*** category relative to the resident population, are found in the South. Compared with a national average of ***1.5 %, these rates are more than twice as high in:*** Reggio Calabria (3.8 %), Lecce (3.7 %), Potenza (3.3 %), Nuoro (3.2 %), Catanzaro and Vibo Valentia (3.1 %), Benevento (3.0 %), Messina and Oristano (2.9 %); in the Centre: in Terni (3.2 %) and Perugia (2.9). The eighteen most virtuous provinces, with fewer disability pensions than the resident population, are predominantly in the North and two in the Centre: Milan (0.6%), Treviso and Lodi (0.7%), Monza-Brianza, Bergamo, Brescia, Prato and Florence (0.8%), Asti, Lecco, Cuneo, Mantua, Turin, Varese, Vicenza, Verona, Padua, and Bolzano (0.9%).

Table 5.9 shows the number and percentage ***distribution in the Italian provinces*** of the four categories of IVS pensions within each category, sorted according to the ranking for the total of these categories. The top 10 provinces in the ranking by number of IVS pensions are in this order: Rome, Milan, Turin, Naples, Brescia, Bologna, Bergamo, Florence, Bari and Varese, also considering their large population. The 10 provinces with the lowest number of IVS pensions are in descending order: Caltanissetta, Matera, Gorizia, Oristano, Rieti, Vibo Valentia, Aosta, Enna, Crotone and Isernia.

Pensioners residing abroad (Register)[13] **-** In 2023, the total number of pensioners living abroad was equal to **377,797** (vs 384,129 in 2020, 377,477 in 2021 and 371,585 in 2022), of whom 47.1 % were men and 52.9 % women; they received a total of **413.425** IVS benefits (vs. 419,924 in 2020, 412,83 in 2021, and 406,563 in 2022) under the domestic and international aggregation system, for an average of 1.094 pensions per pensioner. The number of ***pensioners residing abroad who were born in Italy*** amounted **267,479,** 70.8 % of the total population residing abroad, down by 3.7 % in 2021 compared to 2020, by 4.0 % in 2022 compared to 2021, and by 2.6 % in 2023 compared to 2022; instead, the number of pensioners ***residing and born abroad,*** equal to **110.318** and accounting for 26.1% of the total number of pensioners residing abroad, increased by over 23,000 (vs. 87,172 in 2020, 91,527 in 2021, and 97,041 in 2022), 73.9% of whom were women.

[13] The data come from the Central Register of Pensioners on December 31, 2023; they include pensioners from all INPS funds, from the schemes for professionals and from complementary funds. For more in-depth information on this topic, see also the V Report of 2018 - Chap. 7, § 7.4 *"The Italian pension system - Financial and demographic trends of pensions and welfare in 2016"* edited by the Itinerari Previdenziali Study and Research Centre.

Table 5.9 - Number of IVS pensions paid by INPS [1] by province and pension category according to the ranking of all categories by December 31, 2023

Provinces[2]	Seniority/ Anticipated[3]	% of total Seniority	Old age	% of total Old age	Disability	% of total Disability	Survivors	% of total Survivors	Total	% of total Categories
Rome	344.889	5,0%	310.027	6,6%	60.042	7,0%	251.781	6,2%	**966.739**	**5,9%**
Milan	419.814	6,1%	270.940	5,8%	20.138	2,3%	211.237	5,2%	**922.129**	**5,6%**
Turin	337.216	4,9%	178.097	3,8%	19.662	2,3%	163.763	4,0%	**698.738**	**4,3%**
Naples	149.493	2,2%	160.536	3,4%	42.448	4,9%	155.886	3,8%	**508.363**	**3,1%**
Brescia	170.686	2,5%	89.302	1,9%	10.214	1,2%	80.754	2,0%	**350.956**	**2,1%**
Bologna	162.003	2,4%	86.674	1,9%	13.862	1,6%	72.564	1,8%	**335.103**	**2,0%**
Bergamo	158.356	2,3%	81.580	1,7%	9.032	1,0%	71.917	1,8%	**320.885**	**2,0%**
Florence	137.580	2,0%	95.259	2,0%	8.257	1,0%	70.506	1,7%	**311.602**	**1,9%**
Bari	106.318	1,6%	82.515	1,8%	23.068	2,7%	73.569	1,8%	**285.470**	**1,7%**
Varese	131.902	1,9%	75.863	1,6%	8.084	0,9%	62.710	1,5%	**278.559**	**1,7%**
Genoa	115.057	1,7%	77.093	1,7%	12.607	1,5%	70.789	1,7%	**275.546**	**1,7%**
Verona	128.099	1,9%	71.552	1,5%	8.506	1,0%	59.692	1,5%	**267.849**	**1,6%**
Padua	130.023	1,9%	69.105	1,5%	8.232	1,0%	60.175	1,5%	**267.535**	**1,6%**
Monza and Brianza	124.023	1,8%	71.601	1,5%	6.827	0,8%	57.065	1,4%	**259.516**	**1,6%**
Treviso	128.713	1,9%	67.299	1,4%	5.989	0,7%	56.085	1,4%	**258.086**	**1,6%**
Vicenza	130.598	1,9%	63.133	1,4%	7.763	0,9%	56.258	1,4%	**257.752**	**1,6%**
Salerno	71.663	1,0%	87.967	1,9%	20.233	2,3%	70.305	1,7%	**250.168**	**1,5%**
Venice	118.241	1,7%	60.038	1,3%	8.241	1,0%	60.422	1,5%	**246.942**	**1,5%**
Palermo	70.647	1,0%	76.809	1,6%	14.878	1,7%	69.706	1,7%	**232.040**	**1,4%**
Modena	109.895	1,6%	58.992	1,3%	8.988	1,0%	47.748	1,2%	**225.623**	**1,4%**
Lecce	57.236	0,8%	76.877	1,6%	28.388	3,3%	55.083	1,4%	**217.584**	**1,3%**
Perugia	84.210	1,2%	56.388	1,2%	18.380	2,1%	48.869	1,2%	**207.847**	**1,3%**
Catania	65.351	1,0%	62.928	1,3%	10.570	1,2%	60.528	1,5%	**199.377**	**1,2%**
Wedge	101.391	1,5%	42.242	0,9%	4.936	0,6%	43.038	1,1%	**191.607**	**1,2%**
Como	84.594	1,2%	50.839	1,1%	7.305	0,8%	40.548	1,0%	**183.286**	**1,1%**
Udine	85.074	1,2%	46.740	1,0%	6.284	0,7%	42.723	1,1%	**180.821**	**1,1%**
Pavia	80.273	1,2%	44.492	1,0%	6.377	0,7%	42.836	1,1%	**173.978**	**1,1%**
Caserta	50.288	0,7%	56.185	1,2%	16.245	1,9%	51.097	1,3%	**173.815**	**1,1%**
Cosenza	45.029	0,7%	63.438	1,4%	14.208	1,6%	46.817	1,2%	**169.492**	**1,0%**
Trento	83.078	1,2%	42.574	0,9%	5.917	0,7%	35.104	0,9%	**166.673**	**1,0%**
Reggio Emilia	75.384	1,1%	45.125	1,0%	6.808	0,8%	35.260	0,9%	**162.577**	**1,0%**
Messina	45.652	0,7%	52.983	1,1%	17.239	2,0%	44.177	1,1%	**160.051**	**1,0%**
Ancona	70.862	1,0%	39.728	0,9%	6.836	0,8%	35.742	0,9%	**153.168**	**0,9%**
Bolzano-Bozen	78.311	1,1%	38.170	0,8%	4.921	0,6%	30.165	0,7%	**151.567**	**0,9%**
Alexandria	53.333	0,8%	41.453	0,9%	12.690	1,5%	37.803	0,9%	**145.279**	**0,9%**
Taranto	64.429	0,9%	37.566	0,8%	5.338	0,6%	36.192	0,9%	**143.525**	**0,9%**
Reggio Calabria	36.572	0,5%	47.779	1,0%	19.435	2,3%	38.604	1,0%	**142.390**	**0,9%**
Foggia	43.130	0,6%	44.021	0,9%	13.874	1,6%	38.471	0,9%	**139.496**	**0,8%**
Parma	50.794	0,7%	39.577	0,8%	10.965	1,3%	36.006	0,9%	**137.342**	**0,8%**
Latina	62.644	0,9%	37.231	0,8%	5.867	0,7%	31.523	0,8%	**137.265**	**0,8%**
Ravenna	65.103	1,0%	34.537	0,7%	6.095	0,7%	29.308	0,7%	**135.043**	**0,8%**
Forli-Cesena	61.669	0,9%	34.774	0,7%	5.433	0,6%	27.920	0,7%	**129.796**	**0,8%**
Mantua	62.954	0,9%	32.927	0,7%	3.657	0,4%	30.014	0,7%	**129.552**	**0,8%**
Ferrara	62.127	0,9%	31.222	0,7%	4.653	0,5%	29.869	0,7%	**127.871**	**0,8%**
Pisa	52.666	0,8%	38.282	0,8%	4.600	0,5%	30.106	0,7%	**125.654**	**0,8%**
Sassari	41.719	0,6%	36.406	0,8%	13.277	1,5%	32.382	0,8%	**123.784**	**0,8%**
Frosinone	46.087	0,7%	34.878	0,7%	5.392	0,6%	34.435	0,8%	**120.792**	**0,7%**
Lucca	49.352	0,7%	35.412	0,8%	3.780	0,4%	29.342	0,7%	**117.886**	**0,7%**
Novara	57.858	0,8%	28.806	0,6%	3.451	0,4%	27.660	0,7%	**117.775**	**0,7%**
Cremona	58.374	0,9%	27.486	0,6%	3.437	0,4%	27.184	0,7%	**116.481**	**0,7%**
Arezzo	52.320	0,8%	30.068	0,6%	5.943	0,7%	25.445	0,6%	**113.776**	**0,7%**
Pesaro-Urbino	45.841	0,7%	31.500	0,7%	9.306	1,1%	25.285	0,6%	**111.932**	**0,7%**
Lecco	53.966	0,8%	31.141	0,7%	2.907	0,3%	23.454	0,6%	**111.468**	**0,7%**
Chieti	45.311	0,7%	29.619	0,6%	6.131	0,7%	29.241	0,7%	**110.302**	**0,7%**
Toast	37.110	0,5%	33.838	0,7%	8.102	0,9%	26.647	0,7%	**105.697**	**0,6%**
Macerata	46.239	0,7%	28.253	0,6%	5.272	0,6%	24.866	0,6%	**104.630**	**0,6%**
Avellino	28.330	0,4%	35.706	0,8%	11.281	1,3%	27.550	0,7%	**102.867**	**0,6%**
Power	31.142	0,5%	33.495	0,7%	9.291	1,1%	28.672	0,7%	**102.600**	**0,6%**
Leghorn	42.456	0,6%	27.872	0,6%	4.332	0,5%	25.577	0,6%	**100.237**	**0,6%**
Cagliari	40.717	0,6%	26.589	0,6%	6.575	0,8%	26.096	0,6%	**99.977**	**0,6%**
Pordenone	48.718	0,7%	23.663	0,5%	3.892	0,5%	21.856	0,5%	**98.129**	**0,6%**
Savona	38.775	0,6%	30.199	0,6%	4.657	0,5%	21.918	0,5%	**95.549**	**0,6%**
Rimini	42.809	0,6%	25.174	0,5%	4.400	0,5%	22.082	0,5%	**94.465**	**0,6%**
Piacenza	41.240	0,6%	26.382	0,6%	2.914	0,3%	23.808	0,6%	**94.344**	**0,6%**
Trapani	27.753	0,4%	30.022	0,6%	6.956	0,8%	28.372	0,7%	**93.103**	**0,6%**
South Sardinia	33.036	0,5%	25.786	0,6%	8.091	0,9%	25.766	0,6%	**92.679**	**0,6%**
Pistoia	39.635	0,6%	26.963	0,6%	3.574	0,4%	21.749	0,5%	**91.921**	**0,6%**
Agrigento	23.900	0,3%	29.610	0,6%	8.908	1,0%	28.996	0,7%	**91.414**	**0,6%**
Catanzaro	24.760	0,4%	29.880	0,6%	10.638	1,2%	24.516	0,6%	**89.794**	**0,5%**
Viterbo	32.602	0,5%	25.554	0,5%	6.284	0,7%	23.133	0,6%	**87.573**	**0,5%**
Siena	39.557	0,6%	24.250	0,5%	3.324	0,4%	20.313	0,5%	**87.444**	**0,5%**
Teramo	34.074	0,5%	24.957	0,5%	5.797	0,7%	22.311	0,6%	**87.139**	**0,5%**
L'Aquila	29.999	0,4%	25.162	0,5%	7.713	0,9%	22.157	0,5%	**85.031**	**0,5%**
Pescara	39.285	0,6%	20.774	0,4%	3.131	0,4%	19.384	0,5%	**82.574**	**0,5%**
Rovigo	31.545	0,5%	23.712	0,5%	4.788	0,6%	22.387	0,6%	**82.432**	**0,5%**
Syracuse	27.698	0,4%	22.557	0,5%	6.282	0,7%	24.640	0,6%	**81.177**	**0,5%**
Trieste	35.679	0,5%	21.647	0,5%	2.429	0,3%	19.882	0,5%	**79.637**	**0,5%**
Benevento	23.461	0,3%	23.294	0,5%	7.882	0,9%	20.556	0,5%	**75.193**	**0,5%**
Barletta-Andria-Trani	25.336	0,4%	21.462	0,5%	7.048	0,8%	20.234	0,5%	**74.080**	**0,5%**
Terni	27.564	0,4%	19.700	0,4%	6.803	0,8%	18.126	0,4%	**72.193**	**0,4%**
Grosseto	30.484	0,4%	22.627	0,5%	2.057	0,2%	16.507	0,4%	**71.675**	**0,4%**
Asti	30.279	0,4%	19.348	0,4%	3.836	0,4%	17.845	0,4%	**71.308**	**0,4%**
Belluno	34.438	0,5%	18.219	0,4%	2.257	0,3%	16.101	0,4%	**71.015**	**0,4%**
Meadow	34.943	0,5%	17.255	0,4%	1.866	0,2%	16.920	0,4%	**70.984**	**0,4%**
La Spezia	26.962	0,4%	18.819	0,4%	5.446	0,6%	18.365	0,5%	**69.592**	**0,4%**
Biella	35.222	0,5%	15.459	0,3%	1.875	0,2%	15.379	0,4%	**67.935**	**0,4%**
Imperia	21.442	0,3%	21.053	0,5%	4.622	0,5%	19.283	0,5%	**66.400**	**0,4%**
Ragusa	25.481	0,4%	21.467	0,5%	2.574	0,3%	16.748	0,4%	**66.270**	**0,4%**
Ascoli Piceno	26.194	0,4%	18.205	0,4%	4.601	0,5%	16.291	0,4%	**65.291**	**0,4%**
Lodi	32.047	0,5%	15.887	0,3%	1.650	0,2%	15.704	0,4%	**65.288**	**0,4%**
Campobasso	23.604	0,3%	18.504	0,4%	4.172	0,5%	17.139	0,4%	**63.419**	**0,4%**
Nuoro	21.028	0,3%	19.257	0,4%	6.213	0,7%	16.224	0,4%	**62.722**	**0,4%**
Vercelli	30.406	0,4%	13.660	0,3%	2.154	0,2%	14.735	0,4%	**60.955**	**0,4%**
Massa Carrara	22.866	0,3%	16.806	0,4%	3.322	0,4%	15.987	0,4%	**58.981**	**0,4%**
Sondrio	27.594	0,4%	13.947	0,3%	3.113	0,4%	14.216	0,4%	**58.870**	**0,4%**
Stop	23.044	0,3%	16.683	0,4%	3.293	0,4%	13.346	0,3%	**56.366**	**0,3%**
Verbano Cusio Ossola	23.695	0,3%	13.873	0,3%	1.649	0,2%	12.705	0,3%	**51.922**	**0,3%**
Caltanissetta	16.340	0,2%	14.503	0,3%	3.712	0,4%	17.214	0,4%	**51.769**	**0,3%**
Matera	18.235	0,3%	15.234	0,3%	2.628	0,3%	13.822	0,3%	**49.919**	**0,3%**
Gorizia	22.155	0,3%	11.513	0,2%	1.890	0,2%	11.552	0,3%	**47.110**	**0,3%**
Oristano	16.383	0,2%	12.810	0,3%	4.328	0,5%	12.159	0,3%	**45.680**	**0,3%**
Rieti	17.807	0,3%	12.833	0,3%	2.986	0,3%	11.918	0,3%	**45.544**	**0,3%**
Vibo Valentia	11.591	0,2%	14.125	0,3%	4.684	0,5%	10.607	0,3%	**41.007**	**0,2%**
Aosta	19.231	0,3%	9.730	0,2%	2.135	0,2%	8.900	0,2%	**39.996**	**0,2%**
Enna	10.715	0,2%	11.152	0,2%	2.383	0,3%	11.236	0,3%	**35.486**	**0,2%**
Croton	9.116	0,1%	11.881	0,3%	3.813	0,4%	10.377	0,3%	**35.187**	**0,2%**
Isernia	8.522	0,1%	8.356	0,2%	1.902	0,2%	6.847	0,2%	**25.627**	**0,2%**
Italy	**6.831.442**	**100,0%**	**4.667.483**	**100,0%**	**863.241**	**100,0%**	**4.054.884**	**100,0%**	**16.417.050**	**100,0%**

Source: INPS Pension Archive on December 31, 2023

The average pension income per month before taxes was equal to 499.56 for pensioners born in Italy and 450.01 for those born abroad, as these are mainly “pensions within the framework of the international aggregation system” for Italians or foreigners who have paid part of their contributions in Italy and part abroad. The geographic areas with the ***highest concentration of*** private sector ***INPS IVS pensions paid to residents abroad*** are in order: Europe (214,949 pensions), North America (64,418), Oceania (33,789), South America (23,568), Africa (4,526), Asia (3,299), and Central America (1,953).

The highest ***average amount pension per month before taxes*** paid by of INPS for IVS pensions to residents abroad is in order: Asia (1,688 euros), Central America (1,178 euros), Africa (1,051 euros), South America (492 euros), Europe (422 euros), North America (176 euros), and Oceania (155 euros).

5.4 Average pension amounts for different categories

Table 5.10 shows the average pension amounts per year and the average pension/average income ratio. Notaries still rank at the top with 85,875 euros’ worth of average pension per year in 2023 (entirely financed by contributions and with a high solidarity content), followed by the members of the aviation fund (47,759), the executives of public companies (47,433 euros), accountants (34,277), lawyers (32,003), telephony workers (29,432) and public-sector employed workers (28,778). As regards annuities, pensions of institutional bodies and regions and pensions not yet harmonised with the general rules, see the previous Reports. Except for the aviation fund still featuring more favourable regulatory provisions (see Chapter 1), private-sector employed workers (FPLD), public-sector employed workers, transport and telephony workers, workers employed by local authorities and former Ipost members have an average pension/average income ratio ranging from 67 % to 76 %; that for CDCM, artisans, and retailers is lower, between 50% to 38%; the pension funds of the liberal professions under Decree 509 feature a lower ratio ranging from 22 % to 55 % (excluding lawyers with 76%), partly due to the pension calculation method applied.

Table 5.10 - Average pension amounts per year by category of workers

CATEGORIES OF WORKERS	Average pension 2022 (1)	Average pension 2023 (1)	Average Income 2022 (2)	Average Income 2023 (2)	Average Pension/Average Income 2022 %	Average Pension/Average Income 2023 %
NOTAI	82.767	85.875	166.773	160.546	49,63	**53,49**
AVIATION FUND	45.406	47.759	36.619	39.785	124,00	**120,04**
EX INPDAI CORPORATE EXECUTIVES	45.887	47.433	141.376	129.032	32,46	**36,76**
CHARTERED ACCOUNTANTS	33.464	34.277	70.658	76.414	47,36	**44,86**
LAWYERS	30.071	32.003	39.359	41.915	76,40	**76,35**
TELEPHONY WORKERS	27.578	29.432	40.879	41.212	67,46	**71,42**
CIVIL SERVANTS	27.139	28.778	37.970	37.675	71,47	**76,38**
EX FERROVIE dello STATO	25.073	26.675	44.672	50.245	56,13	**53,09**
TRANSPORTATION WORKERS	22.954	24.637	32.495	33.286	70,64	**74,02**
ACCOUNTANTS	22.324	23.854	33.106	34.699	67,43	**68,75**
WORKERS EMPLOYED BY LOCAL AURTHORITIES	22.647	22.858	67.238	71.051	33,68	**32,17**
EX POST (IPOST)	20.470	22.005	30.468	32.762	67,19	**67,17**
SHOW-BUSINESS WORKERS	18.617	19.805	34.438	36.362	54,06	**54,47**
PRIVATE-SECTOR EMPLOYED WORKERS (FPLD)	18.049	19.634	25.192	25.845	71,65	**75,97**
ENGINEERS, ARCHITECTS	18.979	19.331	42.935	35.301	44,20	**54,76**
SURVEYORS	13.796	13.732	32.005	37.635	43,11	**36,49**
LABOUR CONSULTANTS	12.334	13.102	48.109	46.632	25,64	**28,10**
DOCTORS (3)	9.002	9.843	56.421	57.174	15,96	**17,22**
ARTISANS	9.021	9.617	24.035	25.013	37,53	**38,45**
DOCTORS (3)	8.503	9.021	22.411	23.179	37,94	**38,92**
VETERINARY DOCTORS	7.292	7.807	25.912	26.611	28,14	**29,34**
PHARMACISITS	6.117	6.748	28.932	30.495	21,14	**22,13**
CDCM FARMERS	5.725	6.089	11.981	12.106	47,78	**50,30**

NOTE: The average pensions of professionals enrolled in the schemes under Decree no. 103/96 are not reported because these schemes were set up too recently and are therefore not very significant. (1) Average pension before GIAS transfers. IVS pension expenditure was used to calculate the average pensions up to 2018; since 2019, the calculation methodology has been updated by using the pension instalments net of family allowances, net of recovered benefits and before the transfers. (2)) The average income has been calculated as the ratio of the income amounts vs. and the number of workers paying contributions of each category of workers;(3) For doctors, the number of pensions used to calculate the average pension is equal to the sum of the number of pensions of all ENPAM schemes; by referring only to the A Quote, the value of the average pension increases to 19,143 euros per year.

5.5 Mean age at retirement and evolution over time

One of the major problems of the Italian pension system, also recently due to the provisions on the so-called "strenuous jobs” (no trace of this definition in the medical-scientific literature), lies in a very large number of rules that have envisaged some exceptions to the statutory retirement age for certain categories of workers: baby pensions (1969), early retirement even more than 10 years in advance, the 9 safeguards for the so-called "esodati” from 2012 to 2019, the introduction of advances for early workers, the unemployed, and the women's option and finally the “100 Quota” measure in 2019, the more suitable Quota 102 measure introduced in 2022 and the 103 Quota launched in 2023. Measures that extend the duration of pensions as we shall see in the following section. ***Figure 5.1*** and ***5.2*** and the ***table*** below show, for the 1997-2022 period, the ***average effective age at the start*** of the new pensions by gender and category[14] and the evolution of the ***statutory age*** for old-age pensions of the main INPS funds in the private sector. In 1997, ***the statutory age*** required for an ***old-age pension*** in the fund for employed workers was 63 years for men and 58 years for women, together with a seniority of at least 18 years, while the average effective age at retirement was 63.5 years for men and 59.3 years for women[15]. As of January1, 2019, the statutory age for an old age pension aligned for employed and self-employed men and women in 2018 is 67. Art. 14 of Law Decree no. 4/2019. allowed for early retirement with at least 62 years of age (not adjusted to life expectancy) and

[14] Data taken from INPS archives on January.1, 2024 with the exclusion of the fund for public-sector employed workers - GDP and ex Enpals. As of 2019, the ex Enpals newly-paid pensions have been included within the INPS system, while the existing ex Enpals pensions have been included only since January 1, 2020.

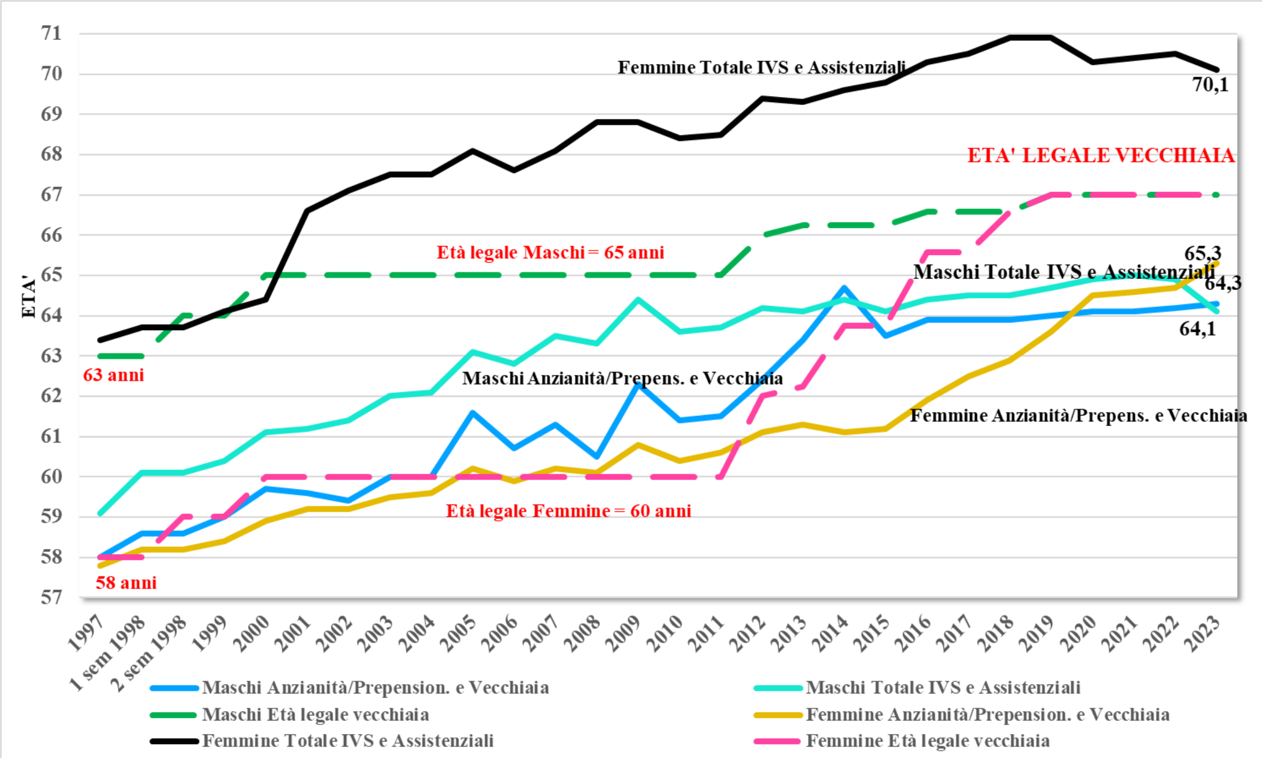
[15] Age is expressed in years and tenths of a year. E.g.: 63.5 corresponds to 63 years and 6 months.

38 years of seniority (100 Quota) on an experimental basis for the 2019-2021 three-year period; at the same time, Article 15 temporarily blocked any extension of life expectancy for early retirement regardless of age at 42 years and 10 months for men and one year less for women until December 31, 2026. In 2022, early retirement was allowed for workers who had reached, by December 31, 2022, 64 years of age and a minimum contribution period of 38 years (**102 *Quota*** that allows for retirement up to 3 years earlier with respect to the statutory age requirements). In 2023, ***Quota 103*** was introduced with the possibility to retire up to 5 years earlier, but with the recalculation of the entire pension under the contribution-based system up to a ceiling that cannot exceed 4 times the INPS minimum pension. Another exit channel for ***early retirement*** under the contribution-based period is the ***"Women's Option,"*** which was created experimentally in 2004 and extended year by year; the 2023 Budget Law allows for early retirement with the contribution-based system for employed and self-employed women who had reached 60 years of age by December 31, 2022, with at least 35 years of contributions and in certain conditions (caregivers, 74 % disabled, employed or laid off by companies with a negotiating table to deal with a corporate crisis) if 12 months for employed and 18 months for self-employed women respectively have elapsed since the requirements have been fulfilled. Finally, Law Decree no. 4/2019 (Articles 15 and 17, as amended by Article 1, paragraph 125(a) temporarily blocked until Dec. 31, 2026 the increases in life expectancy on seniority for early retirement pensions regardless of age, at 42 years and 10 months for men, one year less for women, plus another 3 months waiting for the starting date (quarterly exit window) and at 41 years for early workers.

Figure 5.2 shows the historical series from 1997 to 2023 of the ***effective*** average age of entitlement for new pensions paid each year by INPS for private-sector workers (old age and early retirement, seniority/ early pension, early retirement and invalidity), broken down by pension category and gender). In 2023 for ***old-age pensions alone, the average effective age*** at retirement (the average retirement age) was **67.5** for men, slightly up with respect to 2020 and 2021; instead, for women it went slightly up to **67.4**, after years of growth compared to the 2021-2022 two-year period (it was 67.3) On average, ***the gender-weighted retirement age*** for old-age pensions alone was slightly extended to 67.5 years compared to 2022, thus above the statutory age of 67.

In 2023, 60.2% of the newly-paid old-age/early pensions (excluding early retirements) was provided to men and 39.8% to women; in 1997, the gender ratio with respect to the same categories of pensions (old age and seniority) was 69.1% and 30.9% respectively; in1997, for ***seniority pensions***, it was sufficient to have 35 years of contributions and at least 52 years of age or 36 years of contributions independently of age; the average retirement age was 56.3 years for men and 54.3 years for women.

Figure 5.1 - Average retirement age for newly paid INPS* direct pensions and statutory retirement age for old-age pensions, by gender and category from 1997 to 2023

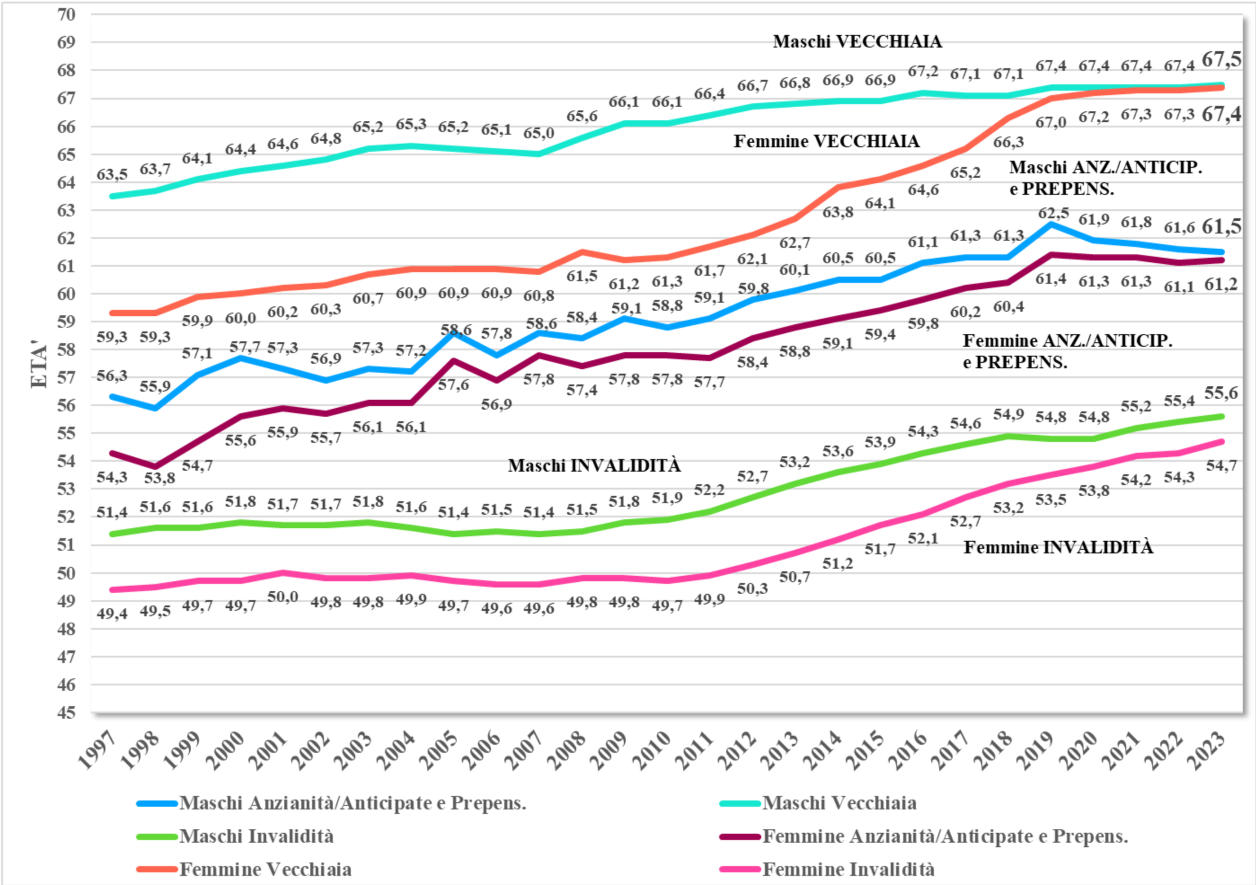


Total IVS and welfare benefits for women; Total IVS and welfare benefits for men; Men: seniority/early and old age pension, early retirement; Statutory old-age retirement age; Total IVS and welfare benefits; Women: seniority/early and old age pension; early retirement; Statutory old-age retirement age, Total IVS and welfare benefits; *Source: INPS – Observatory on pensions,* *excluding the funds for public-sector employed workers (GDP) and including Enpals as of 2019

In 2023, also due to the effects of all these ***early retirement*** measures, which statistically fall into the category of *"seniority/early retirement and early retirement"* pensions**,** the average effective retirement age had a further reduction down to **61.5 *years for men*** (vs. 61.9 in 2020, 61.8 in 2021, 61.6 in 2022) and slightly increased to **61.2 *years for women*** (vs. 61.3 in 2020 - 2021 and 61.1 in 2022); in the male - female average, the effective early retirement age remained stable at **61.4 *years,*** (vs. 61.7 in 2020, 61.6 in 2021 and 61.4 in 2022); instead, without these exceptions, it could have reached the target of 64 years.

As the number and amount of early retirements are higher, the average retirement age is the most important factor; but the ***old-age complex*** *(seniority/early pension and early retirements, old age pension)* shows that, in 2023, *the average effective* retirement age was ***64.7 years***; in the calculation of the gender-weighted mean age**,** the ***retirement age for men was 64.3*** (60.2 % of the total for both genders) and it weighs more than ***the retirement age of* 65.3 *years for women*** (39.8 % of the old-age total for both genders). The retirement age requirement for women has gradually increased especially since 2014. If we then take into account not only the average ***effective retirement age for old age and seniority/early retirement pensions*** but also the average effective retirement age for all ***direct pensions***, in 2023, it was **63.*2 years*** for ***men*** and **64.1 *years*** for ***women***, with an average for both genders of **63.5 *years.*** Finally, the analysis of the weighted average effective age at the start of ***all pension categories***, including survivors' pensions and welfare benefits, shows that the average effective age in 2023 was **67.4 *years***; it was **64.1 *years*** for ***men*** and, **70.1 *years*** for ***women,*** because they are the main beneficiaries of survivors' pensions and welfare benefits.

Figure 5.2 - Effective average age at retirement for direct pensions (*) newly paid by INPS by category and gender from 1997 to 2023



Men: seniority/early retirement, old age; old age, seniority and early retirement; invalidity; Women: seniority/early retirement; old age; seniority, old age and early retirement; invalidity; * Excluding the funds for public-sector employed workers (GDP) and including *former Enpals as of 2019*; *Source: INPS – Observatory on pensions*

EFFECTIVE AGE AT RETIREMENT - PRIVATE SECTOR IVS PENSIONS				
Category of IVS pensions:	**1997**		**2023**	
	Men	**Women**	**Men**	**Women**
Seniority/Early pension and Early Retirement.	56,3	54,3	61,5	61,2
Old age	63,5	59,3	67,5	67,4
Disability	51,4	49,4	55,6	54,7
Survivors'	72,1	68,2	76,2	74,4
NUMBER OF IVS PENSIONS PAID IN THE PRIVATE SECTOR				
	1997		**2023**	
Total IVS pensions paid by year of retirement	**Men**	**Women**	**Men**	**Women**
	367.739	323.493	336.997	363.984

Source – INPS statistical observatory on pensions in the private sector

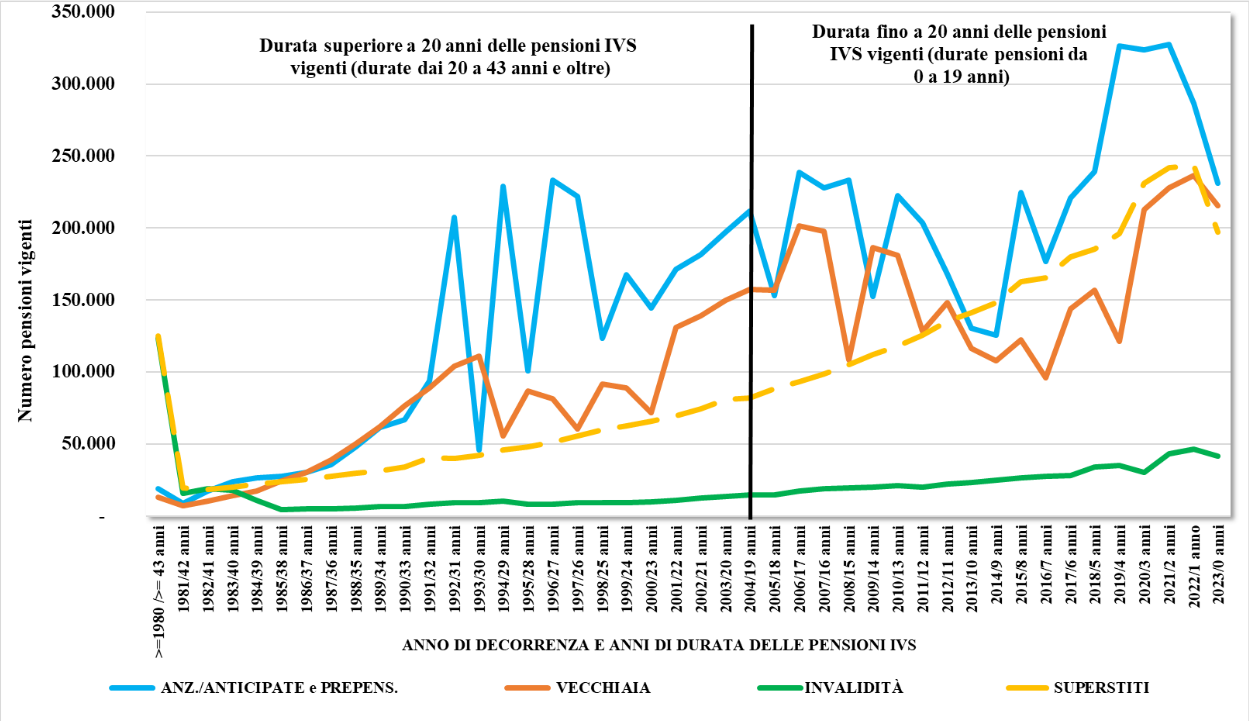
5.6 Number of outstanding pensions by effective date, gender, average duration of benefits, type of benefit and age; the situation of pensions eliminated: INPS funds

A very important piece of information that should be carefully considered when changing pension rules is the ***historical series of invalidity, old age and survivors' (IVS) pensions still*** being ***paid*** on January, 1**,** 2024, ***starting from the ones that were paid out (taken effect) as of 1980 and previous years,*** classified for each year until 2023, which allows for the calculation of ***the duration of pensions still in payment from their inception*** up to January 1, 2024**.** This results in 44 groups of former workers classified according to their retirement date for a ***duration of* 43 *years or more*** for the pensions starting from ***"1980 and previous years"***, up to a ***duration of less than* 1 *year (0 years)*** for the ones starting from "*2023*", broken down by gender, type of fund, whether private or public) and by category of pension, with the indication of the mean age obtained from the INPS statistical observatories for men and women at the time of their retirement (age is expressed in whole years or tenths of years). Consequently, for each year of retirement and for each modality (sector, gender and category), it is possible to obtain the mean age of the group of pensioners still alive today. In order for the system to remain in equilibrium, it is crucial to have a fair ratio of the length of the working life vs. the duration of the pension, so as to avoid penalising the workers (young people in the lead) who today are financing with their contributions the pensions for the current generation of pensioners. If the retirement age is nor correlated to life expectancy, which did not occur in the past 6 years, and with too many early retirement opportunities, the risk may be that the pensions will have a disproportionate duration with respect to the length of contributions; cases in point are the 40-year-long pensions provided many years ago, mainly for electoral reasons, and still being paid today, such as outstanding disability pensions e until July 1, 1984 (the so-called disability before Act no. 222/1984, which blocked them); legions of workers were allowed to retire young following the provisions enacted between 1965 and 1990, which allowed married women or with children working in the public sector to retire after 14 years, 6 months and 1 day of useful service, including maternity and university degree redemptions (for example, a graduated woman with two children could work for only 8 years and then retire for good after paying few contributions), and 19 years, 6 months and 1 day for men working in the public sector; employed workers of local authorities were allowed to retire after 25 years, with only 20-25 years of contributions (always including degree, maternity and military service redemptions).

Figure 5.3 shows the "accordion-like" effects on seniority/early pension, early retirement and old-age retirement resulting from the various reforms of retirement age and contribution requirements over the years, compared to the more unusual trends of invalidity retirements before Act no. 222/1984 with durations over 43 years vs. the more regular trends post Act no. 222/1984 with respect to disability and of survivors' retirements, which instead follow the 'physiological' patterns of human life, dictated only by random events (invalidating event or death). The great exodus of workers due to the 'announcement effect' of the reforms on old age and seniority pensions carried out in 1992 (Amato reform) or the subsequent "stop and go waves" caused by the gradual attainment of retirement requirements by entire generations are very evident from 1991 onwards. By January 1, 2024 the INPS private and public sector funds had paid **280,684 *social pensions*** in payment ***with a duration of* 43 *years and over,*** accounting for 1.7 % of all outstanding IVS pensions (amounting to 16,770,564), related to men and women now ***over* 80** who retired as far back as **1980 *or even earlier*** (by January 1, 2023 their number was **334,078,** with a decrease by16.0 %, or the elimination of 53,394 benefits in one year). More specifically, **245,008 *of these are private-sector survivors' disability benefits***

granted to disabled subjects before Act no. 222/1984 (the number of direct benefits was 111,613 with an average amount of 647 euros per month and survivors' benefits were equal to 114,678 with an average amount of 592 euros per month), of which 201,571 (82.3%) to women and 43,437 (17.7%) to men. The public-sector funds had provided **35,676 *pensions*** with a duration of 43 and more years (vs. 39,985 on January 1, 2023), of which 25,119 to women and 10,557 to men (70.4 % and 29.6 % of the total, respectively), accounting for 1.1 % of the total IVS pensions of the INPS-public-sector funds, which amounted to 3,137,572. ***Figure 5.4*** below shows, by five-year duration classes, all the pensions provided by the different funds: **a)** of the INP private-sector category and of the fund for entertainment and sports workers; **b)** of the public sector, Gestioni Dipendenti Pubblici-GDP[16] .

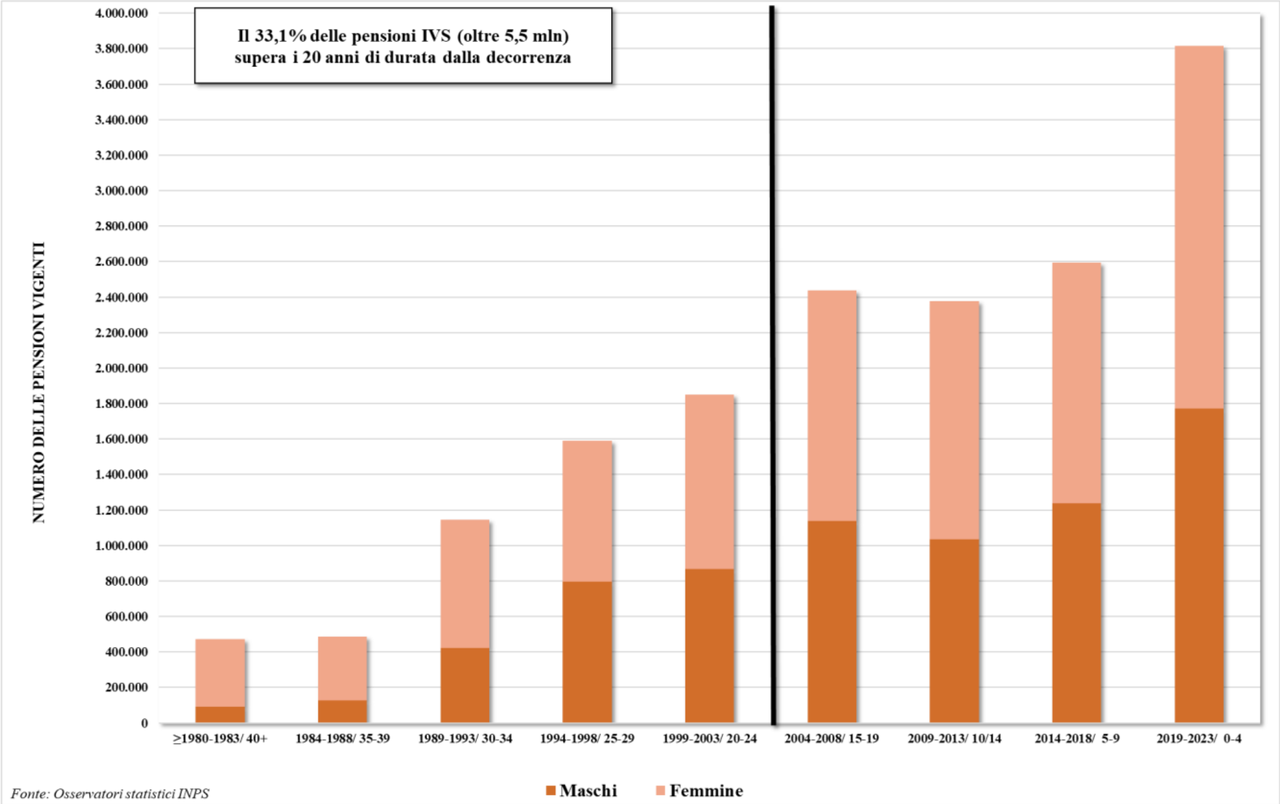
Figure 5.3 - Number of outstanding IVS pensions by January 1, 2024, by year of retirement, pension duration and category - INPS funds for private and public sector employed workers



Duration exceeding 20 years of outstanding IVS pensions (pension durations between 20 and 42 more years); Duration up to 20 years of outstanding IVS pensions (pension durations from 0 to 19 years); No. of IVS pensions by category; Early, Old-age, Invalidity, Survivors' pension; *Source INPS January 1, 2023*

[16] The data analysed are taken from the INPS Statistical Observatories and not from the 'Register'; for details on the funds for self-employed and employed workers (FPLD, including the 4 separate schemes: ex Inpdai, electricity, telephony and transportation funds), the substitutive fund of Ferrovie dello Stato and other schemes, see the Observatory on public expenditure 'The average duration of pensions' available for free consultation at the following link: https://www.itinerariprevidenziali.it/site/home/biblioteca/pubblicazioni/osservatorio-spesa-pubblica-durata-media-pensioni-italiane.html.

Figure 5.4 - Number of IVS outstanding pensions provided by the INPS private and public sector funds by January 1, 2024, by five-year pension duration classes, year of inception and gender



33% of IVS pensions (55 million) last for 20 years after their inception; Men; Women No. of pensions; Duration of outstanding pensions on January 1, 2023

The average retirement age calculated by the INPS Statistical Observatories[17] of the individuals who have retired since 1980 and before results from the weighted average age of generations of pensioners who are still alive, with different retirement dates (43 years and more).

In the ***private sector,*** the average retirement age for pensioners who have received their benefits for 43 years and more was 39.9 years (36.4 years for men and 39.5 for women), where the young retirement age for invalidity and survivors' benefits has a significant impact; in the ***public sector,*** the average retirement age for pensioners who have received their benefits for 43 years and more was 39.2 years (35.9 for men and 40.6 for women). With regard to these low retirement ages, it should be pointed out that older workers who had retired 43 years ago or earlier and who have died are not included in the calculation of the mean age, which is therefore each year lower, and it provides a snapshot of the average retirement age profiles in 1980 and in earlier years of the younger retirees who are now 88 on average and still alive. The ***duration of the oldest pensions***, those paid in 1980 or even earlier in the private sector and still in force today, is on average 47.9 years (current average age minus average retirement age) and 46.9 years in the public sector. These are mainly invalidity, survivors' and old-age pensions; women receive lower benefits with respect to men on average, but for a much longer period of time and hence often with a higher expenditure.

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[17] The mean age here is expressed in years where the decimal expresses tenths of a year. Therefore, an age of 84.3 years expressed in tenths of a year, is equal to 84 years, 3 months and 27 days if it is transformed into years, months and days; an age of 87.4 expressed in tenths of a year is equal to 87 years, 5 months and 6 days.

The age of the workers who retired in 2023 (duration 0 years) is higher because most of these pensioners were still alive on January 1, 2023, but above all because the different reforms introduced more stringent pension requirements; the analysis of the ***average retirement age for the men*** who retired in 2023 shows the following mean ages: **61.5** for ***"early pensions and early retirement," 67.5*** for ***"old age" pensions,* 55.7** for ***"disability" pensions,* 77.7** *for* ***"survivors'" benefits.*** For ***the women who retired*** in 2023, the equivalent mean ages for each category were **.61.3 - 67.4 - 54.5 - 74,9.**

There are currently **5,544,974 IVS benefits** being paid in the private and public sectors, with a duration of **19 *years*** or ***more*** (duration classes from 20 to 43 years and more), accounting for ***33.1% of the total*** (16,770,564, i.e. one third of all the outstanding IVS pensions of the INPS system. Women with 3,237,439 pensions with a 20-year duration account for 34.9% of the gender total (9,320,627) and men for 30.8% of the gender total (7,491,134).

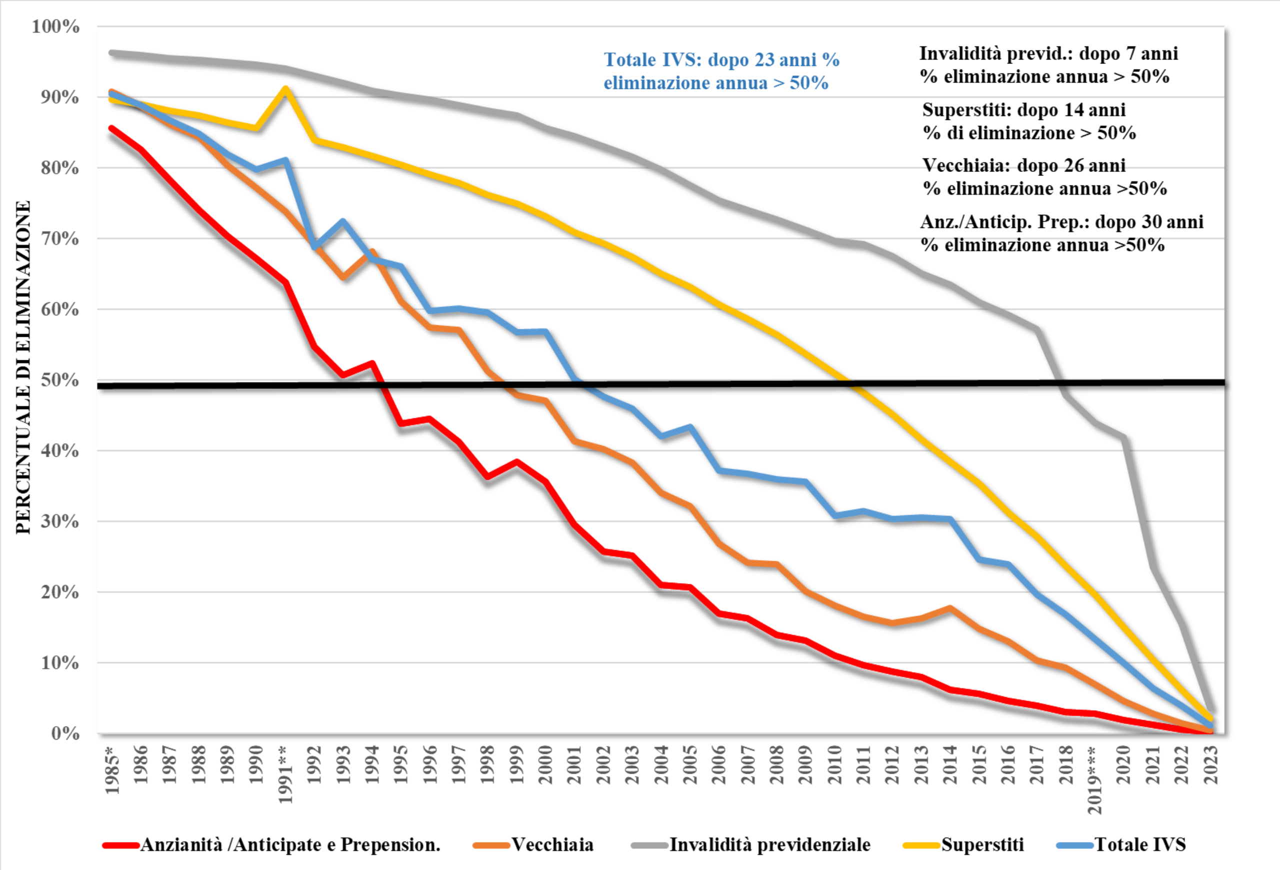
Pensions eliminated: in addition to the duration of outstanding pensions still being paid on January 1, 2024 examined above, we have also looked into the INPS archives to analyse the trend of the ***elimination of IVS pensions between the year of retirement and January 1, 2024*** (due to death, new marriage, survivors' death, administrative cancellation). The data on the elimination of pensions by year of retirement ***(Figure 5.5)*** are available for the 39-year period from 1985 to 2023 for the main ***INPS private-sector funds*** (no Register) which includes the FPLD fund, the four separate schemes, the funds for self-employed workers, the fund for workers in the entertainment and sports sector and (excluding the scheme for atypical workers, the fund for public-sector employed workers (GDP) and other substitutive funds). More than half (50.1%) of the invalidity, old age and survivors' pensions (Total IVS pensions) starting from 2001, was eliminated after 23 years and even after a longer duration in the years from 1985 (90.5% pensions eliminated) to 2000 (56.9% pensions eliminated). More in general, in the 39-year period observed, 49.2% of the 23,485,502 IVS or so pensions paid by the above-mentioned funds in total was eliminated, while 50.8% (11,935,814) was still outstanding by January 1, 2023. However, the 39-year period for which the data is currently available does not yet seem sufficient to quantify the balance between outstanding and eliminated pensions; in fact, the information related to the elimination of pensions is lacking in chronological terms and also because some substitutive funds are not yet providing their data, even though as of the ninth edition of the Report some data on the pensions eliminated in the four separate schemes (ex Inpdai, electricity, telephony and transport funds) have been included in the FPLD fund, together with the data of the funds for the self-employed (CDCM, artisans and retailers) and the fund for entertainment and sports workers. In order to finalize this analysis, it is necessary to have more information with an observation period of 45-50 years. However, it can already be seen that for ***disability pensions***, after only **7 *years*** from inception, the annual elimination rate smoothly and gradually reaches and exceeds 57.2 %. More than half (50.9%) of ***survivors' pensions*** is eliminated annually after **14 *years*** from inception. In 1991, there was an anomalous peak in the number of survivors' pensions, compared to their more than regular trend over the years; this was due to the introduction of Act no. 233/1990 on January 1, 1991: Article 12 of this law allowed the survivors of farmers, tenant farmers and sharecroppers registered in the CDCM fund and who had died before May 2, 1969, to receive their survivor's pensions calculated with the same rules as those employed for the workers under the General Compulsory Insurance. In 1991, this resulted in the payment of twice as many survivors' pensions (391,484 pensions compared to 195,815 in 1990 prior to the new law). In the meantime, a large number of survivors died, causing the elimination of a substantial number of survivors' pensions, related to the year in which the pension took effect (357,391 survivors' pensions have been eliminated as of 1991, compared to 167,762 survivors' pensions eliminated as of 1990).

For ***seniority/early pensions and early retirement,*** two thirds of which are provided to men with 35-43 years of contributions, it is necessary to wait **30** ***years from their inception*** before more than half of them is eliminated each year, starting from 1994 when 52.4% of them was eliminated. On the other hand, it is necessary to wait **26** ***years after retirement*** for 51.3% of the ***old age pensions,*** two thirds of which are provided to women, to be eliminated each year, starting from 1998 and in previous years with a higher percentage. For women until 2012, the statutory retirement age for old age pensions was 5 years lower (60) than that of men (65).

The ***average annual elimination rate*** for all IVS pensions begins to exceed 50.1% **23** ***years after their inception*** (2001) increasing further between the years of inception from 2000 and 1985, to reach an annual elimination rate of 90.5% in 1985, after 39 years.

Finally, by comparing the number of eliminations for the entire 1985-2023 period, with the number between 2022 (10,938,855) and 2023 (11,549,688), it is possible to infer that 610,833 IVS pensions were eliminated in one year, related to the above-mentioned funds. However, this figure should not be misleading; first, it is not at all possible to compare the number of pensions eliminated in one year to the mortality of the resident Italian population (660,600 deaths in Italy in 2023) or compare this number, for various reasons, with the new pensions paid by the funds considered in this Section (489,022 new IVS pensions paid out in 2023 by these funds). It should be recalled that: ***a)*** the historical series starts from 1985 and therefore, it does not take into account what happened previously; in fact, some pensions with durations of more than 40 years since their inception are still being paid (see § 5.6); ***b)*** the new pensions, the outstanding pensions and the IVS eliminated pensions in the main funds, do not include all the benefits paid, the outstanding and the eliminated pensions in the INPS funds; ***c)*** these are IVS pensions and ***not IVS pensioners***, so there is no matching between the newly paid benefits, more likely associated to a single pensioner and the eliminated pensions more likely associated to the multi-pensioner category, i.e. a category of pensioners who had a new pension in addition to their direct pension, e.g., a survivors' pension, thus increasing the number of outstanding pensions, thus increasing the number of eliminated pensions, because they were paid to the same person; ***d)*** the data of newly-paid, current and eliminated pensions, which appear in the last 20 years of the historical series, are usually updated every year in the INPS administrative archives; in fact, since it is a classification related to the starting date of pensions, whose administrative process and payment may be finalized after years of appeals, lawsuits, etc. (think, for example, of the recognition of disability for pension purposes), the starting date of the pension may have been entered at a later stage.

Figure 5.5 - IVS pensions: percentage of pensions eliminated from the year of their inception to January 1, 2024, compared to pensions paid in the same year, broken down by category



Total IVS pensions after 23 years, % elimination rate, annual elimination rate; Invalidity pensions after 7years; Survivors' pensions after 14 years, Seniority pensions after 26 years; Old-age pensions after 26 years, Seniority early pensions after 30 years; Elimination %, Year of retirement; Seniority/Early pension, Early retirement, Old-age, Invalidity, Survivors' pensions, Total IVS pensions; *Source: INPS – Observatories on pensions on January.1.2024. (*) Since 1985 it has included the pension fund for employed workers (including the 4 separate schemes), the fund for self-employed workers (CDCM, the funds for artisans and retailers), (**) As of January 1, 1991, Article 12 of Act no. 233/1990 granted the survivors of farmers, tenant farmers and sharecroppers who died before May 2, 1969, the right to a survivors' pension with the same rules established for the employed workers under the General Compulsory Insurance. (***) Since 2019 the INPS funds have also included the fund for entertainment and sports workers.*

6. The social security and pension accounts in 2023 and medium-term forecasts: summary and conclusions

6.1 The economic outlook in 2023

Inflation – In 2023, Inflation surged by 5.7 % after + the 8.1 % in 2022 (+1.9 % in 2021 and - 0.2 % in 2020; an improvement that, in any case, has led to an overall growth in pension benefits, especially of welfare benefits, by **7.89 %**, an unprecedented situation since 1985 in the post 1973 oil crisis (Yom Kippur).

GDP* -** In 2024, ISTAT reviewed the projections showing that the real GDP growth rate would be: in 2023 + 0.7 %, in 2022 + 4.7 % (compared to the previously calculated 3.7 %) and in 2021 + 8.9 %, a + 0.6 % difference. Only at the end of 2023 did Italy's real GDP return to the 2007 levels, but in 15 years it featured a growth gap by more than 10 points with Spain, 14 with France and 17 with Germany. The comparison between the 2023 figures with those of the year 2000 highlights that the gap is more than 20 points with France and Germany, and more than 30 with Spain; for the absolute GDP figures for the years under review see ***Table 6.1. Despite the good results obtained in 2023, Italy's overall development suffers from the lagging areas of the South in terms of employment, productivity and development, with a major fiscal impact due to overexpenditure. This issue is addressed in the VII Report "***The Regionalization of the Italian Social Security Accounts. Contribution and tax revenues, public welfare expenditure and financing rates from 1980 to 2021***" produced by the Itinerari Previdenziali Study and Research Centre[1] .

***Employment rate* -** As of December 2023 the total employment rate was 61.9% (60.5% in 2022) while in June 2024 it reached 62.2% against an EU average of 70.8%; the rate for women was 53% (51.2% in 2022) against 66% or so with respect to the EU average, and it reached 53.2% in June 2024. Italy is in the last position in both rankings among the 27 + 1 countries. In the 15-24 age group, the employment rate in June 2024 was 20.3% against a EU average of 35%, also due to a high level of inactive subjects and NEETs; despite the pension reforms with their gradually more stringent retirement age requirements, the employment rate of the 55-64 age group was 58.4% against a EU average of 65.1% and an average of central-northern European countries (excluding France) above 70%.

Productivity – The GDP per hour worked in Italy grew by only 1.3 % between 2007 and 2023, compared with 3.6 % in France, 10.55 in Germany and 15.2 % in Spain.

Public debt is Italy's Achilles' heel, rising from 1,632 trillion (102% of GDP) in 2008 to **2,409.9 trillion** (134.7% of GDP) in 2019, + **777 billion euros' worth of new debt** (+47% in 2008) in just 11 years. The policies launched in 2018/19 by the Conte 1 government (especially the citizenship income and the 100 Quota measures) had to deal with the SARS-CoV-2 epidemic; in fact, at the end of **2020,** the debt reached **2,574.153 billion** (+164.25 billion in just one year, accounting for 154.1% of GDP). At the end of **2021**, the debt reached **2,680.558 billion,** an increase by about **106.4 billion** in 12 months, accounting for 145.5% of GDP, according to the estimates of the ISTAT revised figures. At the end of 2022, (under the Draghi government until October 22, 2022), the public debt amounted

[1] This is a unique Report in Italy, presented on November 7, 2023 at CNEL and available for free consultation at the following link: https://www.itinerariprevidenziali.it/site/home/biblioteca/pubblicazioni/settima-regionalizzazione.html

to ***2,758,225 billion***, i.e. + 77.66 billion, (debt-to-GDP ratio of 138.1%). At the end of 2023, the debt rose to 2,863.438 billion (+ 105.213 billion) with a debt-to-GDP ratio of 134.6%[2] . As of June 2024, the debt reached 2,948.5 billion (+85 billion compared to 2023); so, it is more than likely that the psychological threshold of 3 trillion will be breached in the near future with interest expenditure estimated by the PSB to reach 85.6 billion but more likely to be above 90 billion.

Net debt **-** In 2023 it was -7.2% while in 2022 it was -8.1%; from 2024 to 2027, net debt is projected to be -3.8%, - 2.9%, -2.1% and -1.5%, respectively.

6.2 Main indicators of the welfare system in 2023 and their evolution

In 2023***, pension expenditure*** including supplementary minimum benefits and the GIAS transfers (***Table 1a***) was **267.107** billion compared to 247.58 in 2022 (**238.271** in 2021), an increase by **19.53 *billion,*** or by **7.88 %**. This growth was substantially spurred by the adjustment of pensions to inflation, especially the minimum benefits (first at 7.3 % then at 8.1 %) and by the increase in the number of pensioners. In total, the reduction of the adjustment of pensions over 4 times the minimum benefits, resulted in savings for the State of about 3.6 billion in 2023 (2.2 after taxes) and of 6.8 billion in 2024 (over 4.4 after taxes); in 10 years, the savings for the State for the 2022/23 two-year period, was about 80 billion while the loss of the purchasing power of pensions over 6 times the minimum benefits, was just over 10% (+ another 4.5% if inflation remains below 2%). However, a Constitutional Court ruling is pending that could allow for recovering part of the adjustment because this adjustment rule may be unconstitutional i especially for the part of the pension calculated on the contribution-based system.

Year 2023 (1) (2)					
Social pension per month	417,85 €				
Social allowance per month	507,03 €				
Minimum pensions per month	**567,94 €**				
		Equalization levels			
Adjustment from 4 to the minimum benefits 2022 = 100% di 8,1% = 8,1%	from	-	to	2.101,52 €	
Adjustment from 4 to 5 the minimum benefits 2022 = 85% di 8,1% = 6,885%	from	2.101,53 €	to	2.626,90 €	
Adjustment from 5 to 6 the minimum benefits 2022 = 53% di 8,1% = 4,293%	from	2.626,91 €	to	3.152,28 €	
Adjustment from 6 to 8 the minimum benefits 2022 = 47% di 8,1% = 3,807%	from	3.152,29 €	to	4.203,04 €	
Adjustment from 8 to 10 the minimum benefits = 37% di 8,1% = 2,997%	from	4.203,05 €	to	5.253,80 €	
Adjustment over 10 to the minimum benefits 2022 = 32% di 8,1% = 2,592%	from	5.253,81 €		-	

This amount must also include **43.829 billion** transferred from GIAS (Welfare benefit scheme *examined in Chapter 4*) for the IVS benefits to be paid by pension funds, for a total amount of **310.936 billion**[3]**.**

Contribution revenues amounted to 236.685 billion with an increase by 11.74 billion (+ 5.22%), slightly less than the increase in spending and mainly due to the growth in employment and in wages.

The ***balance*** was still negative -30.42 billion, worse than the -22.6 billion in 2022, thus returning to the 2021 levels; Expenditure as a ratio to GDP was **12.55%,** net of GIAS transfers, also worsening

[2] ISTAT revision September 2024.

[3] The figures cited, in ***Table 1 a***, differ, as specified in Chapter 5, from those taken from the Central Register and shown in ***Table 5.3*** (IVS expenditure) equal to 3.958 billion: 314.894 billion is the amount reported in the INPS/ISTAT Register and 310.936 is the amount reported in Table 1a; an ongoing difference over time that can be ascribed *to the time lag and some calculation adjustments to the figures in the accounts*. By adding up the figures related to the additional social benefits, the 14th month and the additional amounts (4.5 billion), the total expenditure is the same (- 2.5 billion in 2022).

from the previous year. After the loss in 2020 due to COVID, the number of people ***employed*** has steadily increased since 2021 and reached 23,754,000 at the end of 2023 (+ 456,000), overperforming with respect to the record obtained in 2019 (***Table 6.1***).

Table 6.1 - Main indicators of the welfare system

YEARS	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total cost of benefits (1)	122.948	122.818	128.463	132.039	138.128	144.249	151.080	158.035	164.722	170.457
Total contribution revenues (1)	104.335	109.384	116.276	120.501	129.759	132.201	139.078	148.730	152.440	161.404
Balance	-18.613	-13.434	-12.187	-11.538	-8.369	-12.048	-12.002	-9.305	-12.282	-9.053
Total expenditure/GDP ratio	11,28	10,82	10,96	10,65	10,63	10,72	10,86	10,91	11,06	11,00
No. of employed workers (2)	20.857.572	21.047.909	21.275.492	21.594.523	21.964.937	22.229.519	22.244.227	22.362.686	22.407.003	22.757.586
No. of pensioners (3)	16.204.568	16.244.618	16.376.994	16.384.671	16.453.933	16.345.493	16.369.384	16.561.600	16.560.879	16.670.893
No. of benefits (3)	21.627.338	21.606.330	21.589.018	21.628.910	22.192.130	22.650.314	22.828.365	23.147.978	23.257.480	23.513.261
No. of residents in Italy (2)	56.904.379	56.909.109	56.923.524	56.960.692	56.993.742	57.321.070	57.888.365	58.462.375	58.751.711	59.131.287
No. of workers per pensioner	1,287	1,296	1,299	1,318	1,335	1,360	1,359	1,350	1,353	1,365
No. of pensions per pensioner	1,335	1,330	1,318	1,320	1,349	1,386	1,395	1,398	1,404	1,410
Ratio of the number of inhabitants vs. the number of pensions	2,631	2,634	2,637	2,634	2,568	2,531	2,536	2,526	2,526	2,515
Average pension amount per year (3)	7.189	7.436	7.874	7.888	8.073	8.357	8.633	8.985	9.239	9.511
Adjusted per-capita amount (3)	9.583	9.979	10.380	10.609	10.995	11.581	12.039	12.558	12.975	13.414
GDP (4) at current prices in millions	1.089.869	1.135.499	1.171.901	1.239.266	1.298.890	1.345.794	1.390.710	1.448.363	1.489.725	1.548.473

Years	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total cost of benefits (1)	177.540	185.035	192.590	198.662	204.343	211.086	214.567	216.107	217.895	218.504
Total contribution revenues (1)	170.524	183.011	183.280	185.656	187.954	190.345	189.207	189.595	191.330	196.522
Balance	-7.016	-2.024	-9.310	-13.006	-16.389	-20.741	-25.360	-26.512	**-26.565**	**-21.982**
Total expenditure/GDP ratio	11,03	11,34	12,24	12,38	12,48	13,08	13,37	13,28	13,16	12,89
No. of employed workers (2)	22.894.416	**23.090.348**	22.698.718	22.526.853	22.598.244	22.565.971	22.190.535	22.278.917	22.464.753	**22.757.838**
No. of pensioners (3)	16.771.604	**16.779.555**	16.733.031	16.707.026	16.668.584	16.593.890	16.393.369	16.259.491	16.179.377	16.064.508
No. of benefits (3)	23.720.778	23.808.848	23.835.812	23.763.023	23.676.695	23.570.499	23.316.004	23.198.474	23.095.567	22.966.016
No. of residents in Italy (2)	59.619.290	60.045.068	60.340.328	60.626.442	59.433.744	59.685.227	60.782.668	60.795.612	60.665.551	**60.589.445**
No. of workers per pensioner	1,365	1,376	1,357	1,348	1,373	1,360	1,354	1,370	1,388	**1,417**
No. of pensions per pensioner	1,414	1,419	1,424	1,422	1,420	1,420	1,422	1,427	1,427	**1,430**
Ratio of the number of inhabitants vs. th	2,513	2,522	2,531	2,551	2,510	2,532	2,607	2,621	2,627	**2,638**
Average pension amount per year (3)	9.822	10.187	10.640	11.229	11.410	11.563	11.695	11.943	12.136	12.297
Adjusted per-capita amount (3)	13.891	14.454	15.156	15.832	15.957	16.359	16.638	17.040	17.323	17.580
GDP (4) at current prices in millions	1.609.551	1.632.151	1.572.878	1.604.515	1.637.463	1.613.265	1.604.599	1.627.406	1.655.355	1.695.590

Years	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total cost of benefits (1)	220.842	225.599	230.255	234.736	238.271	247.588	267.107	281.000	285.000	289.000
Total contribution revenues (1)	199.842	204.750	209.399	195.400	208.264	224.943	236.686	250.000	260.000	270.000
Balance	21.000	20.849	20.856	39.336	30.007	22.645	30.421	31.000	25.000	19.000
Total expenditure/GDP ratio	**12,72**	**12,78**	**12,82**	**14,27**	**12,93**	**12,40**	**12,55**	**12,83**	**12,63**	**12,44**
No. of employed workers (2)	23.022.959	22.900.000	23.026.000	22.210.000	22.884.000	23.298.000	23.754.000	23.950.000	24.000.000	24.100.000
No. of pensioners (3)	16.041.852	16.004.503	16.035.165	16.041.202	16.098.748	16.131.414	16.230.157	16.230.000	16.200.000	16.170.000
No. of benefits (3)	22.994.698	22.785.711	22.805.765	22.717.120	22.758.797	22.772.004	22.919.888	22.950.000	22.950.000	22.950.000
No. of residents in Italy (2)	60.483.973	59.816.673	59.641.488	59.236.213	59.030.133	58.851.000	58.990.000	58.900.000	58.800.000	58.650.000
No. of workers per pensioner	**1,435**	**1,4308**	**1,4578**	**1,3846**	**1,4215**	**1,4443**	**1,4636**	**1,4757**	**1,4815**	**1,4904**
No. of pensions per pensioner	**1,433**	**1,4237**	**1,4222**	**1,4162**	**1,4137**	**1,4117**	**1,4122**	**1,4140**	**1,4167**	**1,4193**
Ratio of the number of inhabitants vs. th	2,630	2,625	2,615	2,608	2,594	2,584	2,574	2,566	2,562	2,556
Average pension amount per year (3)	12.478	12.874	13.194	13.544,00	13.753,04	14.150,40	15.141,08			
Adjusted per-capita amount (3)	17.887	18.329	18.765	19.181,21	19.442,67	19.975,50	21.381,92			
GDP (%) at current prices in millions	**1.736.602**	**1.765.421**	**1.796.634**	**1.656.961**	**1.842.507**	**1.997.055**	**2.128.001**	**2.189.651**	**2.255.728**	**2.323.318**

1) NUSVAP until 2010; as of 2011, Study and Research Centre of Itinerari Previdenziali; the data in green are estimates, the yellow ones indicate the best results, the blue ones the worst results. FORECASTS: 2024: Meloni's adjustment out of the total cost of benefits (262.6 billion) - Table 6.4 (excluding welfare benefits) that is equal to 1.3%, that is to 3.5 billion + extension equal to 0.7 billion + increase in the number of pensioners equal to 0.1 billion; 2025/2026: as in 2024; Revenues. 2024, + 4% for contract renewals + employment + transfers from the State to finance contribution reliefs equal to 2 billion + state transfers for contribution incentives;

(2) ISTAT: Work force data updated to the end of 2019 with the method prior to the EU regulation; in 2021, Regulation EU 2019/2021 came in to force and changed the method to calculate the number of subjects employed; so, this new approach does not consider as employed the workers who have been supported by a redundancy fund for more than three months and the self-employed workers for over three months; instead, it considers as employed the workers in parental leave even if for more than three months, whose income is reduced by 50%. So, as of 2021, the number of employed subjects turned out to be lower, going from 22.839 million to 22.21 in 2020 and from 23.3 million to 22.88 million in 2021; since ISTAT communicated that, in December 2021, the number of employed subjects was 2.4% higher than in 2020 (+ 540,000), this confirmed the 23.3 million estimate illustrated in the IXth Report. The table shows the number of employed subjects as of 2020 according to the new Directive. In the last few years, the difference between the two methodologies is equal to 500,000 individuals; instead, in previous years, this difference varied according to the trends of safety net measures.

(3) INPS Register of pensioners, (4) ISTAT population: in 2021, the population surveyed on October 9, 2011 amounted to 59,433,744, while the population registers reported 60,785,753 inhabitants and 59,394,207 at the end of the year. In 2021, the population dropped by 253,091 subjects with respect to the previous year. (

5) The data related to GDP were taken from the annual Document of Economy and Finance, which are slightly different in the subsequent Documents; the 2023 data and the projections for subsequent years were derived from the 2024 DEF and from the PSB (Mid-term 2025-2029 structural budget plan).

The ***number of pensioners*** also increased in 2023 to 16,230,157 compared to 16,131,414 in 2022 (+98,743); in 2022, they had grown by 32,666 compared to 16.098 million in 2021, that + 57,547 between 2021 and 2020 and +126,911 compared to 2018, which was the year with the lowest number of pensioners since 1993/94. Certainly, part of this increase was due to the recurring extensions of the Social APE, the early workers, and the women's option measures and the launch of the 100 Quota in 2019 (requirements: 62 years of age and 38 years of contributions), that characterized the three-year period from 2019 to 2021. In 2022, the 100 Quota was replaced by the 102 Quota (64 years of age and 38 of contributions), also replaced in 2023 by the 103 Quota (62 years of age and 41 years of contributions) with the contribution-based calculation on all the early retirement incentives, which reduced the flows. In fact, in 2022, the total number of INPS pensions (public and private) was 878,368 while in 2023 it was 832,900 (- 45,468); nevertheless, the number of pensioners increased; since seniority and early retirement pensions decreased by 72.831 and the same happened to old-age and survivors' pensions, the increase in the number of pensioners in 2023 was due to a substantial growth in welfare benefits, considering the elimination of many long-standing pensions[4], often with a duration of more than 35 years. So, we are back to the 2014 levels, and this deserved to be taken into serious consideration.

The ***ratio of the number of active workers vs. the number of pensioners*** is fundamental for a ***pay-as-you-go pension system*** like that of Italy; in 2023, this ratio was equal to 1.4636, the best figure in the time series in Table 6.1, mainly due to the increase in the number of employed people (+ 456,000 versus the additional 98,743 pensioners). In 2021, the ISTAT labour force survey methodology changed (*see note 2 in Table 6.1*).

The ***number of benefits per pensioner:*** in 2023, for the reasons mentioned above, the number of ***benefits***[5] paid out increased from 22,772,004 in 2022 to 22,919,888 (+147,385); between 2022 and 2021 they had grown by 13,207 (+ 41,677 2021 over 2020). So, the ***ratio of the number of pensioners vs. the number of benefits*** indicates that each pensioner (per capita) received **1.4121 *benefits*** on average.

The ratio of the number of benefits paid out vs. the population: in 2023, 1 benefit was paid out for every 2.574 inhabitants, basically stable in recent years. In practice, one benefit was paid out for every household, indicating how sensitive citizens are to the topic of pensions/welfare benefits. It is important to add to these benefits the other numerous benefits, including the citizenship income and subsidies from municipalities, provinces and regions, which, in the absence of a welfare database, are not known; the estimate is one benefit per 2.1 inhabitants.

Average amounts of benefits, there are two ratios for calculating the average amount of benefits (see Chapter 5): the first is the ratio of total expenditure vs. the number of benefits, which reached 15,141.08 in 2023, also due to the effects of inflation and the super adjustment of low pensions, compared to 14,150.4 in 2022; the second ratio is the most significant because it divides the total expenditure not by the number of benefits but by the number of pensioners, and on average each pensioner (per capita) receives **1.4121** benefits; in 2023 the ***actual average amount of pension income*** rose from 19,975.5 to 21,381.92 euros per year, an increase by 7%, that is 1,406 euros per month for 13 months, higher than many salaries of active workers. (See also ***Tables 5.4*** and ***5.5).*** The

[4] See the Public Expenditure Observatory "The Average Duration of Pensions. Insight into the average duration of Italian pensions taking effect from 1980 to 2018 by number, type, gender and fund "; produced by the Itinerari Previdenziali Study and Research Centre and available on www.itinerariprevidenziali.it. At the end of 2023, more than 900,000 benefits with durations of 35 years and more were still being paid (including more than 180,000 or so in the public sector); of these, as many as 280,684 with durations of 43 years and more (see Chapter 5).

[5] We have called them benefits and not pensions because, as we shall see below, many are typically welfare in nature and not financed by contributions.

average pension amount is a parameter of "*social sustainability*" and thus of the adequacy of the system, which both ratios seem to meet.

The average pension to average income ratio (***Table 6.a***) highlights the level of financing of the public system and so, it is a further indicator of ***social sustainability***; it is calculated before and after GIAS transfers (welfare measures to support pensions very often already of a welfare nature referred to in Table 4.a) and is related to the average stated income for tax and social security purposes (derived from the ratio of earnings estimated by INPS and the contribution rates. The ratio before GIAS transfers (***Tables 6 a***; ***35 a*** and ***35b***), represents the actual amount of benefits received by the pensioner on the basis of the contributions paid and of any welfare measure; in 2023, for private and public-sector employed workers, the average pension was equal to 78.29% and 73.05% of income, respectively, a very good replacement rate, which increased with respect to the previous year. The tables available on the website[6] (historical series from 1989 to 2005) and those attached to this Report (35 years of analysis) show an improvement for all categories despite the numerous reforms that have made benefits increasingly consistent with the contributions.

As we shall see, it is still difficult to ***finance*** the Italian welfare state, which, in 2022, was ranked second in the EU with Austria in terms of the ratio of social spending to GDP, increasingly undermined by the skyrocketing welfare expenditure financed by tax revenues, which is the main cause of the growth of public debt. As clearly illustrated in Table 4.10, the recurring ***contribution reliefs*** also tend to undermine the financial equilibrium of the system and create a hidden debt (in 2023 the government transferred to INPS more than 32 billion to pay for the notional share of unpaid contributions, According to the INPS Observatory of June 2024, in total, the contribution incentives (exemptions and reliefs) granted to private-sector employees cost about 20 billion euros in 2021, corresponding to 13.5 % of all social contributions due; in 2022, the cost amounted to 23.7 billion that is to 14.6 % of the social contributions due, vs. over 24 billion (our estimate) in 2023, ***for a total over the three-year period of about* 68 billion.** A serious danger for the sustainability of public accounts and for INPS, which may not be able to pay all pensions without government transfers.

6.3 The social security accounts (pensions, health and welfare benefits) in the overall national accounts in 2023 and previous years

Social security expenditure (pensions, health and welfare benefits): in 2023, it amounted to ***583.712 billion,*** compared to 559.513 billion in 2022 and 526.857 billion in 2021 with an increase by 24.2 billion (+4.32%), lower than the increase by 32.656 billion between 2021 and 2022, accounting for 50.93% of Italy's total expenditure ***(Table 6.2***); the percentage with respect to the total public expenditure decreased in the last 3 years compared to the years prior to 2021 due to the significant growth in capital spending (construction bonuses in particular), interest spending, and state operating expenses.

Total public expenditure including interest on debt and capital spending increased more than social protection expenditure up to 1,146.067 billion, + 62.73 billion over 2022 (+ 5.79%) and + 275.06 billion over 2019 (2024 DEF data), an increase by 31.58%.

Total revenues amounted to 996.592 billion, an increase over 2022 by about 7 % and by 18.2 % over 2019. Thus, the 2023 ***budget deficit*** reached 149.475 billion, (7.17%) which is added to 151 billion

[6] See the attachments to the Report available on the website www.itinerariprevidenziali.it

in 2022, 161 billion in 2021, and 160 billion in 2020, with a dangerous spiral in public debt of more than 621 billion in just 4 years!

Table 6.2 - The social security accounts in the national accounts

Expenditure items (millions)	Year 2012	2012 as % of the total	Year 2015	2015 as % of the total	Year 2018	2018 as % of the total	Year 2019	2019 as % of the total	Year 2020	2020 as % of the total	Year 2021	2021 as % of the total	Year 2022	2022 as % of the total	Year 2023	2023 as % of the total
Pensions Table 1a (0)	211.088	25,74%	217.897	26,22%	225.599	26,31%	230.255	26,44%	234.736	24,80%	238.271	23,25%	247.588	22,85%	267.107	23,31%
Health care (01)	110.422	13,47%	111.240	13,38%	115.410	13,46%	115.448	13,25%	122.721	12,96%	127.834	12,48%	131.103	12,10%	131.119	11,44%
health care + LTC + GIAS (1)	56.829	6,93%	77.121	9,28%	83.120	9,70%	91.426	10,50%	102.871	10,87%	110.507	10,79%	128.632	11,87%	134.762	11,76%
Temporary benefits (2)	22.534	2,75%	20.178	2,43%	19.982	2,33%	20.377	2,34%	26.839	2,84%	19.017	1,86%	18.664	1,72%	17.168	1,50%
INAIL benefits (3)	10.409	1,27%	8.945	1,08%	8.778	1,02%	**8.800**	1,01%	9.264	0,98%	9.002	0,88%	9.800	0,90%	10.156	0,89%
Welfare from Local Authorities (4)	9.690	1,18%	9.818	1,18%	11.000	1,28%	**11.300**	1,30%	**11.300**	1,19%	**11.500**	1,12%	**13.000**	1,20%	**13.400**	1,17%
Welfare operating expenses (A)	11.292	1,38%	11.587	1,39%	10.592	1,29%	10.726	1,27%	10.726	1,13%	10.726	1,05%	10.726	0,99%	10.000	0,87%
Remuneration of civil servants (5)	101.000	12,32%	102.000	12,27%	110.000	12,83%	112.000	12,86%	114.000	12,04%	114.000	11,13%	114.000	10,52%	114.500	9,99%
Operating expenses (6)	138.159	16,85%	135.098	16,25%	149.251	17,41%	149.005	17,11%	164.862	17,42%	176.350	17,21%	181.900	16,79%	183.179	15,98%
Capital expenditure	64.532	7,87%	69.272	8,33%	58.954	6,88%	62.036	7,12%	92.033	9,72%	**143.710**	14,03%	**144.711**	13,36%	**186.065**	16,24%
Interests	84.086	10,25%	68.018	8,18%	64.621	7,54%	60.351	6,93%	57.309	6,05%	63.693	6,22%	83.206	7,68%	78.611	6,86%
Total social welfare benefit expenditure	**432.264**	**52,71%**	**456.786**	**54,96%**	**474.481**	**55,35%**	**488.332**	**56,07%**	**518.457**	**54,77%**	**526.857**	**51,42%**	**559.513**	**51,65%**	**583.712**	**50,93%**
Total final expenses	**820.041**	**100%**	**831.174**	**100%**	**857.307**	**100%**	**871.003**	**100%**	**946.661**	**100%**	**1.024.610**	**100%**	**1.083.330**	**100%**	**1.146.067**	**100%**
Total revenues	**771.731**		**788.607**		**818.463**		**843.102**		**786.278**		**863.400**		**931.430**		**996.592**	
Negative balance and as % of GDP	**48.310**	**3,0%**	**42.567**	**2,57%**	**38.844**	**2,20%**	**-27.901**	**-1,55%**	**160.383**	**9,68%**	**161.210**	**8,75%**	**151.900**	**7,61%**	**149.475**	**7,02%**
GDP SEC 2010 series/welfare benefit expenditure as a %	**1.613.265**	**26,79%**	**1.655.355**	**27,59%**	**1.765.421**	**26,88%**	**1.796.634**	**27,18%**	**1.656.961**	**31,29%**	**1.842.507**	**28,59%**	**1.997.055**	**28,02%**	**2.128.001**	**27,43%**

The data on the national accounts (GDP and deficit) are derived from the Economy and Finance Document approved by the Cabinet in April, 2024; the data in the table differ from those published in previous years because they take into account the changes envisaged by subsequent DEFs and NADEFs; (A) The welfare operating expenses are derived from the Eurostat data set that calculated that the operating expenses for 2021 (the latest detailed data) accounted for 1.98 of total welfare expenditure estimated to amount to 560 billion euros with an operating cost of 11.008 billion.

(0) The item "Pensions" reported in Table 1a of this Report includes: the GIAS transfers to the funds for public-sector employed workers, for the minimum supplementary benefits for private-sector workers, which amounted to GIAS PA 16.791 billion + 6.018 billion = TOT: 22.809 billion (Table 5.6); all the charges related to early-retirement measures (Social APE, Women's option, early workers, 100-102-103 Quotas, safeguards and early retirements); and finally the early retirements before 1995 and baby pensions, both dwindling by 2026/2028; support benefits for CDCM, FFSS, Post and other special funds for an amount equal to over 10 billion

(01) Health expenditure includes personnel costs, intermediate consumption and operating expenses for welfare benefits in kind related to goods and services bought on the market + operating expenses which are separated from the charges in the footnotes 5 and 6.

(1) For 2023, this item includes: the total GIAS transfers reported in Table 1a of this Report equal to 43,829.3 million; welfare expenditure on social pensions and allowances, disability and caregivers' allowances, veterans' pensions (23,013 million); the 14th month, additional amounts and additional social benefits, (4,562 million) excluding supplementary minimum benefits (see Table 5.6); citizenship income and pension equal to 6,949 million; other charges for tax rebates and other measures amounting to 34,815 million; 21,594 million (16,642 million in 2021) to support families (AUUF replacing other forms of support as of 2022) financed by GIAS (Table 4.10)

2) Temporary benefit expenditure, it includes: family allowances, wage subsidies, unemployment benefits, Aspi, Naspi, sickness and maternity benefits and termination of employment benefits paid by GPT and financed by the contributions paid by enterprises and workers and partly by GIAS for mobility allowances, redundancy fund and notional benefits for mobility, Cigs and derogation Cigs (not included in the GIAS figures in table 1a) Table 4.1.

(3) INAIL benefits are taken from the final accounts

(4) The RGS (Report no. 25: Medium to long term trends of the pension and welfare system in 2024 calculates that the expenses of Municipalities alone which amounted to 8.4 billion in 2023 for families and minors; disabled individuals; addicts; the elderly; immigrants and nomads; poor and distressed subjects; multi-purpose measures; this figure must be added to the expenses incurred by provinces and mountain communities, plus the costs of personnel and for the materials used, estimated to be equal to 5 billion euros. The housing function is excluded; part of this growth is due to support measures for immigrants.

((5) In 2022, the total number of public-sector employed workers with an open-ended contract was 3,065,709 with an average annual remuneration of 38,100 euros and they account for about 83% of the total number of PA workers (source INPS, Observatory on public workers 1); there are about 641,315 workers (17.3%)with a fixed-term contract with an estimated remuneration of 19,000 euros (part-time). Under the item "income of employed workers", the cost of wages and salaries related to health-care workers, (670,566 plus 40,250 general practitioners - Source: Agenas March 2023) (see the specific table in the Chapter) is included in the health expenditure and therefore it has been subtracted from the total wages and salaries of public-sector workers; the same for the staff of item A related to the administrative management of social security p expenditure; therefore the cost of wages and salaries in the public sector, net of healthcare and administration workers, is 91.255 billion + 12.849 billion + 10.8 billion = 115 billion. (*) The costs of pensions do not include the additional 10.8 billion euros' worth of contributions paid by the State to the fund for public-sector employees (see tab 1.a, footnote 2).

(6) The DEF refers to "intermediate consumption" minus some health and other charges of public funds providing social security benefits (item A and footnote 01.

NOTE 1: The differences under points 5 and 6 with respect to the DEF are due to the reclassification of the costs related to operating expenses and the remuneration of the staff employed by some public entities (INPS and INAIL), by private entities (privatized pension schemes), ministries, and institutional entities (Chamber of Deputies, Senate, Constitutional Court, Presidency of the Republic, Regions, Bank of Italy, estimated by Eurostat for 2019 to be about 0.6% of GDP and which are added to the total welfare expenditure (see item A). Health care costs are not included (see Note 01).

The ***pension expenditure*** items included in the "***Accounts of the social security system*** " are taken from ***Table 1a*** of this Report; ***health expenditure*** is taken from the 2024 Economy and Finance Document (DEF), ***Inail*** data and items related to the ***health-care and temporary benefits*** managed centrally by INPS are taken from the accounts of these two Institutes. The welfare expenditure of local governments is estimated based on data from General Accounting Office (RGS) (Report no. 25/2024), while the data for the remaining expenditure items are taken from the 2024 DEF. Operating expenses and those for public-sector employed workers have been re-calculated net of the costs for the personnel of social security, health and welfare agencies, as shown in footnotes 5 and 6 of ***Table 6.2***. Some considerations can be drawn from the data shown:

a) the reclassification of the entire public expenditure allows us to disprove what is often stated, namely that Italy spends much less on welfare than other EU countries; in fact, welfare expenditure as a percentage of total public expenditure and with respect to GDP places Italy second in the ranking of EU countries (Eurostat 2023) on a par with Austria and preceded by France: the former with a modest public debt (78% of GDP) and low tax and contribution evasion and the latter is heavily indebted (over 3.100 billion) but produces nuclear power ; thus Italy is among the ***top 5 countries in the world***, despite its huge public debt.

b) ***compared to 2012,*** welfare expenditure has increased in 12 years by 151.448 billion (+35%) mainly attributable to the net welfare expenditure (not taxed) financed by tax revenues, which in the period increased from 56.8 to 134.76 billion, (+78 billion) or **+ 137.25%** with an annual growth by more than 8%; over the 2012-2023 period, GDP increased by 29.26%, inflation by about 21.4% and pensions, before personal income taxes (Irpef), by only 56 billion (37 billion net of Irpef), with +26.53%, that is about 2% per year, largely attributable to inflation;

c) welfare spending financed by tax revenues was very significant compared to the approximately 83 billion euros (4 % of GDP) for schools, universities and research: a figure that should give politicians and voters food for thought, given that at every election, including that of 2022 (often 3 elections a year for no less than 8 governments since 2011), parties and politicians promise to increase social spending without ever rationalising it, and only add expenditure to expenditure;

d) the ratio of social expenditure to total contribution and tax revenues was 58.57%%, of all the State revenues, a burden that will be unsustainable in the years to come considering the significant ageing of the population and the enormous public debt that is expected to pay more than 90 billion euros' worth of interests in 2023 and 2024. The individual expenditure items are detailed below.

6.3.1 Health expenditure

In 2023, health-care expenditure amounted to **131.119 billion**, slightly less than the 131.103 billion in 2022 in nominal terms, but about - 6 % considering inflation. Compared to the pre-Covid 2019 period, it increased by 15.67 billion against a reduction in the resident population of 651,488 people, but without taking into account non-EU subjects who are totally or partially illegal but who weigh heavily on the healthcare budget. Therefore, per capita expenditure grew from 1,935 euros in 2019 to the current 2,222 euros. The evolution of the four main components of expenditure is shown in ***Table 6.3***.

Table 6.3 - Health expenditure from 2013 to 2022 and its composition

Expenditure items (millions)	**Year 2013**	**2013 as % of the total**	**Year 2016**	**2016 as % of the total**	**Year 2019**	**2019 as % of the total**	**Year 2020**	**2020 as % of the total**	**Year 2021**	**2021 as % of the total**	**Year 2022**	**2022 in % sul totale**	**Year 2023**	**2023 as % of the total**
Staff expenditure	35.735	32,47%	34.907	31,45%	36.852	31,92%	37.206	30,33%	38.188	29,92%	40.377	30,66%	40.073	30,56%
Expenditure related to intermediate	28.544	25,94%	31.586	28,46%	34.886	30,22%	38.981	31,77%	43.146	33,81%	44.426	33,74%	44.356	33,83%
Benefits bought from producers and on the market (1)	39.365	35,77%	39.589	35,67%	40.584	35,15%	41.611	33,92%	41.805	32,76%	41.776	31,73%	42.397	32,33%
Other expenditure components	6.400	5,81%	6.460	5,82%	3.126	2,71%	4.923	4,01%	4.695	3,68%	4.524	3,44%	4.293	3,27%
Total health expenditure (2)	**109.614**	**99,99%**	**110.977**	101,41%	**115.448**	100,00%	**122.679**	100,03%	**127.627**	100,16%	**131.674**	99,57%	**131.119**	100,00%
as a % of total public expenditure	**818.986**	**13,42%**	**830.111**	**13,37%**	**871.003**	**13,25%**	**946.661**	**12,96%**	**1.024.610**	**12,46%**	**1.083.330**	**12,15%**	**1.146.067**	**11,44%**
as a % of GDP (3)	**1.604.478**	**6,83%**	**1.695.590**	**6,55%**	**1.796.634**	**6,43%**	**1.656.961**	**7,40%**	**1.821.935**	**7,01%**	**1.962.846**	**6,71%**	**2.085.376**	**6,29%**

NOTE: (1) This item includes: 7,311 million for subsidized pharmaceutical expenditure; 7,501 for general practitioners; 26,799 million for benefits purchased from accredited private operators to provide hospital, specialized, rehabilitation, supplementary care and other benefits. The item "other expenditure components" shows a significant reduction due to a different accounting approach adopted by ISTAT; (2) The data in the table are taken from the 2024 DEF; each year, this Document adjusts the figures indicated in the previous economic and financial documents by changing the expenditure aggregates and the total; the totals in the table are therefore updated to the latest DEF and therefore often do not coincide with the sum of the expenditure items as inferred from the percentage deviating from 100%. (3) The Annual DEFs review both the size of total public expenditure and the value of GDP; these figures are updated in the table attached to the latest DEF.

The ageing of the population requires and will require more health and welfare expenditure, especially for long-term care (LTC); these costs are bound to increase if we continue with no preventive health and nutrition strategies and without a strict supervision of the food products from small and large retailers. In 2023, the health component of public LTC expenditure was about 0.6 % of GDP, corresponding to slightly more than 10 % of total health spending, which is expected to grow up to 0.9 % of GDP by 2070. It is therefore imperative to support the second pillar of health and social welfare funds, which do not have at the moment a framework law, rules on contributions and benefits, and supervision, while out-of-pocket expenses on health and LTC are on the rise (see WEB attachment). This is the sheer truth considering the waiting lists that are getting longer and the shortage of 30,000 doctors and 250,000 nurses; moreover, workers in the health sector are getting older and will be retiring in the next few years, leaving many vacant positions; it will be necessary to increase the entry number for specialization schools and, above all, to increase salaries and improve the working time to prevent our brightest graduates from going abroad at considerable cost to the community.

6.3.2 Pension expenditure and the reclassification of expenditure items

According to the data provided by ISTAT to Eurostat, pension expenditure in Italy is very high with respect to the European average, thus generating the belief that it must be reformed and reduced; however, as we will see later and in Box 2 at the end of this Chapter, governments often provide incentives or benefits improperly charged to the pension accounts; this is the case for example of contribution rebates to increase incomes and wages, early retirements or increases in social pensions. These are all welfare benefits, income-support benefits, family allowances or subsidies to avoid social exclusion that should be charged as such and not as pensions. In reality, on the basis of the aggregate data in ***Table 1.a***[7] , the overall "***pension expenditure***"**,** i.e. that financed by contributions actually paid even if sometimes not sufficient, is perfectly in line with the European expenditure, and as already indicated, it amounts to **310.936 billion** compared to 289.418 billion in 2022, of which **267.107 billion euros'** worth of ***pension benefits*** and **43.829 billion euros'** worth of ***GIAS transfers*** allocated to finance part of welfare benefits, contribution reliefs, concessions and early retirement, a burden on pensions.

Pension benefit expenditure includes **IVS** benefits (invalidity, old age and survivors) and, inevitably, a welfare share due to the often absurd rules such as total contribution exemptions in the South for

[7] The figures are the result of a detailed analysis of the accounts of pension funds.

20 years, baby pensions in the public sector, early retirements and the calculation rules of the proportionality coefficients for the self-employed inherent in the previous income-based system, which will be phased out in the coming years; in fact already today, the contribution component of pensions exceeds 75 % of the total. In 2023, pension expenditure, reached **267.107 billion**, without considering GIAS transfers with a GDP ratio of ***12.55 %***, down ***from*** 14.17 % in the pandemic year of 2020 and in line with last year (***Table 6.4***).

Contribution revenues amounted to 236.68 billion euros also due to the increase in employment and to the partial adjustment of wages to inflation, with an increase by 11.74 billion (+5.22%). Contribution revenues do not include the additional contribution of ***10.8 billion*** euros from the State under Act no. 335/1995 to finance CTPS (Cassa Trattamenti Pensionistici degli Statali, a public-sector fund), formerly Inpdap. ***The negative balance*** between income and expenditure reached **30.42 *billion***, mainly derived from the deficit in the fund for public-sector employed workers, equal to more than 44 billion, compared with a surplus in the fund for private-sector employed workers, the fund for atypical workers, and the schemes for professionals (***Table 1.a***).

<u>Reclassification of pension expenditure</u>: now we move from the general data to the reclassification of spending based on INPS accounts (BOX 2); pension expenditure includes supplementary minimum benefits (6.018 billion), additional social benefits (3.053 billion) and GIAS transfers to the funds for public-sector employed workers (16.791 billion); it does not include benefits of a welfare nature (invalidity pensions, caregivers' allowances, social pensions and allowances and veterans' pensions), as shown in ***Table 5.6*** of Chapter 5, the benefits paid by INAIL and the State (4.262 billion) and the benefits and annuities paid by constitutional bodies and the regions (estimated at around 1.7 billion in the absence of official data); in order to calculate the real pension expenditure in 2023 and previous years (***Table 6.4),*** we have transparently ***subtracted*** from the expenditure reported in the INPS accounts (**267.107 billion*)*** the **22.809** billion related to GIAS for civil servants and additional social benefits and supplementary minimum benefits for the private sector, which are paid only on the basis of income. There is therefore more than one reason to consider it as welfare expenditure that, according to the Eurostat functions, it should be placed between family support and social exclusion expenses; all the more so if governments change the pension rules for electoral purposes only by increasing the amount and the number of minimum pensions, additional social benefits, 14th month payments and of various contribution incentives; ***moreover, INPS classifies these expenses as welfare expenditure.***

Table 6.4 - Pension expenditure as percentage of GDP – comparative analysis of the ISTAT and Eurostat accounting data

Pension accounts (millions of euros)	2015	as a % of GDP	2017	as a % of GDP	2018	as a % of GDP	2019	as a % of GDP	2020	as a % of GDP	2021	as a % of GDP	2022	as a % of GDP	2023	as a % of GDP
IVS pension expenditure (net of GIAS)	217.897	13,19	220.843	12,72%	225.599	12,78%	230.255	12,82%	234.736	14,17%	238.270	12,93%	247.588	12,40%	267.107	12,55%
GIAS transfers for civil servants, supplementary minimum benefits and additional social benefits for employed workers in the private sector (since 2019)	19.915		19.281		18.618		20.364		23.259		23.257		23.793		22.809	
Pension expenditure net of welfare expenditure and before personal income taxes	197.982	11,96	201.562	11,61%	206.981	11,72%	209.891	11,68%	211.477	12,76%	215.013	11,67%	223.795	11,21%	244.298	11,48%
Pension taxes	49.394		50.508		51.500		54.198		56.194		58.244		58.901		62.202	
Pension expenditure net of welfare expenditure and personal income taxes	148.588	8,98	151.054	8,70%	155.481	8,81%	155.693	8,67%	155.283	9,37%	156.769	8,51%	164.894	8,26%	182.096	8,56%
Contribution revenues	191.333		199.842		204.710		209.399		195.400		208.264		224.943		236.686	
GIAS and GPT shares of contribution revenues	15.032		14.363		13.988		14.531		10.304		11.496		11.427		12.059	
Revenues net of GIAS and GPT transfers	176.301		185.479		190.722		194.868		185.096		196.768		213.516		224.627	
Balance between net revenues and expenses	-21.681		-16.083		-16.259		-15.023		-26.381		-18.245		-10.279		-19.671	
balance between revenues and expenses net of taxes	27.713		34.425		35.241		39.175		29.813		39.999		48.622		42.531	
GDP	1.655.355		1.736.602		1.765.421		1.796.634		1.656.961		1.842.507		1.997.055		2.128.001	
EUROSTAT: IVS Pension expenditure (old age +early + survivors' pensions) EU28 average		12,60%		12,20%		12,70%			13,60		12,90					
EUROSTAT: IVS pension expenditure (old age +early + survivors' pensions) ITALY		16,60%		16,20%		15,80%			17,60		16,30					
2015: supplementary minimum benefits 9.345 billion; GIAS civil servants 9.170 billion. Tot. 18.515 billion; 2016: supplementary minimum benefits 8.83 billion; GIAS civil servants 8.967 billion. Tot. 17.797 billion; 2017: supplementary minimum benefits 8.29 billion; GIAS civil servants 9.613 billion. Tot 17.903 billion; 2018 y 7.866 and 9.355 respectively; Tot 17.221; 2019 7.470 and 11.485 respectively = TOT 18.955; 2020 7.024 and 13.602 TOT= 20.626 respectively.																
2021: GIAS civil servants 14.099; supplementary minimum benefits 6.535; 2022= 14.976+ 6.506; 2023= GIAS PA 16.791+ 6.018 = TOT 22.809 billion.																
In 2014, according to Eurostat - ISTAT the expenditure for (old age and survivors' pensions) in the EU-27 was 12.7%; in ITALY 16.8%; the latest available Eurostat data are from 2021.																

This results in a net expenditure of **244.298 *billion*** or **11.48 *%*** of GDP, which is more than in line with the Eurostat average. In order to obtain homogeneous data, it is also necessary to subtract the GIAS and GPT transfers from the contribution revenues (mainly for notional contributions), equal to 12.059 billion in 2023; so, the contributions actually paid by workers and employers amounted to 224.627 billion, and the deficit between the benefits ***before IRPEF*** and pensions dropped to 19.67 billion.

If we subtract taxes from pension expenditure net of welfare, which were equal to **62.202**[8] billion in 2023, the actual pension expenses borne by the State fall to **182.096 billion** with an impact on GDP of **8.56 %** while the balance ***net of IRPEF*** is positive by **42.53 billion**. The after-tax calculation is useful for EU and OECD comparisons since many countries do not tax or have very low taxation on pensions while Italian pensions are subjected to the ordinary IRPEF taxation, just like all other sources of income. It is true that, workers and employers do not pay taxes on contributions (otherwise there would be a double taxation); but the state's actual expenditure is indeed much lower than nominal expenditure, and ultimately the IRPEF expenses and revenues are a mere clearing entries without any disbursement by the State. However, even considering the first two ratios in Table 6.4, the incidence of Italian pension expenditure varies between 12.55% and 11.48%; we are therefore a far from the Eurostat assessments (which, however, receives data from ISTAT); in fact, for 2021 (the latest Eurostat data available), it estimates the of Italian pension expenditure with respect to GDP, moreover for ***old-age, early and survivors' pensions only***, of 16.30% against an EU average of

[8] The figure is different from the one in Table 5.5, which reports the personal income taxes on pensions calculated by the Register, equal to 64.931; this is due to the time lag in the calculations for accounting purposes and those carried out by the Register. The latter figure improves the ratio of net contributions to net benefits.

12.90%. On this point, there is the urgent need to deal with this issue from a technical and political standpoint to avoid sharing misinformation with our European partners.[9]

The correct determination of these data is crucial to avoid overestimates, which may convince the EU (but also the rating agencies) to demand further cuts in pensions; instead, the real Italian issue is the boom of welfare benefits charged as pensions expenses; in fact, pension expenditure, net of welfare, experienced an increase lower than 2,3 %, including 1.65 % for inflation and only 0.65 % as a net increase considering also the 13.8 % inflation in 2022-2023, which means that the growth of pension expenditure is under control and the reforms have managed to stabilize it, despite the continuous early-retirement incentives that began with the Renzi government and escalated with the two Conte governments. In the aforementioned Report no. 25/2024 (the RGS medium-long term trends), the General Accounting Office calculated an increase in pension spending from 2020 to 2023 (including welfare benefits) by 3 % annually of which 1.9 % due to inflation and ***only 1.1 %*** to ***real growth***[10] For the sake of completeness, it is important to stress that GIAS transfers are designed to finance pension benefits with no contributions (baby pensions, early retirements even 10 years before the statutory age, disability benefits, CDCM and so on) granted from 1960 to 1992 to honour some electoral "promises"; some of these distortions were largely cancelled under Act no. 88/89 (see the duration of pensions in Chapter 5).

In ***BOX 2***, we conducted a complex reclassification exercise to provide a hypothetical separation between pension and welfare expenditure on the basis of the data from the INPS-ISTAT Register (baseline) and from the accounts of GIAS, GPT and individual funds. As can be seen, the data with respect to ***Table 6.4,*** are very consistent with the ones illustrated in ***Box 2.***

6.3.3 Welfare expenditure financed by tax revenues and the poverty dimension

The Italian pension system is financed by "***social contributions***", a purpose tax rate of 33% levied on the gross annual wage of public and private employed workers (the latter also have other contributions for temporary benefits), and of 24% on that of self-employed workers, and by other contributions (for the complete set of contributions see ***Table A7*** in the ***Exhibit***). Over the years, in addition to the pension benefits financed by contributions, the social security system has introduced a series of welfare benefits, without any additional contributions, which were added and stacked in the law without any rationalization or effective controls, with a considerable increase in expenditure. In 2005, a proposal was put forward to set up a "***welfare register***" similar to the well-functioning ***registers for pensions*** and ***pensioners***; however, its development started only in June 2022 but it is not yet available; given the numerous and continuous irregularities uncovered by INPS and Guardia di Finanza for the citizenship income and other welfare benefits unlawfully received, this register would result in greater equity and in more savings; however, it is crucial to review the parameters of ISEE, which has by now become a multiplier of undeclared work, tax evasion and avoidance, due to all the benefits, exemptions and incentives provided to ISEE applicants who have aa plethora of tax and contribution exemptions, bonuses and benefits as well as many welfare benefits not financed by social security contributions but by ***taxes*** and are generally managed by GIAS.

Table 4.10, illustrated in Chapter 4 shows the charges financed by tax revenues, financed through annual 'transfers' from the public budget to INPS, as provided for under the Budget Law, to finance

[9] In the V Report of 2017, a reclassification of welfare expenditure was carried out showing that the IVS pension expenditure as a percentage of GDP is in line with that of Europe.

[10] Medium- to long-term trends in the pension and welfare system, No. 25/2024, page 400.

its expenses (mainly related to welfare benefits such as income support benefits, family allowances and contribution incentives), most of which are inaccurately and erroneously charged as ***pension cost items***' (see Section 4.3 for the expenditure amounts and items). In total, the ***cost of welfare benefits borne by tax revenues*** amounted to **164.432 billion** in 2023 with an increase by 7.42 billion over 2022 (+ 12.8 billion with respect to144.2 billion in 2021), which was in line with 2020 but enormously higher than **114.27** in 2019 and 1**05.66** in 2018[11] (***Table 6.5; see also Table 4.10***).

In 2008, these transfers amounted to **73 billion**[12] and in just 16 years they had increased by 125 % with an annual growth rate of about 7.67 % much higher than inflation, GDP and more than 3 times the increase in pension spending. Note that pension expenditure, without welfare benefits and taxes, amounted to **182.096 billion.** Instead, welfare expenditure that is ***tax-free***, was equal only to 18 billion more; in practice, we can say that the State (i.e., those who should be fighting tax dodging) injects more than **120 billion** tax-free into the economic system (the others are transfers for unpaid contributions, benefits and supplementary minimum benefits), "without tax statement obligations" with a serious impact on production and development; its ratio to GDP is 7.8 % and greatly exceeds ***health care expenditure.*** The growth in the spending financed by tax revenues had a cumulative cost of over 476 billion between 2008 and 2023, an enormous sum that could have been better spent on training, research and development.

[11] As noted in the last Report, the reduction in expenditure between 2017 and 2018 is evidently an "accounting trick" because it was precisely in 2018 that expenditure grew due to the introduction of the inclusion income (REI) and the 14th monthly payment.

[12] See the IX Report and Table 7.6 for poverty-related figures and previous data on www.itinerariprevidenziali.it

BOX 2 - The reclassification of pension and welfare expenditure in 2023

Description	By individual item (million)	Total welfare pension expenditure (millions of euros)	Grand total (millions of euros)	Notes	as % of GDP
A) Total expenditure related to basic and complementary pension benefits (from the Register)			**347.032**	From the Register 31.12.2023 (INPS +INAIL + Priv. schemes and Complementary funds**, excluding family allowances and citizenship pensions)**	**16,31**
B) Inail indemnity expenditure (from the Register)			4.262	Register 31.12.2023 (Indemnities: indemnity annuities are not welfare benefits, they are linked to contributions, but have been separated from pension expenditure)	0,20
C) Pension expenditures of the IVS complementary funds of the private 2nd Pillar (it does not include the supplementary funds of the INPS schemes and the pensions of the privatized schemes for professionals			2.287	Register 31.12.2023. The pensions of Private Complementary Funds of the 2nd Pillar (sectoral, insurance, etc.) have been separated from pension expenditure	0,11
D) Total basic pension and welfare expenditure, net of expenditure under B and C (from the Register)			**340.483**	Register 31.12.2023. Net of Inail indemnity annuities sub B) and Complementary Pension - 2nd Pillar, sub C):	**16,00**
1) Expenditure classified as welfare expenditure for INPS pensions and veterans' pensions *(MEF) of which:*		***26.958***		2023 Report and veterans' pensions from the 2023 Register:	**1,27**
- 1.1) Pensions for disabled civilians and caregivers' allowance (Art. 130, L. 112/1998)	*20.303*			2023 Report 25 (disabled civilians) economic data).	*0,95*
- 1.2) Incentives for non-EU disabled civilians (art.3 L. D. no. 3/2007 and no. 251/2007),subjects with hearing and speech impairment, and subjects with disability >74%, private and public sector (l. 388/2000 art.88, c.3)	*761*			2023 Report (GIAS 24 13A economic data)	*0,04*
- 1.3) Veterans' Pensions (MEF)	*1.013*			Record as of 12/31/2023. Note: Including the caregivers' allowances of war pensions.	*0,05*
- 1.4) Social pensions and allowances, social allowances to EU and non-EU citizens (Legislative Decrees nos. 3/2007, 30/2007 and 251/2007)	*4.881*			2023 Report (GIAS 24 all. 13A economic data).	*0,23*
(E) Pension expenditures from the Register under (D) net of classified welfare expenditures under (1)			**313.525**		**14,73**
2) Other welfare expenditure for pensions to be separated from pension expenditure E), of which:		***65.067***		Welfare items in pensions, found in item E) of the Register, separated with the amounts in the 2023 Report for further details (GIAS economic data 13A)	**3,06**
- 2.1) Supplementary minimum benefits	*6.392*			Welfare benefits to be paid by pension schemes from the INPS Pension Archive as of 12/31/2023 and from the 2023 Report - GIAS (Art. 1 L. 222/1984) for FPLD and the self-employed (GIAS all. 13A economic data). Supplementary minimum share to modify the income limits art.11, c..38, L. 537/93 (41.4 mln euro). Change to the supplementary minimum benefits art.1 L.385/2000 (5.2 mln euros).	*0,30*
- 2.2) Additional sum (Fourteenth month - art.5 c.1-4 L. 127/2007)	*1.398*			2023 Report (GIAS all. 13A economic data)	*0,07*
- 2.3) Social and additional social benefits to veterans (Articles 1 and 6, L. No. 140/1985 and L. No. 544/1988)	*325*			2023 Report (GIAS all. 13A economic data)	*0,02*
- 2.4) Additional social benefits to increase the minimum pension and extension to disabled civilians aged >18 years old (Art. 38(a), L. 448/2001, L. 16/2020, Art.15 D.L..104/2020)	*2.614*			2023 Report (GIAS all. 13A economic data)	*0,12*
- 2.5) Accrued pensions of farmers, tenant farmers and sharecroppers before 1989 and additional social benefits- Art.38, L. 448/2001	*621*			20233 Report (GIAS all. 13A economic data)	*0,03*
- 2.6) Funds for FF.SS, for customs shippers, for the Genoa and Trieste port workers, for former customs workers (GIAS share)	*5.128*			Statement 2023 (GIAS transfer to cover operating deficits of FF.SS Funds, Ports GE-TS, DZR, SPD - Gest. 24, All. 18)	*0,24*
- 2.7) IPOST fund (GIAS share L. No. 71/1994)	*1.037*			Statement of Accounts 2023 (GIAS all. 13A economic data)	*0,05*
- 2.8) Share of disability pensions before Law 222/1984	*6.207*			Statement of Accounts 2023 (GIAS all. 13A economic data)	*0,29*
- 2.9) Early retirements in the private sector (early retirement, safeguards, women's option, strenuous jobs, asbestos, early retirement, safeguards)	*1.875*			Annuity 2023 (GIAS 13A and 13Aa economic data) without advances to retirement art.14 and 15 L. 4/2019 and Private Sector Units 102 and 103.	*0,09*
- 2.10) Share of pensions under Law No. 903 of July 21, 1965 ,to reform and improve the FPLD and miners' pensions (Art. 3, Law No. 544/88)	*24.746*			Accountability 2023 (GIAS all. 13A economic data) Managed private sect.	*1,16*
- 2.11) GIAS civil servants	*14.278*			2023 Report (All. **13A). Includes Share each pension, L. 903/1965 (2,840.7 mln euros),** life annuities of former State employees and subjects employed by other administrations **(16.9 mln euros)** and improvements art.5 L 544/88 **(2.6 mln euros).** Early retirement charges of **492 mln** *euros (**excluding the 100** art.14 and art. 15 L. 4/2019, the 102 and the 103 Quotas, amounting to 2,018.7 mln euros)*, equalization of **172.8** mln euros (sent.C.C. 70/2015), additional benefits for veterans, 14th monthly payment (**57.8 mln euros**), GIAS transfers for pensions of ex Inpdap L. n. 183/2011 (**10,695.1 mln euros**).	*0,67*
- 2.12) State share of pensions of opera corporations L. 311/2004 (formerly Enpals)	*1*			2023 Report (GIAS all. 13A economic data)	*0,00*
- 2.13) Share of benefits L.no. 59/1991 for private sector pension improvements and % adjustment according to the year of inception.	*291*			2023 Report (GIAS all. 13A economic data)	*0,01*
- 2.14) Other pension charges disbursements borne by GIAS, net of recoveries for non-eligible benefits	*154*			Statement of Accounts 2023 (GIAS All. 13A economic data). Including Equalization Charges (**€441.**7m), Additional Amount (€53.3m) and **net of recoveries for undue pension benefits** (GIAS All. 9, p. 1) of ***€340.7m.***	*0,01*
F) Pension expenditures from the Register under E) net of other welfare expenses under 2)			**248.458**		**11,68**
(3) GIAS welfare expenses for pensions not included in the Record, to be added to welfare		***782***		From the 2023 INPS Report GIAS - All. 13F and Temporary Benefits Scheme- All. 11A. Pension welfare items not found in the Register of Pensioners.	**0,04**
- 3.1) Expenditure on family allowances (ANF) to former employees now retired and to former Enpals pensioners	*349*			2023 Report (Temporary Benefits Scheme - GPT All. 11A economic data)	*0,02*
- 3.2) Citizenship pensions	*433*			2023 Report (GIAS economic data All. 13F)	*0,02*
Total welfare and pension expenditure (net of welfare sub 1, 2 and 3, INAIL annuities and Pillar 2 Complementary Pensions)	**Welfare expenditure as a % of GDP**	**WELFARE SPENDING**	**WELFARE SPENDING**		**Pension Ex. as % of GDP**
	4,36	**92.808**	**247.675**		**11,64**

(1) The total annual expenditure of pensions in force as of December 31 provided by the Record is calculated by the product of the number of pensions, the monthly amount of pension paid as of December 31 of the year, and the number of months for which the payment is due (13 for pensions and 12 for caregivers' allowances). The resulting pension expenditure is a stock figure and therefore does not coincide with the pension expenditure derived from the accounting data of the institutions that paid the benefit (economic figure).
Sources:2023 INPS Accounts,the Register of Pensioner and the INPS Pension Archives as of 12/31/2023

However, this enormous "redistribution" should have greatly reduced poverty in real and absolute terms. Instead, ISTAT data show the opposite: the number of people in absolute poverty was 2.113 million in 2008 and rose to about 5.7 million in 2021 (2.2 million households in absolute poverty more than twice as many the 937,000 of 2008) while those in relative poverty rose from 6.5 million to 8.7 million. Clearly something has not worked and so, it is crucial rethink poverty reduction policies; these problems cannot be solved by distributing money but by providing real services, support measures for vulnerable subjects, especially the 3 million at risk of alcohol abuse (ISTAT), the approximately 3 million habitual drug users (ISTAT), gamblers and subjects at risk of gambling (1.55 million ISTAT/Agency of monopolies) who spent over 150 billion on legal gambling and over 20 billion on illegal gambling in 2023; almost 8 million people who are certainly poor and who, with welfare benefits, fuel their addictions to the detriment of their families and children; The unpopular means-testing and social support approach must be introduced, as in Anglo-Saxon countries, to lift all these people out of poverty (often educational).

Table 6.5 - Expenditure financed by tax revenues (millions of euros)

Expenditure financed by general taxation (millions of euros)	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
GIAS share (Table 1 a)	**33.356,00**	**36.045,00**	**35.228,00**	**35.582,00**	**35.824,10**	**37.779,00**	**39.994,00**	**40.228,40**	**41.829,90**	**43.829,30**
GIAS share former Inpdap fund (tab 1a note 3)	7.553,00	9.169,60	8.967,25	9.613,18	9.355,25	11.495,45	13.602,00	14.099,00	14.976,00	16.791,00
Welfare benefits **(1)**	23.233,00	23.532,00	24.022,40	25.133,80	25.312,90	25.772,00	26.009,00	25.910,00	25.729,00	27.575,11
Early retirement, esodati and miscellaneous	3.312,00	3.426,00	2.753,35	2.370,11	2.245,75	3.381,75	3.192,00	3.818,00	5.534,10	4.876,59
Total interventions to finance pension/welfare costs	**67.454,00**	**72.172,60**	**70.971,00**	**72.699,09**	**72.738,00**	**78.428,20**	**82.797,00**	**84.055,40**	**88.069,00**	**93.072,00**
Contribution reliefs and other support incentives management, financed by Gias,+ various measures **(2)**	16.087,00	18.052,00	22.603,00	23.315,91	19.424,00	18.317,00	19.938,00	25.036,00	36.243,00	34.285,00
Wage support charges for unemployment Financed by Gias	10.387,00	8.794,00	8.695,00	8.067,00	7.129,00	7.106,00	24.486,00	17.978,00	7.456,00	8.002,00
Family support charges (3)	**3.856,00**	**4.033,00**	**4.502,00**	**5.485,00**	**5.835,00**	**6.012,00**	**9.852,00**	**8.231,00**	**16.642,00**	**21.594,00**
Economic benefits resulting from contribution reliefs (ex tbc)	656,00	622,00	603	583	540	528	496	482	468	530
Citizenship income and pension **(4)**						3.879	7.189	8.433	8.126	6.949
Total to be financed by tax revenues	**98.440,00**	**103.673,60**	**107.374,00**	**110.150,00**	**105.666,00**	**114.270,20**	**144.758,00**	**144.215,40**	**157.004,00**	**164.432,00**
Share of welfare expenditure in the pure pension expenditure (after taxes)	**56,8%**	**59,89%**	**63,64**	**65,19**	**60,70**	**64,90**	**81,23**	**80,93**	**83,21**	**82,05**
Pension Expenditure Net of Taxes but after GIAS transfers to public-sector pension funds and supplementary minimum benefits (as a reminder) **(A)**	173.207,00	173.113,00	168.731,00	168.957,00	174.093,00	176.061,00	178.199,00	178.207,00	188.687,00	200.400,00
State contribution for the fund public-sector employed workers (5)	**10.800,00**	**10.800,00**	**10.800,00**	**10.800,00**	**10.800,00**	**10.800,00**	**10.800,00**	**10.800,00**	**10.800,00**	**10.800,00**

(1) The figure includes benefits for disabled civilians, caregivers' allowances, social pensions and allowances, veterans' pensions, additional social benefits, the fourteenth month's salary and the additional amount; supplementary minimum benefits are excluded because they are paid by the individual schemes concerned, even if they are partly refinanced by GIAS.

(2) Miscellaneous interventions: from 2017 until 2021 they remained at around 2.4 billion; in 2022, they increased to **12,286 million euro** (compared to 2,416 million in 2021) with an increase by 9,870 million euros for the introduction of the one-off allowances of 200 and 150 euros under Law decree no. 50/2022 and Law Decree no.144/2022, allocated on the basis of the income of various categories of recipients (pensioners, employees, unemployed, etc.), for which the state paid a totalof 9,647 million. **This allowance ceased to exist in 2023, bringing expenditure back to 2.732 billion;**

(3) The **increase** compared to 2021 is due to the financing of the **AUUF** universal single allowance and the discontinuation of a number of family interventions; **this is an increasing burden over time; (4) As of January 2024, the citizenship income has been replaced by ADI (Inclusion Allowance); (A) Pension expenditure net of GIAS and supplementary minimum benefits and net of taxes amounted to 177,596 billion in 2023, i.e. only about 14 billion more than welfare expenditure; (5)** Amount to be added to the total to be financed by general taxation.

The same goes for AUUF (the universal child allowance) that cost over 20 billion in 2023 and 23 in 2024; it would be better to provide day care and full-time schools with work-compatible schedules and provide summer schools in the three summer months. Then, it is necessary to add to these figures the amount of welfare expenditure incurred by local governments and directly allocated to households that do not appear as welfare expenditure items due to national accounting issues, but which can be estimated on the basis of the RGS data (see figure in ***Table 6.2****)*.

These ***expenses undermine the medium-to long-term sustainability of the system*** and on which trade unions and politicians but also the media should really reflect.

6.4 Critical issues and the difficult financing of the Italian welfare system

A welfare system difficult to finance: but how is all this expenditure financed. ***Table 6.6*** shows that in order to bear the expenditure on health-care, social services, ***(including support for families with the Auuf and the citizenship income, local government welfare, and operating expenses of Entities*** that do not have special purpose contributions), requires significant resources coming from tax revenues. In fact, these 318 billion euros' worth of expenditure is financed by using all the direct tax revenues (IRPEF, IRES, IRAP, ISOST, territorial taxes), which amount in total to, 285 billion; therefore, another 32.821 billion euros are needed, including housing taxes (IMU, about 20 billion) and indirect taxes on housing, excise duties, VAT, etc. The problem, however, is that more than for 60 % of all taxes are paid by about 14 % of the population, and 77 % of taxpayers pay less than 25 % of all taxes; of these, 45 % pay less than 2 % of IRPEF. It will be complicated to continue funding our generous welfare state with these very high levels of tax evasion.

Table 6.6 - The difficult financing of the Italian welfare system

Type ofRevenue/years	2012	2013	2014	*2015*	2016	2017	2018	2019	2020	2021	2022	2023
Tax revenues												
DIRECT (3)												
Ordinary IRPEF (before the ex bonus of 80€ - Tir)	152.270	152.238	151.185	155.429	156.047	157.516	164.240	165.117	164.562	170.998	174.201	179.000
Ordinary IRPEF (as of 2014 net of the ex bonus of 80 €/Tir)	**152.270**	**152.238**	145.108	**146.193**	**146.679**	**147.967**	154.350	155.180	147.382	156.995	169.591	174.000
Ires	30.000	31.107	32.486	33.332	34.125	34.100	34.352	34.355	33.564	31.792	45.597	51.750
Substitute tax (Isost) (3.1)	9.227	10.747	10.083	10.000	9.022	8.541	8.161	8.281	8.245	10.536	8.888	9.954
LOCAL TAXES (3)												
Regional tax (1)	10.730	11.178	11.383	11.847	11.948	11.944	12.310	12.311	12.047	12.223	12.973	13.929
Municipal tax (1)	3.234	4.372	4.483	4.709	4.749	4.790	4.963	5.072	4.992	4.781	5.142	5.621
Irap	34.342	31.278	30.468	27.656	22.773	23.618	24.121	25.168	19.939	23.959	28.299	30.053
TOTAL DIRECT TAXES (4)	**239.803**	**240.920**	**234.011**	**233.738**	**229.296**	**230.960**	**238.257**	**240.367**	**226.169**	**240.286**	**270.490**	**285.307**
TOTAL INDIRECT TAXES (3)	246.110	238.675	**248.207**	**250.202**	**242.016**	**248.384**	**254.428**	257.568	227.154	260.189	279.485	294.682
other current revenues (2)	70.024	77.139	76.120	76.085	75.820	79.965	**80.676**	85.285	78.786	91.662	104.396	111.872
Total revenues (4)	**555.937**	**556.734**	**558.338**	**560.025**	**547.132**	**559.309**	**573.361**	**583.220**	**532.109**	**592.137**	**654.371**	**691.861**
As a reminder, the total revenues reported in the DEF are net of social contributions (4.1) and net of other capital revenues		556.734	562.258	569.542	567.181	578.782	583.993	600.993	556.592	620.091	674.902	727.371
Health expenditure	105.000	110.044	111.028	111.224	112.504	113.611	114.423	115.661	122.679	127.627	131.674	131.119
Welfare expenditure **(5)**	92.286	88.525	90.408	92.281	94.057	96.809	98.963	111.172	127.019	136.603	163.452	173.609
Local authorities' welfare (6)	9.690	9.656	9.696	9.818	9.900	10.919	11.000	11.300	11.300	11.500	13.000	13.400
Total health-care, social and welfare expenditure of local authorities (7)	**206.976**	**208.225**	**211.132**	**213.323**	**216.461**	**221.339**	**224.386**	**238.133**	**260.998**	**275.730**	**308.126**	**318.128**
Difference between direct taxes and welfare expenditure	**32.827**	**32.695**	**22.879**	**20.415**	**12.835**	**9.621**	**13.871**	**2.234**	**-34.829**	**-35.444**	**-37.636**	**-32.821**

(1) Including Irpef on pensions; **(2)** Sum of capital taxes+ other current revenues+ other capital revenue (Figures taken from DEF until 2024).

(3) All the data are taken from the DEF and NADEF (Economic and Financial Document and Update Note) for the years 2013 to 2024; **(3.1)** The flat rate tax on rentals, the tax on performance bonuses and other revenues including the taxes on the pension funds' capital gains are included in "other revenues" and not in the substitute tax;

(4) Compared to the DEF, the total of direct taxes used in the table is net of the 80-euro bonus and subsequent IRR for ordinary IRPEF taxes in addition to other deductions since only actual revenues are calculated and not those before tax benefits; according to the 2024 DEF, in 2020, direct taxes amounted to 250 billion euros; in 2021 to 267.7 billion; in 2022 to 290.4 billion; **(4.1)** in 2020, social contributions went down to 229.68 billion while, according to the ***2023 DEF, total revenues*** dropped from 843.102 billion to 786.278 billion;. **(5)** The figures in Table 6.2 exclude supplementary minimum wage benefits and additional social benefits in the private sector and the Gias transfers to funds for public-sector employed workers that are improperly financed by social contributions; **operating costs and family support measures are included; from 2019 also the citizenship income and then, ADI from 2024 (amounts taken from Table 4.11).**

(6) CSR ItiPrev estimate based on RGS and regional data; (7) Excluding housing support measures, estimated to be 0.6% of GDP; zero for ISTAT

The evidence of the enormous and unsustainable welfare policy in Italy, one of the main causes of its low employment rate, can be found in ***Table 6.7*** which shows the number of pension and welfare benefits paid out by INPS each year; the totals exclude all the benefits paid out by the privatised schemes for professionals (see Chapter 3) and the funds for public-sector employed workers. Please note the abnormal number of benefits paid out, amounting to **1,364,686,** 373,942 more than in 2014; excluding pensioners and minors, it means 1 benefit for every 25 inhabitants every year, a disproportionate number in relation to the population; moreover, over 48.6% of these benefits have a purely welfare nature, typical of a country by now accustomed to be supported by the State, an anomaly among developed countries.

Table 6.7 - The number of pension and welfare benefits paid per year

The number of benefits paid out(1)	2014	2016	2018	2019	2020	2021	2022	2023
Total benefits	**990.744**	**1.034.664**	**1.135.294**	**1.210.483**	**1.182.971**	**1.315.171**	**1.350.222**	**1.364.686**
Pension benefits **(2)**	463.018 **(46,7%)**	488.431 **(47,2%)**	567.360 **(50,0%)**	623.027 **(51,5%)**	701.938 **(59,3%)**	734.171 **(55,8%)**	722.423 **(53,5%)**	700.981 **(51,4%)**
Benefits of a welfare nature	527.726 **(53,3%)**	546.233 **(52,8%)**	567.934 **(50,0%)**	587.456 **(48,5%)**	481.033 **(40,7%)**	581.000 **(44,2%)**	627.799 **(46,5%)**	663.705 **(48,6%)**
Welfare benefits MEN	**42,99%**	**42,94%**	**42,65%**	**42,39%**	**42,56%**	**41,94%**	**42,12%**	**42,46%**
Welfare benefits WOMEN	**57,01%**	**57,06%**	**57,35%**	**57,61%**	**57,44%**	**58,06%**	**57,88%**	**57,54%**
Source: INPS - The data in the table refer to the benefits of the INPS fund for private-sector employed workers, excluding the fund for public-sector employed workers– GDP								
(1) The numbers of benefits paid published in this Report differ from those in previous Reports, as INPS has revised the relevant data. (2) In 2018, 53.77% of **social security benefits** were paid to men and 46.23% to women; in 2019, 53.42% to men and 46.58% to women; in 2020, 49.29% to men and 50.71% to women; in 2021, 47.07% to men and 52.93% to women; in 2022, 46.84% to men and 53.16% to women; **in 2023, 48.08% to men and 51.92% to women**.								

In fact, ***Table 6.7.1*** shows that, in 2023, there were **3.845,483**,[13] fully subsidized pensioners, net of duplications, (***Table 5.6*** and ***D1** historical series 2011-2022 on the website*), including disabled civilians, beneficiaries of the caregivers' allowances[14], of social pensions and allowances and of veterans' pensions, whose benefits are financed by tax revenues, for a total cost per year of ***23.013*** billion, steadily increasing with the only exception of veterans' pensions (which also include the indemnities under Act no. 210/92 as of 2014) that are characterised by a physiological and constant decline.

Table 6.7.1 - The number of welfare benefits and of subsidised pensioners

NUMBER OF WELFARE BENEFITS	2014	2015	2016	2017	2018	2019	2020	2021	2022(**)	2023
Number of benefits with a full welfare nature	3.694.183	4.040.626	4.104.413	3.790.876	3.723.945	3.768.149	3.709.993	3.704.275	3.746.753	3.845.483
Other benefits with a partial welfare nature (*):	4.740.463	4.774.000	4.224.760	4.035.448	3.836.191	3.639.204	3.976.508	4.106.758	3.887.168	3.759.126
of which supplementary minimum benefits	*3.469.254*	*3.318.021*	*3.181.525*	*3.038.113*	*2.909.366*	*2.778.509*	*2.648.653*	*2.512.039*	*2.367.110*	*2.259.766*
Total number of pensioners receiving benefits with a full welfare nature (excluding duplications) (*)	**8.434.646**	**8.814.626**	**8.329.173**	**7.826.324**	**7.560.136**	**7.407.353**	**7.686.501**	**6.648.906**	**6.551.533**	**6.556.991**
As % of the total number of pensioners	**51,88%**	**54,48%**	**51,85%**	**48,79%**	**47,24%**	**46,19%**	**47,92%**	**41,30%**	**40,61%**	**40,40%**
Total number of pensioners	**16.259.491**	**16.179.377**	**16.064.508**	**16.041.852**	**16.004.503**	**16.035.165**	**16.041.202**	**16.098.748**	**16.131.414**	**16.230.157**
(*) The other welfare benefits include: supplementary minimum benefits, additional social benefits and additional amounts; they do not include the 14th month benefits										
(**) As of 2022, the caregivers' allowances linked to veterans' pensions have been considered an integral part of the veterans' pension and no longer as two distinct benefits										

The ***other welfare benefits*** financed by tax revenues (in addition to supplementary minimum benefits, that are welfare benefits but they are paid by pension funds) are divided in:

[13] The duplications related to subjects who simultaneously receive benefits for disabled civilians and caregivers' allowances have been eliminated. Again, in order to avoid duplications, we have not included the 14th month's salary granted to low income subjects, but also to recipients of pensions above the minimum benefits. The cross-checks on welfare benefits have revealed a plurality of rules that allow many pensioners to receive several welfare benefits at the same time, ***all of which are not subject to IRPEF taxation***; for example, some of them (borderline cases) with 7 welfare benefits out of a total of 8 classified types (e.g.: supplementary minimum benefits + additional amount + 14th monthly payment + invalidity pension + veterans' pension + carers' allowance.

[14] As a reminder, it should be noted that INPS provides invalidity pensions to 955,000 subjects, plus another 641,000 indemnity pensions paid by INAIL and 3.476 pensions for disabled civilians (ISTAT/INPS Register for 2022) for a total of 5.072 million Italians who are unable to work and disabled, that is 31.4% of pensioners.

a) ***additional social benefits*** provided to ***1,154,608*** **beneficiaries** according to their income[15] (Act no. 544/1988 and the former one million lire per month introduced by the Berlusconi government in 2002, Act no. 448/2001and the increases in the minimum benefits (IVS or welfare) for an average amount of 2,644.7 euros per year;

(b) ***minimum pensions*****:** the number of minimum pensions is **2,259,766** or an average of 7,623 euros per year; their amount is composed of the calculated pension (calculated on the contributions paid during the working life), supplemented up to the minimum benefits, plus the additional benefits, the fourteenth month and the additional social benefits, depending on the age and on income, and which in the last two years were increased beyond inflation, with 62.7 % of female recipients. (724.164, of which 690,338 are survivors' pensions supplemented to the minimum benefit); supplementary minimum benefits belong to the seniority/early pensions, old-age, disability and survivors' pensions, as appropriate;

(c) the ***fourteenth month's salary*** established by Act no.127 of 7/8/2007, whose target population was expanded by the 2017 Budget Law, that is paid to pensioners aged 64 and over, whose total pension income until 2016 was not to exceed 1.5 times the minimum benefits, a limit raised in 2017 to 2 times the FPLD minimum benefits; in 2023 it was paid to 3.021,622 pensioners (vs. 2,864,388 in 2022 and even fewer in previous years excluding members of the fund of credit institutions), with an average amount of 481 euros per year; 74 % of recipients are women;

d) ***additional pension benefits*** provided to **344,000** ***pensioners***, provided for under the 2001 Budget Law (Act no. 388 of December 23, 2000), whose pension does not exceed the minimum benefits provided by FPLD, excluding welfare benefits (social pensions and allowances, benefits for disabled civilians), the pensions of workers employed with credit institutions, of corporate executives and non-pension related benefits, equal to 153 euros per year in 2023.

In 2023, the number of ***partially subsidized pensioners*** was equal to **2,711,508**. By adding the number of beneficiaries of benefits with a full welfare nature to the number of recipients of benefits with a partial welfare nature, net of duplications, and not considering the 14th monthly payment, the total is **6,556,991**, or **40.4%** out of a total of **16,230,157** ***pensioners***. At least one third of the approximately 151,000 ***citizenship pensions***[16] should be added to these benefits for an average monthly amount of ***309.7 euros***. It is objectively strange for a country that belongs to the G7 like Italy to have almost **6.6 million** totally or partially subsidized pensioners i.e. subjects who in 65/67 years of life have not managed to pay even 15 years of regular contributions for a total cost of **27.6 billion**, plus the 6 billion

[15] The additional social benefits may be granted to the recipients of supplementary minimum benefits, social allowances and pensions, completely disabled civilians, subjects with a total e hearing and visual impairment aged over 70 (unless exempted) in exceptional cases) and with incomes below a personal or family limit established from year to year, instead, the additional amount is paid in December to pensioners who do not reach the amount of the minimum benefits (155 euros per year).

[16] As a reminder, the citizenship pension P.d.C. is a monthly benefit provided to households whose members are above 67 years of age, or in which at least one member aged 67 or older is seriously disabled or not self-sufficient. The maximum amount of this type of pension for a single person is 780 euros and cannot be less than 480 euros; for a couple, the maximum amount is 1,170 euros. If the applicant already receives a pension, the difference will be paid through the P.d.C. The citizenship pension entitlement amount consists of: supplementary benefits to support the household income up to 7,560 euros per year; for households living in rented accommodation, supplementary benefits to the annual rent up to a maximum of 3,360 euros per year, or, a maximum of 1,800 euros per year for households living in a house they own which was purchased with a mortgage signed by a family member. The 2023 Budget Law 2023 stipulated that as of January 1, 2024, the Citizenship Income would be replaced by new social and labour inclusion measures.

euros’ worth of supplementary minimum benefits. This calculation should also include more than 2.7 million recipients of the citizenship income and pension (data from the INPS Observatory 2023) and 1.56 million INPS and INAIL invalids. If we then consider the about 1.4 million redundant workers (the total number of hours in the different redundancy funds divided by the average number of hours per year) and the almost 2 million NASPI beneficiaries, ***in 2023, the State supported at least 12 million pensioners and active workers, an unsustainable burden on tax revenues which severely limits the country's development.***

LTC expenditure: the share of welfare expenditure that can be classified as long-term care expenditure (LTC) is equal to the sum of benefits for disabled civilians and caregivers’ allowances; in 2023, it amounted to about **17.5 *billion***, to which the health expenditure component must be added, that is 1.63% of GDP, 74%of which paid to individuals over 65 years of age. The healthcare component and caregivers’ allowances together accounted for 82% of the total LTC expenditure (38.8% and 43.2%, respectively). The remaining 18% was related to other welfare benefits[17] . The share borne by households equal to about 1.5% of GDP must be added to these costs. In any case, Italy has the highest ageing rate but it does not have the rules and resources for long-term care.

6.5 Trend of pension expenditure/GDP in 2023 and in the medium term

First point **-** In order to develop the medium-term forecasts of pension expenditure, we can only start from the data of the national accounts for the year under review, 2023, published by the ***ISTAT/INPS*** "***Register***" in September 2024; instead for the years 2024-2027, the data are taken from the 2024 Economic and Financial Document (DEF 2024), according to which, the increase in pensions is due to price adjustments and to the accounting effect of the pensions ceased during the year and the new ones[18] . Based on this data, expenditure is reclassified into pension and welfare expenditure, which is very confusing in the accounting approach used by ISTAT. Then it is important to look at where the number of pensioners and expenditure grow and for which types of benefits, and finally to make some considerations about how to measure the expenditure ratio over time by analysing the cohorts of future pensioners born between 1958 (those born from 1946 to 1957 are now all retired and some born from 1959 to 1961 have already retired) and 1977 (the so-called baby boomers) to understand the impact of the feared increase in the number of pensioners born in the post-war period.

The official data published in the "ISTAT/INPS Register", integrated in the RGS Report no. 25, show that "in the two-year 2023-2024 period, pension expenditure as a ratio of GDP went up, reaching ***15.6*** % at the end of this period, a level that is expected to be maintained until 2028." In 2023, pension expenditure amounted to **347.032 billion euros,** which in relation to GDP, reviewed by ISTAT to 2,128 billion in September 2024, was equal to 16.3 % (higher than the RGS figure and which ISTAT gives to Eurostat for the EU rankings; see ***Table 6.4***). Compared to 2022, expenditure increased by 24.799 billion (vs. 322.233 billion).

[17] The data are taken from the RGS Report no. 24, 'Medium- to long-term trends of the social security system in 2023').

[18] In making the forecasts, the Report no. 25 considers: the "renewal" effect, which is broken down into the "number" effect, represented by the balance between newly effective and terminated pensions, and the "amount" effect, between the average values of old and new pensions; it considers the financial effects resulting from the contribution supplements accrued after the payment of the benefit and the recalculation of the same, to which is added any change in the share of arrears; it does not include the charges related to Social APE, since this is not a pension benefit but of a welfare benefit which is in any case included in the overall expenditure on welfare benefits paid by the public administrations

This figure is composed (***Table 5.3***) of 314.894 billion euros' worth of IVS (INPS disability, old-age and survivors') pension expenditure, 4.262 billion euros' worth of indemnity benefits provided mainly by Inail (insurance against accidents at work that have nothing to do with pensions) and 27.875 billion euros' worth of welfare benefits. As we have learned from Act no. 335/95 (Dini reform) as well as from Act no. 88/1989 that introduced GIAS, all the income-related benefits or the benefits to avoid social exclusion, should not be called pensions but should be charged onto other functions provided by Eurostat and in particular to ***disability*** and ***invalidity*** (where Italy features a lower expenditure than the EU27 average notwithstanding its high number of these beneficiaries), ***family and children*** and ***social exclusion***. In the Dini reform, the social pension was renamed "***social allowance***" precisely because it is not a pension benefit but typically a welfare benefit. The same can be said for benefits related to disabled civilians (including the caregivers' allowance, which is anything but a pension) and for all additional social benefits, the 14th month payments, the additional amounts, and increases in the minimum pensions for purely political reasons with no correlation with the contributions paid. According to the Dini reform, all these benefits not supported by social contributions and paid solely on the basis of income should be called "*social allowances*" and charged to functions other than pensions.

Based on the considerations made so far, we have tried to reclassify the Italian pension expenditure and its ratio to GDP strictly on the basis of the INPS accounts, and we have found a difference with respect to the official data described above, illustrated in ***Box 2*** and ***Table 6.4***. It is not clear why ISTAT includes, under pension expenditure, social allowances, caregivers' allowances for non-self-sufficient individuals and allowances for disabled civilians, subjects with visual and hearing impairments as well as veterans' allowances (which ISTAT itself does not define as pensions). The mere exclusion of the welfare benefits so defined by INPS and ISTAT and the "indemnity" benefits expenditure is reduced to 314.894 billion, or **14.8 %** of GDP. This amount includes all the welfare benefits defined as such under Act no. 88/89 which established the GIAS separate scheme, and which amount to 43.829.9 billion; these are benefits linked to early retirements (in the railway, postal port, paper, steel sectors and others) that should be accounted for as "***income support***" ***benefits*** (as Central-Northern European countries do) in case of restructurings and industrial crises. Then there are the additional benefits for the n the low pensions of the pre-1989 CDCM workers that are not supported by contributions and that have been taken over by GIAS for political reasons that have nothing to do with pensions. With the exclusion of GIAS transfers from pension expenditure, as always suggested by NUSVAP, pension expenditure goes down to about 267 billion or to 12.55 %; consider that this amount includes the GIAS transfers for public-sector employed workers, supplementary minimum benefits and additional social benefits (the Berlusconi ex million per month) which are benefits to combat social exclusion not linked to contributions but to income. By excluding these items, the ratio of pension expenditure to GDP drops down to 11.48 %.

Finally, if IRPEF withholding taxes are taken out from this calculation, (since many countries do not tax pensions or levy very light taxes on them), this ratio would be even lower, i.e. **8.56 %.** Therefore, ISTAT and RGS should indicate item by item and their amounts and what they include under pension expenditure; another reason for this is that the RGS *baseline national scenario* predicts that, as of 2030, the ratio of expenditure to GDP starts to increase again from 15.6 % in 2024 to **17 %** in 2040 and then, from 2044 onwards it starts to go down first gradually and then rapidly, to 16.00 % in 2050 and to 13.9 % in 2070.

It should be pointed out that the pension expenditure reported by ISTAT to Eurostat is 16.3 %, so much higher than the EU average which is equal to **12.9 %**. This figure creates a lot of difficulties for Italy with the European Commission, in particular if we consider that, with welfare expenditure out-of-control, it will be difficult to sustain the new "structural budget plan for 2025/29, and that the Italian public debt is expected to reach 3 trillion and the cost for interests to be 90 billion a year already in late 2024/early 2025, with a limited degree of resilience given Italy's lowest employment rate of the 27 + 1 countries and of many other OECD countries, its languishing productivity and its welfare spending that has by now reached the level of pension expenditure, net of IRPEF. Perhaps it would be better to avoid any confusion between welfare and pension expenditure and raise money by penalizing pensions over 5 times the minimum benefits (60 billion euros' worth of revenues in 10 years) by harming the middle class (14 % of Italian people with a stated income for tax purposes of from 35,000 euros per year before taxes and up). All this without taking into account the verdicts of the rating agencies (the market and savers) and the related increase in the spread.

The ***second aspect*** to be considered to make expenditure projections is the analysis of changes in the ***number of pensioners by type of benefit***.

As we have seen in recent years, the number of pensioners has increased; part of this increase can be attributed to the far too many early retirement measures that began in 2016 with APE, the early-retirement incentive introduced by the Renzi government, which, despite its name (early pension), is not part of pension expenditure; then came the most expensive measures: 100 Quota, early workers, women's option, and heavy jobs, followed by less generous ones: the 102 and 103 quotas. But the sharpest growth was related to welfare benefits, which increased by 160,000 in just two years, while IVS benefits, despite the Quota measures, (+146,000) decreased by 55,000 in 2022 and by 23,000 in 2023, for a total of 78,000 (***see the Tables in Chapter 2***). So, the number of pensioners grew from 16,004,503 in 2018 to 16,131,414 in 2022 and to 16,230,157 in 2023, a figure that is likely to be confirmed for 2024, with an increase by about 225,000 almost entirely due to welfare benefits.

The ***third aspect*** to be taken into account in making projections concerns future retirements. Considering that the baby boomers born from the end of World War II to 1957 are now all retired while a portion of those born between 1958 and 1961 have retired thanks to the different early-retirement measures or with disabilities, the following table shows us the resident population in Italy by year of birth from which it is possible to infer the number of would-be retirees among the so-called baby boomers born between 1958 and 1978.

Resident population by January 1, 2024

Age	Year of birth	Men	Women	Total
47 anni	1978	433.349	437.975	871.324
48 anni	1977	453.002	458.766	911.768
49 anni	1976	470.308	476.868	947.176
50 anni	1975	466.024	475.242	941.266
51 anni	1974	470.338	478.610	948.948
52 anni	1973	472.356	484.747	957.103
53 anni	1972	467.460	479.903	947.363
54 anni	1971	478.481	492.644	971.125
55 anni	1070	473.379	488.819	962.198
56 anni	1969	472.997	491.521	964.518
57 anni	1968	477.698	493.880	971.578
58 anni	1967	474.748	492.482	967.230
59 anni	1966	479.002	498.799	977.801
60 anni	1965	445.192	469.354	914.546
61 anni	1964	427.049	453.347	880.396
62 anni	1963	415.551	443.912	859.463
63 anni	1962	400.518	428.951	829.469
64 anni	1961	387.830	416.762	804.592
65 anni	1960	366.728	398.217	764.945
66 anni	1959	360.316	393.051	753.367
To estimate the possible number of pensioners, we have applied the employment rates (M 15/24 years of age 20%; M 24/64 70%; W 50% and the mortality indices.				

By applying the employment rates for the years shown in the table and the mortality coefficients, the number of IV retirements (disability and old-age or early retirement, excluding survivors' pensions) per year can be expected to evolve from 440,000 in the next three to four years to 560,000 and then decline in the last years down to 530,000. Of course, we have excluded welfare benefits and considered the adjustment of retirement requirements to life expectancy without additional early-retirement options. In recent years (***see Table 2.34 on the number of pensions paid out by year***) the flow of retirements has been slightly larger than that projected for the coming years. It follows that the feared baby boomers' assault on the pension system will have relatively modest effects considering also the annual number of cancellations due to the average age of current retirees.

Certainly, it will be necessary to avoid early-exit options and always correlate the retirement age with life expectancy, with an extension of the retirement age for old-age pensions if their amount does not reach at least 1.2 times the social allowance. With regard to expenditure, it should be pointed out that, by now, about 75 % (expected to gradually rise) of the pension of the current pensioners under the mixed system is calculated on the basis of the contribution-based method; then, as of 2035, the subjects who started working as of January 1, 1996 will start to retire and their pensions will be completely calculated on the basis of the contribution-based system. It is therefore more than likely that this "renewal effect" will weigh much less than in recent years until it is almost zero.

In the light of the three points examined, the medium-term forecasts of the number of pensioners and of expenditure and its ratio to GDP may lead to the conclusion that pension expenditure, as *highlighted in the first point, is expected to increase at a rate consistent with that of nominal GDP while the ratio is expected to remain very close to the current one and then decline in the last forecast phase. The employment rate is expected to remain around 64 % with a ratio of the number of active workers to the number of pensioners close to the target of 1.5 active workers per pensioner.*

However, for this to happen, it is necessary to**: 1)** Create a welfare database that would allow us to know who these people are and for how long they have been receiving benefits, bonuses and allowances; it could save no less than 15 billion euros a year. **2)** Summon all the subjects over 35 who have never filed a tax return to ask them what they live on; we would uncover the bulk of tax and contribution evasion and a substantial piece of organized crime, thus recovering years of contributions. **3)** Introduce the contrast of interests between the 25.5 million households and the approximately 7.5 million direct suppliers (see previous Reports for further details), which would reduce welfare and undeclared work, recovering years of contributions. this would bring TIR to zero, and the same for contribution incentives and part of AUUF, thus saving a great deal out of these 33 billion. **4)** Completely review ISEE that promotes undeclared work and fuels the underground economy. **5)** Stringently apply the two automatic stabilizers: the adjustment of statutory age requirements and transformation coefficients to life expectancy, which means an improvement in expenditure and in the ratios, while maintaining flexibility levels (64 years and 38 years of contributions or 42 years and 10 months, one year less for women, but only with a maximum of 3 or 4 of notional contributions excluding maternity and voluntary contributions); finally provide for APE or early workers' options but only with 64 years of age, adjusted to life expectancy, and 38 years of contributions. In addition, given the high number of old-age pensions amounting to around 300 euros per month that require supplementary minimum benefits and additional benefits financed by tax revenues, it would be crucial to reintroduce the provision under the Fornero Law according to which the old-age pension can be obtained at 67 years of age only if the amount is equal to or greater than 1.2 times the social allowance; otherwise the pension accrues at 71 years of age adjusted to life expectancy. The age requirement for the social allowance too should be 70 years of age; **6)** Reintroduce the so-called 'super bonus' for those who voluntarily wish to work until the age of 71, allowing them to benefit from 33% of their contributions after taxes in their pay cheque for three years. **7)** Eliminate the inappropriate and extremely expensive contribution incentives, including the ones for the South that have never worked[19] , and replace them with tax credits, corporate welfare measures and other facilities under Article 51 of the Framework Law on Income Taxes (TUIR). In addition, it is crucial to introduce a compulsory contribution rate of around 100 euro per year to be paid by all citizens for long-term care insurance, as well as a compulsory health contribution also in the form of a co-payment. These measures are all unpopular for policy-makers who have been spasmodically chasing an increasingly 'liquid' and temporary consensus for 20 years now, but the only ones that can make Italy's huge public debt sustainable.

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[19] The insufficient level of development of some areas of the country, in particular of the eight southern regions, has often been offset by welfare policies; unfortunately, these measures had the opposite effect of further slowing down growth; for almost 25 years, these regions have been entitled to the ***total rebate of social security contributions,*** even though, on the basis of employment statistics, these did not produce new employment or development[19]. These tax reliefs did not produce competitive advantages, but they also delayed the development of the southern regions just like the provision of disability benefits (granted in some areas of the country only for economic reasons) and other subsidies, especially in agriculture; however, Italy really needs to develop its South; without the South, the whole country is bound to remain marginal and at the bottom of the rankings in terms of development and employment. This is why we have proposed to create Special Social Economic Zones (ZES).

6.6 Net replacement rates of the mandatory and complementary pension system

In this part of the Report, we provide the estimates of the ***net replacement rates*** of the first-pillar compulsory pension system; these rates consist of the ratios of the first instalment of the old-age pension to the last labour income, net of their respective taxation for various age cohorts, related to the profiles of the INPS ***employed workers*** registered with (FPLD) and self-employed workers registered with the finds for artisans and retailers. The simulations have been conducted using a proprietary calculation engine[20], take into account the following characteristics:

We have considered ***11 subjects born from1960 to 1990***, with net pre-retirement wages or earnings of about **30,000** ***euros/year***, proportionally reduced year after years according to the years of activity and individual growth expectations.

a. The ***entry age is 24*** with a non-contribution period of about 15 % of the whole contribution life (roughly **6.5** ***years*** to become eligible for a pension).
b. The effective date of the pension is set at the earliest date and it meets only the ***old-age pension*** requirements in the whole sample considered.
c. The calculation model considers the pension regulations in force as of ***May 2024***.
d. All the historical trend data related to revaluations until the end of 2023 (FOI inflation indices, revaluation of the pool of contributions), ceilings, caps, etc. refer to the INPS-ISTAT consolidated data.
e. Life expectancy and the conversion coefficients to annuities are taken from the RGS 2023 Pension Trends Report and its latest update note of September, for the purpose of the automatic adjustment of requirements and conversion of the contribution pool into annuities provided for in the rule. It should be noted that the more stringent requirements due a longer life expectancy are found to be null until 2028, and the conversion coefficients will have at least one more countertrend change.
f. The tax regulations are updated to the recent changes that came into effect for the 2024 fiscal year in terms of IRPEF brackets, deductions, etc.
g. The rate of i***nflation*** is expected to be steady at **2 %** ***per year*** in all scenarios for macroeconomic purposes.
h. The short-term GDP growth trend is derived from the data in the NADEF April 2024 document, for the purpose of calculating the revaluation coefficient of the amounts as a geometric moving average of the last five years, until the end of 2027.
i. The long-term GDP trends from 2028 onward and the expectation in terms of real income growth for each profile come from some parameters under the different assumptions that follow.

The charts below show the replacement rates based on the results of different assumptions considering different macroeconomic scenarios. Each point on the chart is labelled with age in years and months to retirement, seniority in number of weeks, and replacement rates after taxes.

[20] Calculation engine provided by **Epheso I.A. Srl** www.epheso.it.

Table 6.8 and ***Figure 6.1***, the first to be processed, show the macroeconomic forecasts that are almost equivalent to those of the RGS model, namely an expected real growth in individual wages aligned with the real GDP growth assumption of 0.95 % against an inflation rate of 2 % per year. In the RGS model, GDP trends are slightly variable. Table 1 shows both net and gross replacement rates, and as can be appreciated, the former are obviously more favourable; but more importantly, since they refer to the net pension (i.e., how much the individual actually receives), they better highlight the difference between salary and pension before and after taxes.

Table 6.8 - Replacement rates

Net replacement rates of the compulsory pension system - Old Age Pension ***(age of entry 24 years with 6.5 years of inactivity)***											
Year of Birth	**1960**	**1963**	**1966**	**1969**	**1972**	**1975**	**1978**	**1981**	**1984**	**1987**	**1990**
Employed workers	65,9%	66,7%	67,6%	67,7%	69,0%	70,2%	70,8%	72,1%	73,0%	73,6%	74,8%
Self-employed workers	63,1%	61,7%	61,4%	62,1%	63,3%	64,9%	66,2%	67,7%	69,0%	69,6%	70,5%
Age/contributions to retirement	67/0 1875s	67/1 1879s	67/7 1905s	67/9 1914s	68/1 1931s	68/5 1949s	68/7 1957s	68/11 1975s	69/2 1988s	69/4 1996s	69/8 2014s
Gross replacement rates of the compulsory pension system - Old Age Pension ***(age of entry 24 years with 6.5 years of inactivity)***											
Year of Birth	**1960**	**1963**	**1966**	**1969**	**1972**	**1975**	**1978**	**1981**	**1984**	**1987**	**1990**
Employed workers	59,70%	60,58%	61,66%	61,96%	62,93%	64,35%	65,23%	66,58%	67,60%	68,21%	69,53%
Self-employed workers	42,49%	41,57%	41,54%	42,39%	43,67%	45,26%	46,46%	47,98%	49,04%	49,61%	50,9%
Age/contributions to retirement	67/0 1875s	67/1 1879s	67/7 1905s	67/9 1914s	68/1 1931s	68/5 1949s	68/7 1957s	68/11 1975s	69/2 1988s	69/4 1996s	69/8 2014s

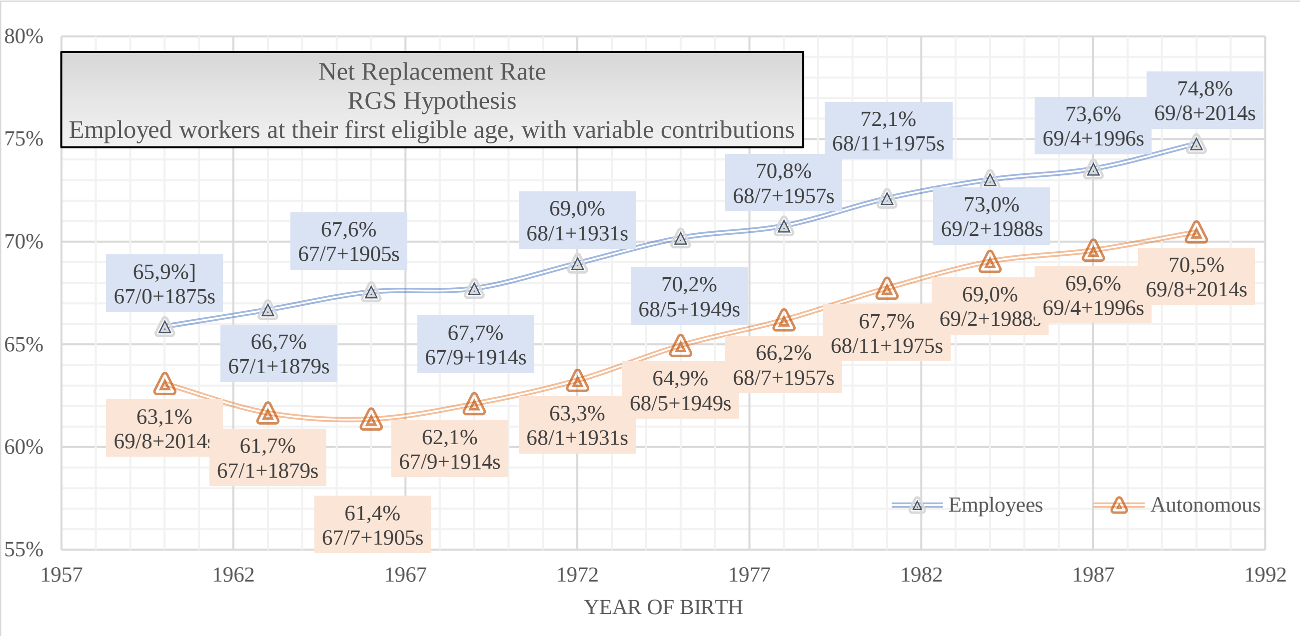
For employed workers, they range from a net replacement rate of 65.9 % for older generations to 74.8 % for those now entering the workforce. Self-employed workers will be able to count on a pension ranging from 63.1 % to 70.5 % of their last earned income.

The variable trend of replacement rates results from the simultaneous presence of several factors:

1. The second automatic stabilizer[21] of the pension system provides for a gradual increase in the retirement age in line with life expectancy; the projection is an extension of the retirement age from 67 years to 69 years and 8 months, with the inevitable lengthening of the contribution seniority and the increase in the amount of contributions at retirement.

[21] There are 2 automatic stabilizers in the Italian compulsory pension system; the second is the adjustment of the retirement age to life expectancy; the first is the adjustment of the transformation coefficients of the contribution pool to life expectancy.

Figure 6.1 - Net Replacement Rates of the Mandatory Pension System: RGS assumptions.



2. The economic downturn in the **2008-2014** and **2020-2023 periods** reduced the profitability of the revaluation rate of the contribution pool (GDP five-year geometric average), and it has a differentiated impact on the different cohorts, which is extremely negative for the oldest (if the negative period coincides with the last years before the effective start of the pension, the impact is hige as it applies to the maximum value of the mount.). In subsequent decades, the values (see MEF projections) of the economic factors are expected to steadily recover and improve the overall profitability.
3. The replacement rates feature a slight decrease only for the self-employed who still have a share of their pension calculated on the basis of the income-based system. This downward trend can be attributed to the lower share of the pensions calculated with the income-based system in the first generations taken into consideration, whose replacement rates decrease from 63.1 % to 61.4 % as the number of years calculated with this system is halved. It should be noted that, for self-employed workers, the rate of return of the income-based system is very rewarding compared to that of the contribution-based calculation; this is due to the proportioning coefficient that is identical to that used for employed workers but with a lower contribution rate (initially less than 20 %). For employed workers, there are apparently no changes in their rate equal to 33 %. However, as the share of benefits calculated with income-based system is phased out, the replacement rate for the self-employed is expected to resume its steady growth similarly to that of employed workers.

The second hypothesis assumes a real GDP growth equal to 1 % and a real wage growth to 1 %, as variables. Since this assumption is very similar to the previous one from RGS, the same considerations made above apply.

The third hypothesis predicts a real GDP growth of 0.5 % and a real wage growth of 0.5 %, as variables; within this negative macroeconomic framework, there is an appreciable flattening of the growth trend and some fluctuations that were not noticeable in the previous ones.

Figure 6.2 - Net replacement rates of the compulsory pension system - assumptions: GDP equal to 1% and the real wage growth to 1%.

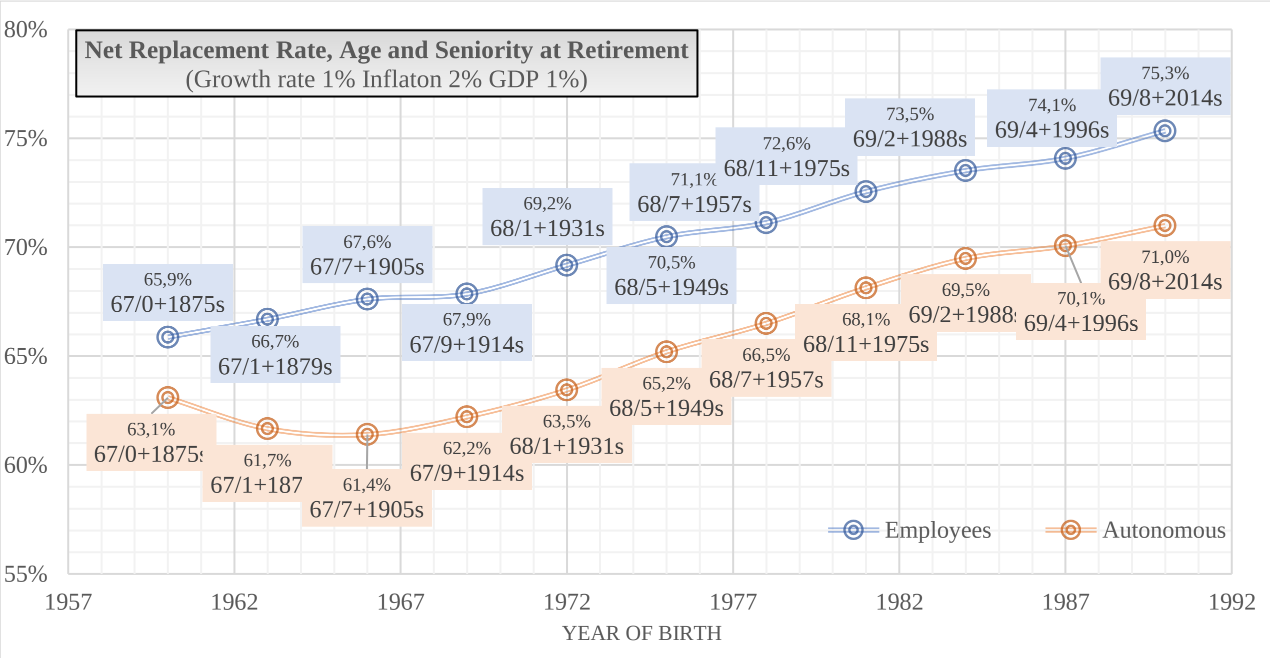
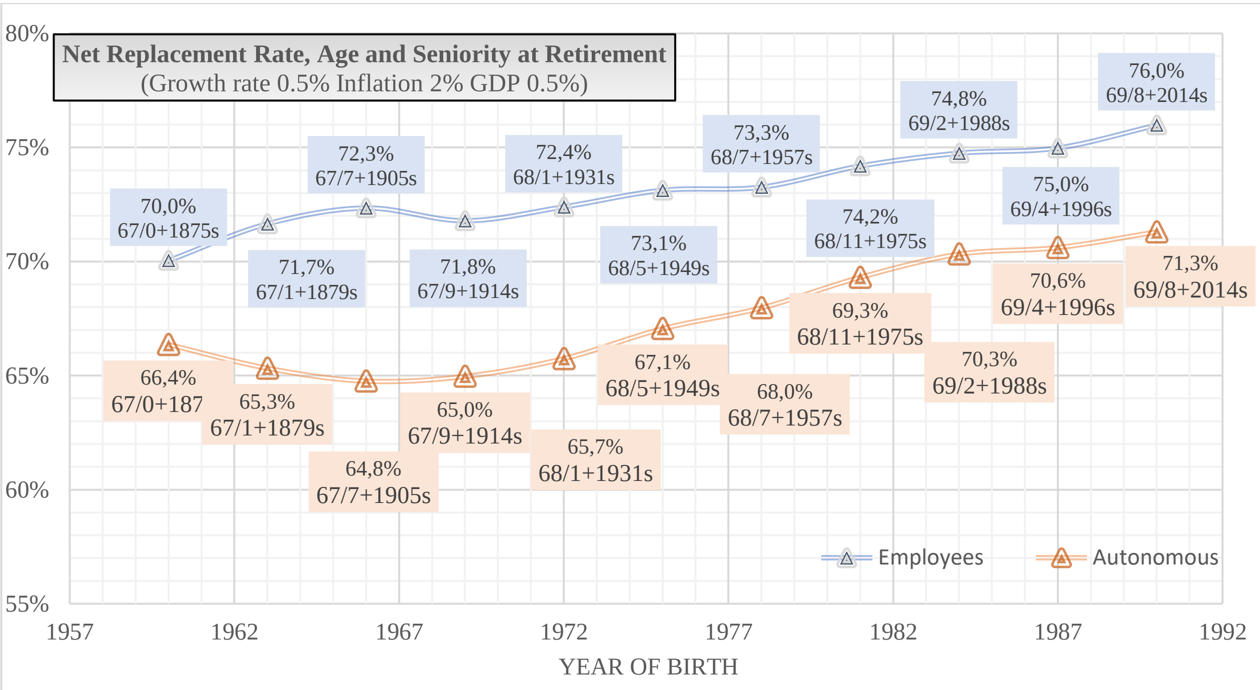


Figure 6.3 - Net replacement rates of the compulsory pension system - assumption: GDP growth equal to 0.5 % and the real wage growth to 0.5 %



The basic pension system and pension funds

The last hypothesis shows the overall replacement rate of the second fully funded pillar (the complementary pension system) and the basic pension system. ***Table 6.9*** shows the ***overall gross and net replacement rates*** (mandatory plus complementary pensions) and the ones expected by employed and self-employed workers under the complementary pension system alone. ***Figure 6.4*** shows the projected replacement rates only for the basic pension system and the cumulative replacement rates of the basic and complementary pensions. The calculations were made under the following assumptions:

- The payment of the first contribution to a complementary pension fund on January 1, 2025;
- For employed workers, a financing rate to the pension fund equal to 100% of the termination of employment benefits;
- For self-employed workers, a subjective rate of 6.91 % to compare the projections;
- A rate of return of the fund equal to 2% net of inflation (consistent with the conservative return suggested by COVIP);
- The benefits are paid when the old-age pension under the mandatory pension system accrues in the form of an annuity;
- Application of the current tax regulations in terms of annuities: separate taxation at a rate of 15 % reduced by 0.3 % for each year of contribution above the 15-th, up to a maximum of 6 % of the pension share corresponding to the contributions paid;
- Application of the 20% substitute tax rate on the returns obtained;
- The 1960 generation close to retirement has not been considered to have consistent calculations, since the eligibility for complementary benefits is linked to a contribution period of at least 5 years. In March 2027, the date of old-age retirement, this group would still not be able to become eligible for these benefits despite having already started contributing to the fund.

The final replacement rates, with the addition of the ones for the complementary pensions system, rise up to 14.2 %, for private-sector employed workers compared to those estimated for compulsory pensions alone, and for the self-employed up to 16.6. The difference in the replacement rates between generations, is becoming larger, but it should be attributed not only to the time difference in the accrual plans, but also to the variable income on the basis of which annual contributions are levied.

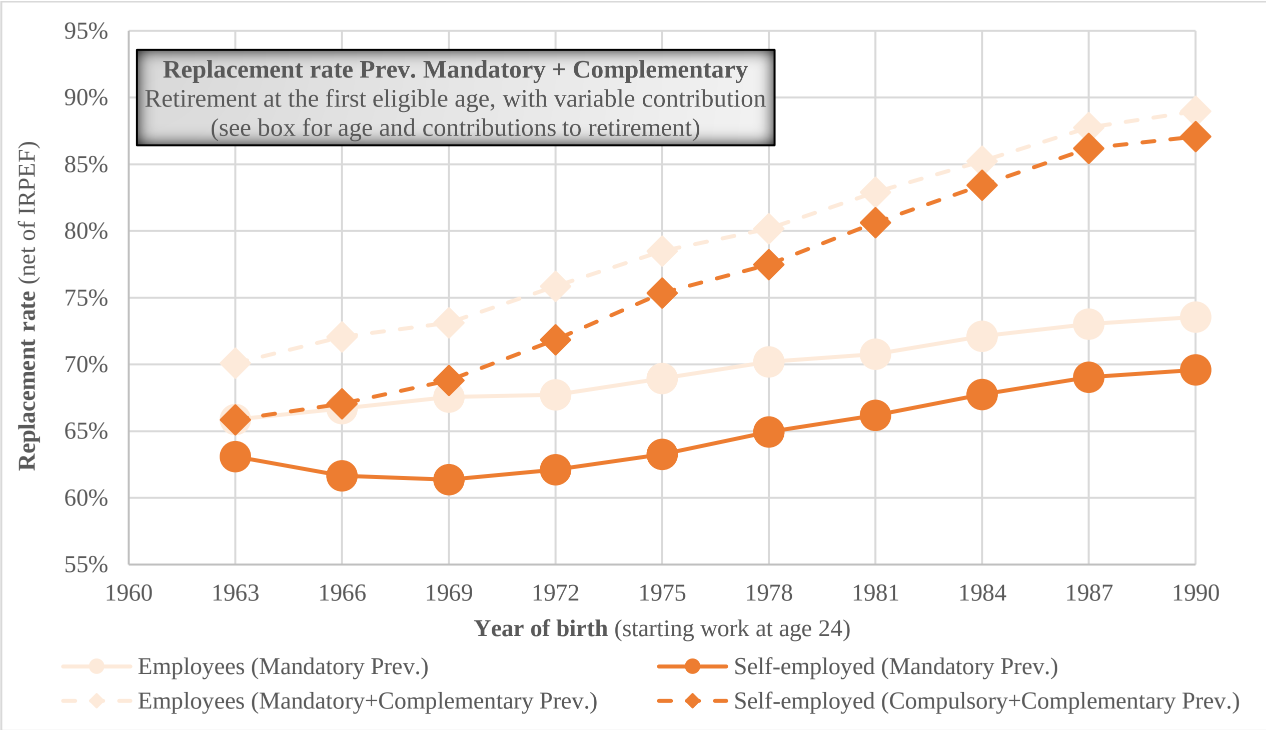
This gives rise to the following considerations:

1. By considering the same date of registration into a complementary pension funds for workers already active on the labour market, the earlier they start paying their contributions, the greater the supplementary effect on the public pensions;
2. For the generations close to retirement, investing in products with a higher degree of risk would be counterproductive and would not allow them to absorb any financial market shocks, given the remaining duration of their accumulation plan;
3. The favourable taxation of complementary pension plans has a considerable impact on the net replacement rates with respect to the gross replacement rates.

Table 6.9 - Gross and net replacement rates of the compulsory and complementary pension system

NET REPLACEMENT RATES OF COMPLEMENTARY PENSIONS AND REPLACEMENT RATES INCLUDING MANDATORY PENSIONS											
Year of birth	1960	1963	1966	1969	1972	1975	1978	1981	1984	1987	1990
COMPLEMENTARY PENSION SYSTEM											
Employed workers	-	2,0%	3,4%	4,5%	5,4%	6,9%	8,3%	9,4%	10,8%	12,2%	14,2%
Self-employed workers	-	2,5%	4,2%	5,7%	6,7%	8,6%	10,4%	11,3%	12,9%	14,4%	16,6%
COMPULSORY PENSION + COMLEMENTARY PENSION SYSTEM											
Employed workers	-	70,1%	72,1%	73,1%	75,9%	78,5%	80,2%	82,9%	85,2%	87,8%	89,0%
Self-employed workers	-	65,9%	67,1%	68,8%	71,9%	75,3%	77,5%	80,6%	83,4%	86,2%	87,1%
Age/contributions to retirement	67/0 1875s	67/1 1879s	67/7 1905s	67/9 1914s	68/1 1931s	68/5 1949s	68/7 1957s	68/11 1975s	69/2 1988s	69/4 1996s	69/8 2014s
GROSS REPLACEMENT RATES OF THE COMPLEMENTARY PENSION SYSTEM AND REPLACEMENT RATES INCLUDING THE MANDATORY PENSION SYSTEM											
Year of birth	1960	1963	1966	1969	1972	1975	1978	1981	1984	1987	1990
COMPLEMENTARY PENSION SYSTEM											
Employed workers	-	1,7%	2,9%	3,9%	4,5%	5,7%	6,8%	7,4%	8,3%	9,1%	10,5%
Self-employed workers	-	1,7%	2,9%	3,9%	4,5%	5,7%	6,8%	7,4%	8,3%	9,1%	10,5%
COMPULSORY PENSION + SUPPLEMENTARY PENSION SYSTEM											
Employed workers	-	62,3%	64,6%	65,9%	67,4%	70,1%	72,0%	74,0%	75,9%	77,3%	80,0%
Self-employed workers	-	43,3%	44,4%	46,3%	48,2%	51,0%	53,3%	55,4%	57,3%	58,7%	61,1%
Age/contributions to retirement	67/0 1875s	67/1 1879s	67/7 1905s	67/9 1914s	68/1 1931s	68/5 1949s	68/7 1957s	68/11 1975s	69/2 1988s	69/4 1996s	69/8 2014s

Figure 6.4 - Net replacement rates of the mandatory pension + complementary pension system



6.7 Capitalization rate: considerations and social sustainability

The difference between **GDP growth** and **individual growth rates** has an important effect on expected replacement rates. ***The more "similar" (or even higher) GDP growth is with respect to the individual growth rates***, ***the higher the replacement rates***. A high rate of income growth, especially in the intermediate and final stages of working life, implies high future earnings and always also more generous pension benefits in absolute terms. The impact of career progression on the replacement rate is less intuitive is. Under the same final conditions, a high-growth career is equivalent to fewer contributions paid in the early years of employment; therefore, the pension calculation, which takes these lower contributions into account, produces a lower replacement rate because it considers the contributions paid and their revaluation. Obviously, a flat or even negative career in later periods of the working life has an inverse effect, with higher replacement rates. This explains why, under the same conditions, with a higher GDP and more successful career, even if slightly, replacement rates are a little bit lower for the same cohorts. However, this difference tends to fade for younger cohorts. In addition, the contribution-based system exposes the pension calculation to macroeconomic risk since the adjustment is related to GDP; a higher GDP growth improves the revaluation rate (GDP five-year average) and advantages in real terms. In an unfavourable scenario, the contribution amount may shrink (in real terms), as has been the case in the past and as the following chart shows.

In this negative scenario with 0.5% GDP growth and 0.5 % wage growth, the employed workers belonging to the 1969 generation there is a slight decrease and a slump for the ones of the 1978 generation. This is because the first generation has a lower rate of return on the pension share calculated with the contribution-based system, due to a reduction in real GDP growth, compared to the previous generation (the replacement rate goes from 72.3 % to 71.8 %); while the 1978 generation, compared to the next, has a negative revaluation coefficient due to the 2007-2013 subprime and real-estate market crisis.

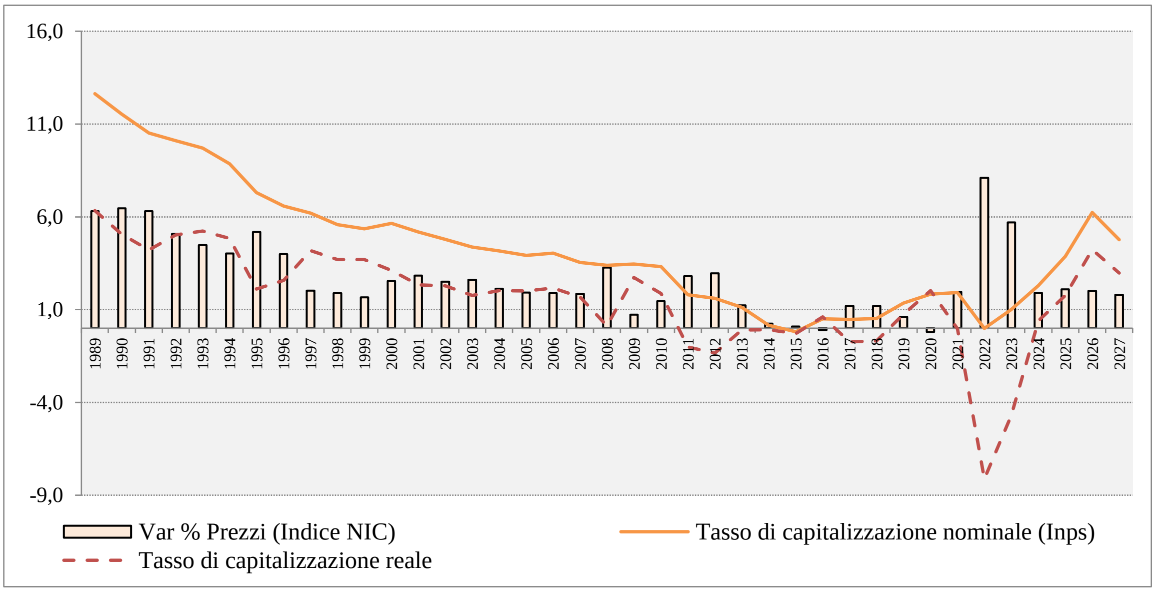
Capitalization of the contribution pool - Data used:

- the capitalization rates (***tc***) from 1989 to 2024 and thus the revaluation coefficients (***1+tc***) of the pool are the ones determined by ISTAT and used for the calculation of pensions by INPS;
- for the period from 2025 to 2027, the capitalization rates are obtained with the same formula as the GDP five-year average in the previous five-year period, using the nominal GDP values included in the recently published PSBMT Medium-Term Structural Budget Plan by MEF, which contains a projection from 2024 to 2027;
- the prices to deflate the revaluation coefficients of the pool are the ones of the NIC index (National Index of Consumer Prices for the Whole Community) from 1989 to 2023. In contrast, the 2024-2027 prices are obtained using the GDP deflator found in the PSBMT.

Figure 6.5 shows the ISTAT nominal and real capitalization rates for the entire period of this Report, 1989-2023, plus the 2024-2027 projections. Instead, ***Figure 6.6*** shows the evolution of the pool since 1996, i.e., the year in which the pensions of newly-hired workers were calculated with the fully funded system. ***As can be seen, over the* 31*-year period, the nominal rate increased by* 147.3 %*, while the real rate increased by* 32.6 %**.

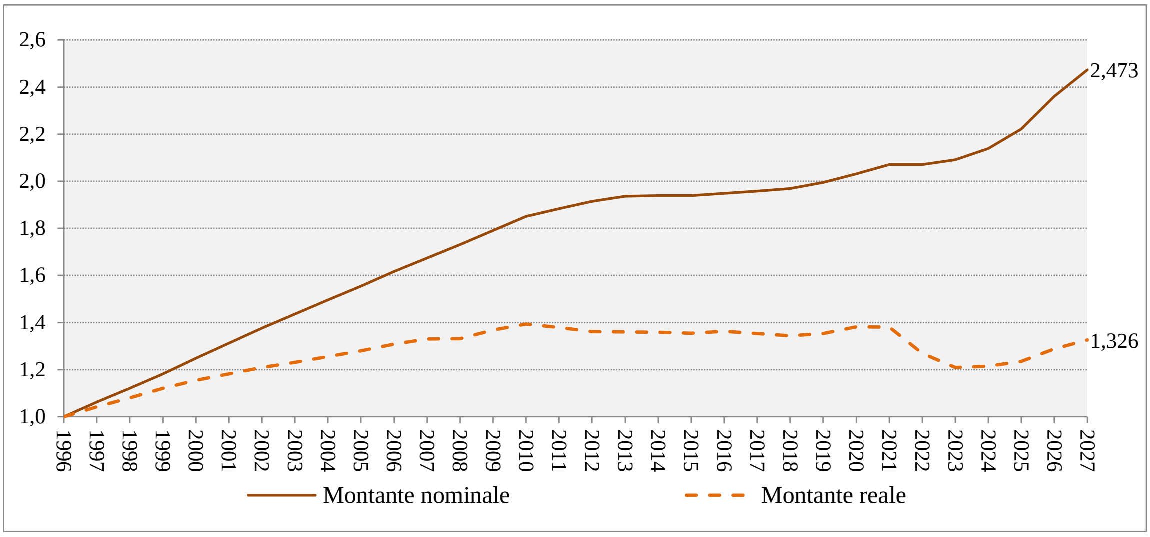
The real value is what we might call the spending power of the capital, that is of the contribution pool, when the same is "transformed" into a pension annuity. Over time, the value of the annuity will then depend on adjustments (or as we say on equalization), that is, on the criteria (in recent years particularly variable and penalizing) that decision-makers will want to use from time to time to adjust the pension instalments to inflation. This is a very relevant issue because it shows that periodic payments (such as contributions) for thirty-one years result in a lump sum that is just over 30 % higher than the simple sum of the contributions paid; this seems an insufficient result for the very many workers "obliged" to join. However, there are not many alternatives given the current GDP growth, and the long-term goal of the contribution-based calculation method of stabilizing the ratio of pension expenditure to GDP. If anything, decision-makers should be more cautious about the price adjustment of pensions, especially in cutting the equalization rate in the future.

Figure 6.5 - Nominal and real capitalization rates



% variation of prices (NIC index) Real capitalization rate; Nominal capitalization rate (INPS)

Figure 6.6 - Capitalization of the contribution pool in nominal and real terms (1996-2027)



Nominal terms – Real terms

<u>All the regulatory changes updated to the end of 2024 can be found in Exhibit no. 1, with comments and insights.</u>

7. The complementary welfare system in Italy: pensions, health care, LTC and personal care

Italy is characterized by the greatest demographic transition of all times, by budget constraints and high social expenditure supported by public welfare; so, it urgently needs to modernize its social protection system (indeed, Italy is already lagging far behind), vigorously shifting from the ***welfare state***, which today bears the burden of the largest part of expenditure, to a ***welfare mix***, more in line with the needs and challenges of the times; the public and private sector must cooperate to maintain the current level of social protection, thus complying with the provisions of Art. 38 of the Constitutional Charter, a level of protection that ranks second in Europe and among the top 5 in the world. In order to achieve this goal, policy-makers must catch up with the delays of the last few years by strengthening pension funds and adopting laws to promote and support social security, health-care and LTC measures.

7.1 Total private expenditure in 2023 before and after taxes

In 2023, individuals and households spent over **108.230 billion euros** to supplement their public pension, healthcare and welfare benefits, especially for long-term care, up by **4.545 billion euros** with respect to 2022 (***Table 7.1***), before the tax incentives granted for different types of supplementary protection. Out of the total gross expenditure, **47.36%,** that is **51.255 billion**, accounts for the health care expenditure directly borne by households and individuals (the so-called Out of Pocket Expenditure - OOP) amounting to **44.746 billion euros** or intermediated by supplementary health funds, mutual-aid societies and health insurance funds or insurance companies ***(*6.50 billion*)*.**

Table 7.1 - Private complementary and supplementary welfare expenditure from 2017 to 2023 (*millions of euros*)

Years	2017	2018	2019	2020	2021	2022	2023		
Type							**Spesa privata**	**in % del Pil**	**in % spesa pubblica**
Complementary pension benefits	14.873	16.269	16.134	16.531	17.602	18.237	19.178	0,90%	1,76%
OOP health expenditure*	35.989	40.065	40.205	40.286	40.643	41.500	44.746	2,10%	4,11%
LTC expenditure**	10.700	33.982	33.982	33.380	33.777	34.500	34.298	1,61%	3,15%
intermediated health expenditure***	4.901	4.902	5.216	5.165	5.769	6.030	6.509	0,31%	0,60%
individual welfare expenditure ****	3.087	3.096	3.242	3.172	3.281	3.418	3.499	0,16%	0,32%
Total expenditure	**69.550**	**98.314**	**98.779**	**98.534**	**101.072**	**103.685**	**108.230**	**5,09%**	**9,95%**

The 2021/2023 data come from ISTAT, with the addition of 10.5% to account for the unregistered economy.

** Since 2015, the data have been related to home and residential care expenditure net of the caregivers' benefits provided by INPS; as of 201, the caregivers' costs also include the TFR for "domestic workers" registered with INPS with care and assistance duties; as of 2018, the overall cost is calculated net of public contributions to finance residential home expenditure and the INPS benefits for disabled civilians. For further information, see the detailed insight into long-term care.

***As of 2018, these data are no longer calculated on the basis of the share of intermediated health-care expenditure identified by the OECD, but by adding 2/3 of the revenues of the health-care insurance line of business to the costs for the contributions to health-care funds (quantified on a flat-rate basis, in the absence of official data, by increasing by 20% their actual expenses; according to a cost-effective principle, on the basis of which contributions should be higher than accrued expenditure).

**** La voce tiene conto solo della raccolta premi del ramo assicurativo 1 danni- infortuni.

Fonte: Elaborazione Itinerari Previdenziali su dati COVIP (Previdenza Complementare), ISTAT (Spesa sanitaria OOP), Ministero della Salute e ANIA (Spesa per sanità intermediata), INPS (Spesa per assistenza LTC), MEF (Spesa per assistenza e LTC) ANIA (Spesa per welfare individuale).

The second largest share of expenditure, amounting to **34.298 billion,** is related to "***long-term care***", i.e. for home or residential care for non-self-sufficient elderly people; the third largest share of expenditure is related to contributions to complementary pension plans, equal to **19.17 billion.**

Finally**,** individual insurance policies, such as private insurance for occupational and non-occupational accidents and other insurance policies account for **3.499 billion**.

Net of the deductions provided for under the current Framework Income Tax Law (TUIR), the actual expenditure borne by households and individuals is actually equal to **83.469 billion euros** ***(Table 7.2***), for a net per capita expenditure of **1,391 euros**, considering **58,997,201** inhabitants in Italy in 2023, according to Istat. The different types of expenditure, net of the tax incentives discussed in the following sections, are shown in ***Table 7.2***.

Table 7.2 - Private expenditure on complementary welfare before and after taxes

Year 2023		
Type	**Gross private expenditure**	**Net private expenditure**
Complementary pension plans	19.178	14.008
OOP health expenditure (*)	44.746	39.862
LTC Expenditure (**)	34.298	21.398
Intermediated health expenditure	6.509	5.366
Individual welfare spending	3.499	2.835
Total expenditure	**108.230**	**83.469**

7.1.1 Private out of pocket expenditure (OOP) and social and health fund intermediated expenditure.

Since 2014 (the year in which this survey started), the most significant private welfare expenditure item has been and still is the health care expenditure by individuals and households (out of pocket health care expenditure, OOP); a type of expenditure that is not intermediated by health funds or insurance companies. Over the 9 years of the survey (2014-2023), this type of expenditure increased from 30 billion (in 2014) to **44.746 billion** in **2023**, a 49% growth.

The estimate provided in this Chapter starts from the 40.641 billion euros' worth of "direct household expenditure" calculated by Istat, which is a general figure; the only reliable figure of about 25 billion euros is related to the expenditure that benefits from the tax deductions and incentives related to health-care expenditure, which amounted to about 5 billion euros in 2023. However, with respect to the Istat figure, it is necessary to calculate the large amount of "undeclared" expenditure that lurks mainly in direct user-provider services, as evidenced by the Istat data on tax evasion and avoidance in all the sectors devoted to the production of goods and services, and certainly also present in the health-care sector. Now, According to Istat, the overall "undeclared" share of the Italian economy with respect to GDP is 10.1%; so, by adding the "undeclared" share to the expenditure measured by Istat, the result is the said 44.7 billion euros.

In order to identify the actual amount of net expenditure borne by households, in the absence of other timely information, we have used the data provided by tax authorities[1] on all the medical expenses reported by the Italian population in their personal income tax statements to obtain tax deductions and exemptions; according to the latest available data from 2022 (2023 fiscal year – 2022 tax returns), the amount of expenditure reached 25.004 billion, of which 1.212 billion euros' worth of deductions

[1] These data refer to the 2023 tax statements for the 2022 fiscal year.

and about 23.792 billion euros' worth of exemptions. So, the total tax savings for households is estimated to be equal to **4.8 billion**, of which 0.36 billion euros' worth of deductions, assuming a marginal income tax rate of 30% for the eligible subjects and 4.520 billion euros' worth of tax reliefs, assuming a 19% tax rebate out of total expenditure, and therefore assuming that all the beneficiaries have a taxable income and that the tax is sufficiently large to be reduced by 19% of the expenses actually incurred (which is not always possible due to many subjects with no income). Therefore, by subtracting the 4.8 billion euros' worth of tax benefits from gross expenditure, we obtain the net OOP expenditure for individuals and households, which is equal to **39.86 billion**. However, the expenses borne to buy drugs, in particular, is often too high; according to a survey conducted by SWG, one out of three Italians still have doubts as to whether generic drugs are as effective as brand-name drugs[2] . So, in general, the high level of OOP health expenditure may be link not only to real needs, but also to the lack of knowledge of the collective contract provisions for workers or breadwinners offered by the social and health funds.

The total private ***health care*** expenditure consists of 44.746 billion euros' worth of ***OOP expenditure*** (vs. 41.500 in 2022) and of 6.509 billion euros' worth of ***health care expenditure intermediated*** by health funds, insurance companies, mutual-aid societies and other entities (vs. 6.030 billion in 2022); of the 6.509 billion euros' worth of ***intermediated health care expenditure***, 3.892 billion were paid to the complementary health funds supervised by the Ministry of Health, which are essential to ensure a healthy multi-pillar system and to expand the protection through mutuality and solidarity between private individuals (mainly workers and their families). ***Table 7.3*** provides a detailed picture of the health funds featured in the ***Registry*** of the ***Ministry of Health*** (the registration by the health funds is not compulsory, even though it is a necessary condition for their members and employers to deduct their contributions from their taxes); in this sense, the overall figure is slightly underestimated as there is no data for unregistered health funds. In 2022, the total number of members in these funds was 16,272,852, up by 6.56% from 2021 and even more with respect to 2020 (an anomalous and out-of-scale figure); the Registry no longer provides the data broken down by employed workers, self-employed workers, dependents, and pensioners with their family members. Their number is really very high, far greater than that of complementary pension funds[3] .

[2] Observatory on the propensity of Italians to buy and use generic drugs, 2024 edition https://www.egualia.it/it/component/edocman/3347-indagine-swgosserswg-osservatorio-sulla-propensione-degli-italiani-ad-acquistare-e-utilizzare-farmaci-equivalenti-ed-2024/viewdocument/3347.html?Itemid=0. 72% of the people in the survey are also well informed about generic drugs, stating that they have heard about them from their pharmacist (58%) or doctor (41%); 83% of them know that generic drugs contain the same active ingredients as brand-name medicines; 69% are aware that that they contain the same amount of the active principles, but for almost a quarter of the people in the sample generic and equivalent drugs are not the same thing, and nearly 30% of respondents continue to have doubts about whether they have the same efficacy. When they buy medicinal products, nearly two out of three Italians (64%) comply with their doctor's prescriptions, especially the over-64s and residents of the Northeast part of Italy, but they also rely on the pharmacist's directions (23%), especially young people. Twenty percent of respondents say that the doctor only prescribes brand-name drugs; 36% report that their doctor indicates the active ingredients and the brand-name drugs; only 31% state that their doctor indicates only the active ingredients, leaving the patient to choose between generic and brand-name drugs. However, 47% of the people in the sample say they are inclined to buy an equivalent drug, 34% the drug recommended by the doctor or pharmacist, and 19% the brand-name drug.

[3] In terms of total contributions paid, the first place in the ranking is occupied by FASI (the health fund for industrial corporate executives) with about 457 million, followed by Fondo Est (workers and employers of retail and service companies associated to Confcommercio) with 344.46 million, while in third place there is Meta Salute (the health fund for the metalworking sector and others) close to 230 million; followed by the Intesa Sanpaolo Group Health Fund and Fasdac, the fund for executives of retail and service companies. in the fourth and fifth place, respectively. The top 5 funds account for about 47.75% of the sample.

The ***legal status*** of most healthcare funds is as follows: 79.7% of them are of non-recognized associations under former Art. 36 of the Civil Code; 16.5% are mutual aid societies (non-profit organizations that pursue general interest purposes by exclusively carrying out social and health care activities in favour of their members and their cohabiting family members (Act no. 3818 of April 15, 1886); 2.2% are associations recognized under Art. 12 et seq. of the Civil Code; and 1.6% are foundations (Article 14 et seq. of the Civil Code). On the other hand, in 2023 and presumably in 2024, there was still no systematic regulation on supplementary (or, better, complementary) health care, without an ad-hoc framework law and a supervisory body, with all the limitations and risks for beneficiaries and for the entire second and third-pillar health-related welfare system.

Table 7.3 - Number of funds in the Registry of Health Funds, membership and general amount of benefits[4]

Year of registration	Fiscal year	Registered funds	Type A	Type B	Total membership	General amount	Partial amount (20%) *	Partial amount/ general amount
2011	2010	255	47	208	3,312,474	1,614,346,536	491,930,591	30.47%
2012	2011	265	43	222	5,146,633	1,740,979,656	536,486,403	30.82%
2013	2012	276	3	273	5,831,943	1,913,519,375	603,220,611	31.52%
2014	2013	290	4	286	6,914,401	2,111,781,242	690,943,897	32.72%
2015	2014	300	7	293	7,493,824	2,159,885,997	682,525,987	31.60%
2016	2015	305	8	297	9,154,492	2,243,458,570	695,336,328	30.99%
2017	2016	322	9	313	10,616,405	2,329,791,397	755,068,420	32.41%
2018	2017	311	9	302	12,572,906	2,372,099,622	755,357,621	31.84%
2019	2018	313	9	304	14,099,180	2,719,486,779	877,427,824	32.26%
2020	2019	318	12	306	14,715,200	2,828,696,190	927,820,736	32.80%
2021	2020	327	11	316	16,012,199	2,783,464,997	929,880,609	33.41%
2022	2021	334	13	321	15,270,648	3,086,053,227	1,017,864,548	32.98%
2023	2022	324	13	311	16,272,852	3,243,378,706	1,069,353,184	32.97%

Source: Registry of Health Funds, Ministry of Health. * Extra LEA benefits that must be equal to at least 20% of total benefits under the law.

Private intermediated health expenditure (health funds and insurance companies)

The costs borne by households in Italy for supplementary health funds and for health insurance premiums amounted to **6.509 billion euros** in 2023, with a 60.3% increase compared to 2014 (4.06 billion).

This figure was obtained by adding ***2/3*** of the premiums from ***non-life/health insurance lines of business*** to the costs for the health funds in the Registry of the Ministry of Health**,** which amounted to 2.617 billion in 2023; a conservative figure to avoid duplications, since part of these items may be related to the contributions paid to health funds that are reinsured in whole or in part by insurance

[4] For more details, see the XI Report on the Italian Institutional Investors drafted by the Itinerari Previdenziali Study and Research Centre, which can be consulted free of charge at the following link: https://www.itinerariprevidenziali.it/site/home/biblioteca/pubblicazioni/undicesimo-report-sugli-investitori-istituzionali-italiani.html.

companies. Then, we calculated the tax incentives to obtain the net out-of-pocket expenditure for individuals and households[5] .

In order to calculate the total tax benefits related to intermediated expenditure, we have adopted the following methodology: of the 6.5 billion euros' worth of intermediated expenditure, **3.25 billion** were intermediated by supplementary health funds, which can be fully deducted by employed workers; instead, the remaining **3.25 billion** were intermediated partly by health funds mainly for self-employed workers (free-lancers, self-employed professionals or non-dependent family members) who are entitled only to a 19% deduction or to insurance policies (individual and collective policies) which feature a **19% *tax rebate***, if any. Obviously, this classification is not actually so rigid and many non-life policies cannot even be deducted. Therefore, the cost incurred by the Treasury for the deductible tax benefits granted to members of some health funds has been calculated considering an average personal income tax rate of 17% for 87% of beneficiaries and of 40% for the remaining 13%, so **649 million** out of 3.25 billion. As for the rest, if all the other members were to deduct 19% of these expenses, conservatively calculated on 80% of the **3.25 billion** related to membership in mutual aid societies or to insurance policies within the limits of the different health classes (which is unlikely because not all subjects have to pay taxes or have a taxable income to deduct this amount), the State would lose up to **494 million**, which, when added to the previous figures, leads to **1,143 million euros'** worth of total tax rebates (***Table 7.2***).

7.1.2 Private LTC expenditure

The extent of the problem: In Italy, there are about 3,860,000 elderly people who are not self-sufficient, according to the 2021 Istat Report "The Health Conditions of the Elderly Population in Italy." On average, according to this survey, 28.4% of the elderly population cannot independently carry out the basic activities of daily living such as walking, going up and down the stairs, eating, getting dressed, washing, cooking, and taking medicines, and this situation becomes worse with aging; it is a problem that affects 14.6% of the people between 65 and 74 years of age; this percentage rises to 32.5% among the 75 to 84-year-olds[6] and to 63.8% in the age group above 80. Istat again calculates that, by 2030, this non-self-sufficient elderly population will increase to 4.4 million and reach 5.4 million by 2050.

To calculate the number of ***non-self-sufficient*** people and their ***cost***, it has been estimated that, in Italy, **975,146 *non-self-sufficient subjects are cared for by caregivers*** or part-time caregivers (the rest of this burden is borne by family caregivers or volunteers), while those in residential facilities are deemed by default to be about **347,000**[7] (assuming a 4% increase with respect to 2022 and the

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[5] Tax benefits: the contributions to ***health*** funds can be deducted by employed workers registered with bilateral contractual funds up to **3,615.20 euros** per year**,** while the members of mutual aid societies can deduct a maximum of **19%** of the contributions up to a ceiling of **1,300 euros**; **health insurance policies** can be deducted at 19% with different limits depending on the type of policy: for disability policies, the ceiling is 530 euros and for non-life LTC policies, the ceiling is 1,291 euros.

[6] Out of 6.9 million people over 75, more than 2.7 million have two or more chronic diseases, severe motor and visual impairments, and severe self-sufficiency issues; 1.2 million of them lack adequate support and, about 1 million live alone or in households with other elderly people.

[7] Source: "*Welfare and health-care residential facilities*, Istat November 13, 2023. By January 1, 2022, there were 12,576 operational welfare residential facilities about 414,000 beds, 7 per 1,000 residents. According to this Report, these residential home facilities hosted a total of 356,556 subjects, 75% of whom were over 65 years of age, plus 4% with

same growth rate in 2023). In reality, these residential facilities host people who are still self-sufficient or partially self-sufficient and who stay longer than the former because they are alone or without any family care (the preferred form of care under Act no. 33 of March 23, 2023).

The gross LTC expenditure is given by the costs incurred by individuals and households for residential homes for the elderly (RSA and others) and for home care ("caregivers"), in addition to the total premiums for LTC insurance policies. In 2023, it amounted to **34.298 billion euros**, net of the caregivers' and residential home benefits provided by the State, i.e. **21.397 billion euros**[8] ***(Table 7.4).***

Table 7.4 - Gross and net LTC expenditure

Non-self-sufficiency		
Residential home care expenditure	RSA cost	8,328,720,000
Welfare expenditure	Costs for registered caregivers	14,893,092,000
Welfare expenditure	Cost for unregistered caregivers	11,075,976,000
Total before taxes		**34,297,788,000**
Amounts to be subtracted		
Caregivers' allowance		7,174,535,842
Disability pension		4,294,350,000
Regional RSA support		1,735,150,000
Total public contributions		**13,204,035,842**
Actual household expenditure net of government contributions		**21,093,752,158**
LT		
LTC and Dread Disease Branch IV		275,000,000
LTC class II non-life insurance		28,991,000
Total private net LTC expenditure		**21,397,743,158**

Since it is not possible to collect point data, this figure does not take into account other and additional expenditure items related to the material costs to meet the living requirements of those who are wholly or partially not self-sufficient, such as *home elevators, ad hoc beds, devices for the hearing impairment and other disabilities, blood pressure monitors, home automation tools and other necessary costs for patients, including housing facilities for caregivers.* In addition to the non-self-sufficiency burden borne by the state for disability pensions and caregivers' allowances and related health care expenditure (about 3% of GDP), there is no official figure about private expenditure of individuals and households for both residential home facilities and home care; moreover, it is equally

respect to the previous year. Of the more than 15,000 service facilities, those that provide health care services number 8,937, about 321,000 beds (77.5% of total beds); the facilities that mainly provide welfare services number 6,318 and have a total of 93,112 beds. The average age of people hosted in residential home facilities is 85, and only 14% of them are under 80 years of age.

[8]The cost of non-self-sufficiency is understood to be the difference between the expenditure for home and residential care and the components of expenditure disbursed by the State and by local authorities, as well as any tax deductions and allowances granted to these subjects or their loved ones.

difficult to estimate the number of registered and unregistered domestic workers or professional caregivers and also their working time which are often greatly underestimated. The only fairly reliable data are: **a)** the number of caregivers under Act no. 104/92 2019 was ***529,000*** in 2019, including 244,000 subjects employed by the public administration and 258,000 employed in the private sector; under Act no. 104/92, it is possible for workers to be absent from work up to three days per month to assist their disabled family members; **b)** the number of Italians over 65 years of age was over 13.8 million and of those over 75 years of age was 7.058,755, 11.7% of the total population; in the over 75 age group, women accounted for 60% and 50% of them lived alone and 29% lived with a companion, against 21.7% of men who lived alone and 68% of them who lived with a companion.

In order to estimate the ***costs for non-self-sufficiency***, the following model has been adopted: the average cost for the 347,000 people housed in residential homes, estimated to be 2,000 euros per month (24,000 euros per year),[9] was multiplied by the total number of caregivers to reach a total of **8.329 billion euros**.

On the other hand, as to ***home care expenditure***, there were **833, 874**[10] domestic workers in 2023, down by 7.6%, compared to 2022, that is -130,000 thousand workers, (-7.1% in 2022 vs. 2021); it is hard to explain this reduction because the number of elderly people who need care is increasing and there are no available places in residential homes (long waiting lists); this is caused by an increase in ISEE-type benefits (means testing parameters, translator's note) or linked to survivor' pensions or the cumulation of income for beneficiaries of subsidies, bonuses and the single universal child allowances (Auuf), so, back to the employment levels of 2014[11] , not a very credible figure. Of the total number of domestic workers, 49.61% were registered caregivers, i.e., 413,697 (INPS figure; instead, the number estimated by Domina was 429,426 i), down from the previous years; we have also estimated that about 100,000 domestic workers provide caregiver services for at least half of their working time; according to the latest estimates, the ***number*** of unregistered caregivers was around **46,000** compared to about 600,000[12] in previous estimates. Therefore, we have made the calculations considering the following sources of expenditure:

- the first is related to the costs incurred by Italian households for ***regularly hired*** "***caregivers."*** Estimating an average cost of about 12,000 euros per year for irregular family caregivers who replace regular ones on days off and during vacation periods, we have obtained an estimated "regular" home care expenditure of **14.9 billion euros**;
- the second is related to the costs for the full-time "***irregular caregivers"*** (461,449, according to Domina): assuming that 461,000 caregivers receive an annual salary of 24,000 euros, plus some

[9] The cost for residential home care of 2,000 euros per month on average is maintained for 2023 (2020 data); however, this figure appears to be higher according to empirical research.

[10] According to the latest Istat data on domestic work in 2023, the share of irregular workers was 54%, equal to 38.3% of irregular employment in Italy. According to the 2024 ***Assindacolf*** Report, produced with Censis and Fondazione Consulenti del Lavoro, and based on Istat data, out of 1,384,000 domestic workers, 632,000 are regular and 753,000 are irregular and the demand for regular labour is expected to decrease and irregular employment is expected to grow due to the high costs that families would have to bear.

[11] Source: INPS - Statistics in Brief: Domestic Workers, June 2024, 2023 data.

[12] According to the Domina Fifth Annual Domestic Labour Report in 2023, undeclared domestic workers accounted for around 51.8% of the total (baseline 2121) and the domestic work sector is the one with the highest rate of irregular labour.

other benefits (without calculating food and accommodation that are usually and conveniently offered by households), their cost is about **11.076 billion euros.**

The sum of the costs for residential homes and of regular and irregular ***caregivers*** results in a total gross expenditure by individuals and households on home care and residential home facilities equal to **34.298 billion euros.** The net expenditure can be obtained by eliminating these items:

a) caregivers' allowances amounting to 527.16 euros per month in 2023 for an annual total expenditure of 6,325.92 euros, provided to 1,134,149 non-self-sufficient elderly people[13] for a total amount of **7.174 billion**; it is necessary to add to these the annual amounts of benefits for disabled civilians amounting to **4.294 billion euros**;

b) regional ***vouchers*** to supplement the monthly costs for residential home care, about 10,000 euros per year on average (for about half of the 347,000 elderly subjects in residential homes, as estimated above) amounting to **1.735 billion**.

Then there are other incentives and tax rebates related, for example, to expenses for home renovation to adapt it to the needs of people with disabilities, health and mobility equipment; however, since we have not calculated these expenses in non-self-sufficiency costs, we do not consider them here. In total, the net expenditure was equal to **21.093 billion euros,** without the 13.204 billion euros*'* worth of incentives envisaged by the law; as mentioned, this phenomenon is underestimated because home care costs related to household equipment are excluded from the calculation; and the same holds true for health care, pharmaceuticals, and all the necessities for the daily living of the elderly (e.g., diapers, wheelchairs, and other equipment, which, however, are not always provided free of charge by the local health authorities and municipalities), part of which are considered OOP expenses. This figure is slightly down with respect to 2022, because INPS did not update the data on social and welfare facilities. The net expenditure must also include the LTC and Dread Disease, Branch IV premiums, amounting to **275 million** and the LTC branch II non-life premiums equal to **28.991 million**[14] for a total net health care and LTC expenditure of **21.397 billion euros.** As in 2022, there was an increase in the premiums related to Class IV policies, with an LTC component (+24% compared to 2022).

7.1.3 Complementary system

In 2023, the ***complementary system*** featured a significant growth in contributions paid by members to pension funds (+5.2%), totalling **19.178 billion**. In order to calculate net expenditure, the amount of contributions has been reduced by the maximum yearly tax rebate of **5,164.57 euros**. According to data from the tax authorities, the total amount of deductions amounted to **5.17 billion euros**. As a result, the actual complementary expenditure was equal to **14.008 billion euros *(Table 7.2*).** In detail, the complementary system featured **10.69 million** members, which went down to **9.571 million** (in vs. **9.240 million** in 2022), without considering the number of members simultaneously registered with more funds, even though the actual number of active members paying contributions was about 7 million, net of those with only contractual contributions. In particular, occupational pension funds obtained + 5.4% compared to 9.9% in 2022 over 2021, open-ended funds + 5.9%, stable compared

[13] See Chapter 5 above; out of 2,268,298 caregivers' allowances, those non-self-sufficient elderly people account for about 50%.

[14] Source, ANIA Accident and Health trends, data by June 30, 2023 for the first half of the year; since there are no data for the second half of the year, we made a projection.

to 2022, and new PIPs + 2.2% compared to + 2.4% in 2022. On average, the members of complementary pension funds are middle-aged men (over 40 years of age), mainly living in the northern, north-eastern part of Italy. The pension funds with the highest membership are occupational pension funds, followed by new PIPs. The occupational pension funds automatically apply the so-called contractual memberships to workers when they are hired, according to which, contributions are paid only by the employers; this inflates the number of members, most of whom do not pay contributions or termination of employment benefits.

The overall assets of pension funds amounted to **224 billion euros**, an increase by **9.1%** over 2022. Occupational pension funds, the second-largest pension funds with the highest amount of assets allocated to benefits (67.875 billion euros) outperformed pre-existing funds, which allocated 67.115 billion euros' worth of assets to benefits. The net worth of pension funds with respect to GDP was 11.3%, with an important margin for growth compared to OECD countries; however, in some countries, the complementary pension system is mandatory and the public pension system often provides particularly low replacement rates.

Table 7.5 – The complementary pension system at the end of 2023

	Funds	Outstanding positions		Members		Resources allocated to benefits		Contributions	
		Number	% var. 2023/22	Number	% var. 2023/22	Amount (mil.)	% var. 2023/22	Amount (mil.)	% var. 2023/22
Occupational pension funds	33	4,017,213	5.5	3,895,639	5.4	67,875	11.1	6,519	7.7
Open-end funds	40	1,950,349	5.9	1,901,771	5.9	32,619	16.3	3,057	7.4
Pre-existing funds	161	686,092	1.7	655,647	1.7	67,115	4.3	4,262	3.8
"New" PIPs	68	3,781,049	2.2	3,602,587	2.2	49,938	9.8	5,100	2.3
Total	**302**	**10,434,703**	**4.1**	**9,315,857**	**3.9**	**217,547**	**9.3**	**18,938**	**5.3**
"Old" PIPs		294,063		294,063		6.844		240	
Grand total		**10,690,199**	**3.9**	**9,571,353**	**3.7**	**224,392**	**9.1**	**19,178**	**5.2**

Source: COVIP

7.1.4 Individual welfare expenditure (accident policies)

The premiums for accident policies, which we have classified as ***Individual Welfare Expenditure***, had a slight growth with respect to 2022 figure, up to nearly **3.5 billion euros.** In the absence of accurate data, it is possible to generously apply the tax benefits under the law (19% deduction rate for a maximum of 530 euros of premiums for disability above 5%), and therefore to reduce the entire amount of gross expenditure by19%, without any limit, imagining that all premiums can be deducted and that subjects can pay their taxes; in this case, net expenditure is expected to 2.83 billion euros.

7.2 Corporate welfare

In order to provide a complete overview of the second and third pillar ***complementary welfare system***, we analyse the so-called "corporate welfare" which has often a positive impact on complementary welfare plans and in particular on pension funds, health funds, individual protection policies, and LTC policies.

Definition* -** The expression "corporate welfare***" refers to a set of "*benefits, support measures, and services provided to the employed worker in kind or in the form of refunds for socially relevant activities, and for this reason completely or partially excluded as employed income components* " (Circular no.28/E issued by the tax authorities on June 15, 2016,). These are benefits of various kinds made available to all employed workers, as a result of the company's liberality (unilateral) or of local or national agreements or collective bargaining agreements, which can reduce the so-called tax and contribution wedge for both employers and employees. These benefits are not always closely related to supplementary health care and of the complementary pension system. They can be granted in the form of meal and recreational vouchers or discounts; so, they are not all considered as true "welfare" benefits, conceptually designed to protect individuals through the most important events of their life (see Art. 38 and 52 of the Constitutional Charter) such as health, health-care, aging, complementary pensions, supplementary health funds and LTC solutions.

The ***Italian regulatory framework* -** *Corporate welfare* is recognized under Article 51 of the Framework Income Tax Law (TUIR), Act no. 197/1986; it has been progressively developed concretely implemented since 2016 (Act no. 208, December 28, 2015, Article 1, paragraphs 182-190 (2016 Stability Law), which specifically focuses on Article 51 of TUIR. The current regulatory framework is completed by Act no. 232, Article 1, paragraphs 160-162, of December 11, 2016 (2017 Budget Law), Act no. 205, paragraphs 28 and 161, of December 27, 2017 (2018 Budget Law), and Article 55 of Law Decree no. 50/2017 (on productivity bonuses and incentives for companies that equally involve workers in the organization of work). In contrast, the 2019, 2020, and 2021 Budget Laws did not envisage any new provisions on corporate welfare. The only regulatory change came under Article 12 of Law Decree no. 115/2022 (the Aiuti bis Decree) regarding fringe benefits; under these provisions, the amounts paid by the employer to employees, exempt from the payment of social contributions and taxes under Article 51, paragraph 3, of TUIR up to 258.23 euros, were raised to 600 euros in 2022 and simply and directly granted in the form of refund for water, electricity and gas bill expenses.

Finally, the 2024 Budget Law (Act no. 213/2023) provides for something new about corporate welfare, as aptly illustrated by the Circular 5/E issued on March 7, 2024 by the tax authorities. This Circular reports that, among the new features, tax-free "bonuses" include not only the amounts granted by employers to employees to pay for household utilities, but also those related to rents and interest rates on the mortgage loans for the main home. The 258.23-euro tax exemption ceiling for goods and services is set at 1,000 euros, with a further increase to 2,000 euros for employed workers with dependent children. In addition, as an exception to Article 51 of TUIR, under this Budget Law, the goods and services provided and the sums disbursed or reimbursed to employees are not added to their income, up to the limit of 1,000 euros. This cap is raised up to 2,000 euros if the employed worker has dependent children. Fringe benefits may include not only sums to pay for household utilities (electricity, water and gas), but also those for rents or interest rates on the mortgage loans for of the employed worker’s main home, even if the lease or mortgage is in the name of his or her spouse or of another family member.

As to the strict concept of "corporate welfare" (i.e., related to true "welfare" benefits) and thus to the benefits provided for supplementary health care or for the complementary pension system, the Circular no. 5/E issued by the tax authorities on March 29, 2018 clarified some provisions of the above-mentioned legislation:

- the performance bonuses linked to complementary pension plans (replaced by contributions to the complementary pension system under the 2017 legislation) ***are not subject to taxation*** even if said contributions exceed the income deduction ceiling of 5.164,57 provided for under Article 8, paragraphs 4 and 6, of Legislative Decree no. 252 of 2005 (this limit was increased only for the first five years of contributions, by an amount not exceeding 2,582.29 euros for workers when they are employed for the first time). Therefore, the contributions to complementary pension funds granted instead of performance bonus are excluded from the calculation of the worker's total income for an amount of 8,164.57 euros, which can be added to the deduction limit of 5,164.57 euros (increased as for first-time workers);
- the performance bonuses can be replaced by contributions paid to health funds with an exclusively welfare purpose (supplementary health care), since there are no critical issues if these funds operate in line with the mutuality principles. The matter is different if there is, for each member/employee, a close correlation between what is received by the fund by way of contributions and the amount of benefits provided to the employee, or to his or her family members and cohabitants; in fact, the amount of health benefits provided in the form of direct benefits or refunding of expenses must never exceed the amount of the contributions paid by the employee or by his or her employer. In such a case, the employee is not eligible for the tax incentive.

The Legislator could adjust the tax benefits, rewarding the welfare plans that are more closely related to the complementary pension system (precisely related to the above-mentioned domains: pension, health and welfare benefits).

Limitations of the Italian model **–** In the area of "corporate welfare" linked to productivity bonuses, the bureaucratic process to be entitled to a bonus and to its tax benefits is very complex and requires the involvement of trade union and employer representatives, which are often absent in small and medium-sized companies, the majority of Italian businesses; moreover, this hampers the use of this tool compared to its actual potential, especially in terms of tax wedge reduction. The other limitation is the ex-post verification by the tax authorities; in fact, they may find some irregularities in the complex procedure or the failure to formally comply with the many tax rules and could then demand workers and companies to return these benefits with the risk for employers to be exposed to criminal proceedings. The example of the aforementioned "Auti bis Decree" is the ideal solution given its clear and incontrovertible rationale and its streamlined and very fast decision-making process; it should also apply to food and transportation vouchers, thus reducing the tax and contribution wedge without a major burden for the State and boosting corporate welfare and the number of workers and companies involved. Especially in a country like Italy, that is characterised by a very high number of small and very small production and service enterprises, the entire community-based welfare system could be streamlined through agreements between business associations. Corporate and community-based welfare, together with the complementary system described above, can make up a new social security model based on different levels of action and on a good public-private integration, also in view of the funds of the National Recovery and Resilience Plan (PNRR), significantly oriented to community support and the synergy between the state, local authorities and private individuals. In this connection, a synergic role can also be played by other welfare players, such as banking foundations, which have always been active in community-based welfare, and the privatized schemes for professionals pursuant to Legislative Decrees no. 509/1994 and no. 103/1996.

<u>Corporate welfare data</u>

The level of implementation of corporate welfare is shown by the data of the Ministry of Labour (see the Report of March 15, 2024); this Report indicates that of the **10,637** active contracts, **8,479** include productivity targets, **6.591** profitability targets and **5,343** quality goals, while **1,099** provide for a participation plan and **6,382** for corporate welfare measures. Of these, 4,000 include corporate welfare measures. Corporate welfare plans are envisaged for **1,578,222** workers for an average amount of 1,655 euros.

According got the AIWA surveys, around 30% of workers opt for a welfare bonus instead of a monetary bonus, i.e. about **473,500 *workers*** who obtain welfare benefits from their productivity bonus; in addition to these, there are also workers whose employment relationship is regulated by national collective agreements that provide for mandatory welfare benefits, including corporate welfare benefits, on average not very generous, less than 250 euros, usually in the form of shopping or fuel vouchers. According to the INPS and CNEL data on the application of these national collective contracts, it is possible to estimate the involvement of just under 3 million workers and more than 300,000 companies. Instead, as to the so-called on top welfare plans, (independent of and beyond the fixed and variable salary, as a free donation by the company or as a trade union agreement), the survey carried out by Secondo Welfare on AIWA members revealed that, in 2019, the number of companies involved was equal to 4,600, for a total of over 600,000 workers who receive an average amount of around 900 euros. Based on this data and taking into account the fact that it is not possible to add up the number of workers involved since an individual employee may receive all the three forms of welfare benefits, AIWA estimates that the economic value of corporate welfare market, net of supplementary health care and complementary pension plans managed by national contracts, reaches 1**.924 billion euros**[15]**.**

[15] See “Ragioni, finalità, ed evoluzione del welfare aziendale: spunti dalla esperienza” ("Rational, purposes, and evolution of corporate welfare: insights from experience") by Emmanuele Massagli in “Welfare negoziale e nuovi bisogni. Tradizione ed emergenza” ("Contractual welfare and new requirements. Tradition and Emergence") edited by Guido Canavesi and Edoardo Ales, published by Editoriale Scientifica in 2019.

Main statistical tables

Table 1a - Contribution revenues, pension expenditure and welfare supplementary benefits (millions of euros)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Lavoratori dipendenti privati (a)																		
- contributi	96.960,3	102.908,4	111.085,9	111.098,9	112.369,0	115.205,8	117.037,3	116.418,9	115.880,9	117.099,2	121.193,0	123.792,0	126.622,4	130.113,1	116.240,9	126.899,0	137.517,2	144.782,6
- prestazioni	99.417,2	102.837,0	106.766,9	110.359,8	112.541,2	114.881,1	117.771,7	119.259,1	119.494,1	118.976,0	118.973,9	120.123,9	122.172,2	123.772,5	124.904,6	125.044,1	129.916,1	140.596,7
- saldi	-2.456,9	71,4	4.319,0	739,2	-172,1	324,7	-734,4	-2.840,2	-3.613,3	-1.876,8	2.219,1	3.668,1	4.450,2	6.340,6	-8.663,7	1.854,9	7.601,1	4.185,8
2. Lavoratori dipendenti pubblici																		
- contributi (2)	39.769,1	38.610,9	41.713,2	41.533,0	41.522,3	40.773,8	39.251,4	38.246,4	38.164,1	37.890,8	38.277,2	38.283,4	40.113,6	39.886,7	40.141,8	41.102,0	42.731,2	44.342,2
- prestazioni (3)	48.107,1	50.636,4	53.079,0	55.938,3	58.401,9	60.631,4	63.015,0	64.304,1	65.039,4	66.871,3	67.620,8	68.700,4	70.691,4	73.533,0	76.569,2	78.580,8	82.336,2	88.364,0
- saldi	-8.338,0	-12.025,5	-11.365,8	-14.405,3	-16.879,6	-19.857,6	-23.763,6	-26.057,7	-26.875,3	-28.980,5	-29.343,5	-30.417,0	-30.577,8	-33.646,2	-36.427,4	-37.478,7	-39.605,1	-44.021,8
3. Lavoratori autonomi																		
3.1. Artigiani																		
- contributi	6.450,2	7.722,0	7.975,7	7.918,4	7.386,6	7.619,7	8.094,8	8.089,9	8.198,2	8.203,3	8.442,5	8.495,1	8.241,3	8.468,8	8.319,1	8.119,7	9.464,0	10.214,6
- prestazioni	8.534,6	9.109,2	9.659,5	10.235,0	10.655,9	11.050,0	11.298,6	11.709,7	11.739,4	11.849,3	11.732,6	11.708,3	11.940,1	11.673,1	11.717,4	12.062,3	12.013,0	13.284,7
- saldi	-2.084,3	-1.387,2	-1.683,8	-2.316,7	-3.269,3	-3.430,3	-3.203,8	-3.619,8	-3.541,2	-3.646,1	-3.290,1	-3.213,1	-3.698,8	-3.204,3	-3.398,3	-3.942,6	-2.549,0	-3.070,1
3.2.Commercianti																		
- contributi	7.092,9	8.188,5	8.480,6	8.648,6	8.480,0	9.128,7	9.677,1	9.908,8	10.147,0	10.311,7	10.726,9	10.905,9	10.588,2	10.884,5	10.679,9	10.764,4	11.815,4	12.641,9
- prestazioni	7.005,4	7.472,0	7.867,8	8.295,9	8.602,0	8.929,5	9.312,7	9.528,8	9.626,0	9.712,8	9.696,7	9.688,6	9.936,0	10.004,8	10.072,7	10.110,8	10.498,3	11.487,9
- saldi	87,5	716,5	612,8	352,8	-122,1	199,2	364,5	380,1	521,0	599,0	1.030,2	1.217,2	652,2	879,7	607,2	653,6	1.317,2	1.154,0
3.2. Coltiv.diretti, coloni e mezzadri																		
- contributi	1.025,0	1.006,3	1.012,7	1.036,5	1.054,0	1.067,1	1.129,4	1.161,7	1.212,8	1.222,5	1.248,5	1.272,2	1.307,8	1.322,4	1.315,0	1.319,9	1.266,0	1.255,1
- prestazioni	3.380,0	3.511,0	3.475,5	3.335,8	3.834,5	3.965,7	4.532,9	4.277,2	4.359,2	4.355,5	4.060,9	3.969,2	3.826,1	3.702,5	3.445,1	3.869,4	3.470,5	2.934,0
- saldi	-2.355,1	-2.504,6	-2.462,8	-2.299,4	-2.780,6	-2.898,6	-3.403,4	-3.115,5	-3.146,4	-3.132,9	-2.812,4	-2.697,0	-2.518,4	-2.380,0	-2.130,0	-2.549,4	-2.204,6	-1.679,0
4. Liberi professionisti (b)																		
- contributi	4.665,1	4.980,5	5.275,3	5.590,5	5.916,7	6.376,6	6.697,4	7.155,4	7.317,6	7.557,3	7.996,2	8.236,1	8.542,0	8.883,7	9.214,5	9.434,4	10.475,2	11.287,0
- prestazioni	2.544,0	2.691,3	2.841,8	2.998,8	3.138,3	3.280,8	3.515,4	3.753,2	3.961,6	4.121,1	4.301,8	4.475,4	4.702,7	5.036,9	5.337,8	5.742,0	6.215,8	6.968,8
- saldi	2.121,1	2.289,2	2.433,5	2.591,7	2.778,5	3.095,8	3.182,0	3.402,2	3.356,1	3.436,3	3.694,3	3.760,7	3.839,3	3.846,8	3.876,7	3.692,5	4.259,3	4.318,2
5. Fondo clero																		
- contributi	29,70	31,01	30,94	31,77	32,48	31,40	32,60	33,15	32,88	31,23	30,83	30,64	30,37	31,15	31,03	31,19	31,29	31,66
- prestazioni *(h)*	88,83	93,20	95,86	99,22	98,85	99,07	99,78	103,16	102,16	101,60	99,75	96,50	95,43	90,62	73,86	71,11	71,26	73,68
- saldi	-59,13	-62,20	-64,92	-67,45	-66,37	-67,67	-67,17	-70,01	-69,28	-70,36	-68,92	-65,86	-65,06	-59,46	-42,83	-39,92	-39,97	-42,02
6. Gestione lavoratori parasubordinati (c)																		
- contributi	4.559,4	6.214,7	6.569,8	6.588,9	8.117,1	6.922,5	7.550,5	7.327,1	7.568,3	7.908,4	7.445,4	7.654,2	8.090,4	8.572,1	8.167,4	9.217,0	10.229,4	10.702,6
- prestazioni	116,4	174,0	235,8	302,5	384,9	456,8	467,0	553,9	625,0	711,2	806,0	865,8	1.003,8	1.180,8	1.348,3	1.517,3	1.752,2	2.075,4
- saldi	4.443,0	6.040,7	6.334,0	6.286,4	7.732,3	6.465,7	7.083,4	6.773,2	6.943,3	7.197,2	6.639,4	6.788,5	7.086,6	7.391,3	6.819,2	7.699,7	8.477,1	8.627,2
7. Tot. Integrativi (d)																		
- contributi	859,1	861,2	868,3	836,5	891,7	892,1	936,9	1.022,1	1.069,1	1.110,3	1.161,9	1.172,2	1.214,0	1.235,9	1.290,0	1.376,6	1.412,5	1.428,1
- prestazioni	1.016,4	1.016,3	1.012,7	1.024,9	1.027,2	1.084,9	1.104,4	1.137,0	1.165,1	1.198,2	1.211,1	1.214,5	1.231,2	1.260,6	1.266,6	1.273,0	1.305,1	1.322,1
- saldi	-157,3	-155,1	-144,4	-188,4	-135,5	-192,8	-167,4	-114,9	-96,0	-87,9	-49,2	-42,3	-17,2	-24,7	23,4	103,5	107,4	106,0
TOTALE GESTIONI PENSIONISTICHE																		
- contributi	161.410,9	170.523,5	183.012,4	183.283,0	185.770,0	188.017,7	190.407,5	189.363,4	189.591,0	191.334,9	196.522,4	199.841,7	204.750,1	209.398,4	195.399,7	208.264,3	224.942,1	236.685,7
- prestazioni	170.210,1	177.540,4	185.034,8	192.590,2	198.684,7	204.379,3	211.117,4	214.626,1	216.112,0	217.896,9	218.503,6	220.842,5	225.599,1	230.254,8	234.735,5	238.270,6	247.578,6	267.107,5
- saldi	-8.799,2	-7.016,9	-2.022,4	-9.307,2	-12.914,8	-16.361,6	-20.709,9	-25.262,7	-26.521,0	-26.562,0	-21.981,2	-21.000,9	-20.849,0	-20.856,4	-39.335,8	-30.006,4	-22.636,4	-30.421,8
Quota Gias per le gestioni pensionistiche (4) (5)	30.912,5	31.766,1	32.626,0	32.782,0	33.576,8	33.704,9	31.779,9	33.292,1	33.356,0	36.044,8	35.227,7	35.582,6	35.824,1	37.779,4	39.993,6	40.228,4	41.829,9	43.829,3
SPESA PENSIONISTICA	201.122,6	209.306,5	217.660,9	225.372,2	232.261,5	238.084,2	242.897,4	247.918,2	249.468,0	253.941,7	253.731,3	256.425,1	261.423,2	268.034,2	274.729,1	278.499,0	289.408,5	310.936,8
Spesa pensionistica in % del PIL																		
- al lordo Gias	12,95	12,96	13,29	14,29	14,41	14,44	14,95	15,37	15,33	15,34	14,96	14,77	14,76	14,92	16,58	15,12	14,49	14,61
- al netto Gias	10,96	10,99	11,30	12,21	12,33	12,40	13,00	13,31	13,28	13,16	12,89	12,72	12,74	12,82	14,17	12,93	12,40	12,55

Private sector employees (a): contributions, benefits, balance; 2. Public sector employees: contributions (2), benefits (3), balance; 3. Self-employed workers; 3.1 Artisans and Retailers: contributions, benefits, balance; 3.2 Farmers, tenant farmers and sharecroppers: contributions, benefits, balance; 4. Professionals (b): contributions, benefits, balance; 5. Clergy fund: contributions, benefits,balance; 6. Atypical workers (c): contributions, benefits, balance; 7. Total supplementary benefits (d): contributions, benefits, balance - TOTAL PENSION SCHEMES: contributions, benefits, balance – GIAS transfers to pension schemes (4) and (5) - PENSION EXPENDITURE: Pension expenditure as a % of GDP: before GIAS; after GIAS

(1) Pension benefits (excluding welfare benefits such as: social pensions and allowances, veterans' pensions, disability pensions and carers' allowance) and assistance (fourteenth month, social increments, social card) as well as indemnities paid by INAIL. The contribution revenues of pension schemes include the State transfers from GIAS, GPT and the Regions (very low sums) to pay for contributions and contribution rebates and incentives that amounted to 15,613 million in 2011, to 18,085 million in 2012, up vs. the previous years, to 17,453 million for 2013, to 16,791 million for 2014, to 15,032.36 million for 2015, to 15.276,60 million for 2016, to 14.362,88 million for 2017, 13.988,25 million for 2018 (see text), 14.531,05 million for 2019, 10.304,36 million for 2020, 11.496,22 for 2021, 11.496,22 million for 2022 and 12.059,51 milioni di euro for 2023. (2) Benefit expenditure is net of transfers from the State (GIAS) or from their entities. (2) It excludes the additional contribution paid by the State as under Act 335/95 mainly for the fund of public employees, equal to 44 million in 1995, to 4,719 million in 1996, to 5,538 million in 1997, to 6,876 million in 1998, to 8,227 million in 2000, to 8,671 million in 2001, to 9,153 million in 2002, to 8,789 in 2003, to 8,833 in 2004, to 8,447 million in 2005, to 9,147 million in 2006, to 10,089 million in 2007, to 8,532 million in 2008, to 9.104 million in 2009, to 9,700 in 2010, to 10,350 million in 2011, to 10,500 in 2012, to 10,600 in 2014 and to 10,800 in 2015, 10,800 in 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023. (3) In 2021, the benefits provided to public employees amount to 78,851 million of which 14,900 are transferred through GIAS (former art. 2 par. 4 of Act 183/2011). In order to be consistent with the historical series of the previous years, the 2021 benefits include 9,355.25 million euros' worth of GIAS transfers (this was paid by the State in the past while, under the new INPS system, it is classified as GIAS). Therefore the real amount of benefits paid by this scheme amounts to 71.573 million euros. (4) The total GIAS benefit transfers (43.829 million euros) has to be integrated with the GIAS amount analysed in note 3). Therefore, the total value of GIAS amounts to 60.620 million (43.829 + 16.791). (5) The main GIAS welfare interventions are mainly allocated to early retirement, to the "share" established under art. 37 of Act 88/1989, to yearly benefits and to disability pensions before Act 222/1984. This last item derives from the new configuration of pension and welfare expenditure as provided for under art.59 Act 449/1997. The GIAS disaggregated data are analysed in Chapter 3. (a) Private sector employees include members of FPLD, ENPALS, IPOST, and INPGI substitutive fund and of all the special funds indicated in tables B30 and B31, but not members of the Clergy fund. (b) This item includes all schemes as provided for under Leg. Decrees 509/1995 and 103/1994, except for INPGI substitutive fund and ENASARCO (see tables 1b, 1c, 1d) and it does not include the following schemes: FASC (haulers and shippers), ENPAIA (agricultural workers) and ONAOSI (orphans of medical personnel). (c) it was founded in March 1996 (d) it includes all the INPS supplementary funds (gas sector, tax collectors, miners, dissolved entities, Trieste port) and the ones linked to the 509 funds (ENAPIA, FASC and ENASARCO).

Table 2.a - Revenues/expenditure balance and its weight on pension expenditure (1)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Lavoratori dipendenti privati	-2,47	0,07	4,05	0,67	-0,15	0,28	-0,62	-2,38	-3,02	-1,58	1,87	3,05	3,64	5,12	-6,94	1,48	5,85	4,85
2. Lavoratori dipendenti pubblici	-17,33	-23,75	-21,41	-25,75	-28,90	-32,75	-37,71	-40,52	-41,32	-43,34	-43,39	-44,27	-43,26	-45,76	-47,57	-47,69	-48,10	-49,82
3.1. Artigiani	-24,42	-15,23	-17,43	-22,63	-30,68	-31,04	-28,36	-30,91	-30,17	-30,77	-28,04	-27,44	-30,98	-27,45	-29,00	-32,69	-21,22	-18,72
3.2. Commercianti	1,25	9,59	7,79	4,25	-1,42	2,23	3,91	3,99	5,41	6,17	10,62	12,56	6,56	8,79	6,03	6,46	12,55	15,61
3.2. Coltiv.diretti, coloni e mezzadri	-69,68	-71,34	-70,86	-68,93	-72,51	-73,09	-75,08	-72,84	-72,18	-71,93	-69,26	-67,95	-65,82	-64,28	-61,83	-65,89	-63,52	-43,35
4. Liberi professionisti	83,38	85,06	85,63	86,42	88,54	94,36	90,52	90,65	84,72	83,38	85,88	84,03	81,64	76,37	72,63	64,31	68,52	61,96
5. Fondo clero	-66,56	-66,73	-67,73	-67,98	-67,14	-68,31	-67,32	-67,86	-67,82	-69,26	-69,09	-68,25	-68,18	-65,62	-57,99	-56,13	-56,10	-56,90
6. Lavoratori Parasubordinati	3815,43	3472,11	2686,00	2078,45	2009,08	1415,51	1516,77	1222,85	1110,96	1011,97	823,78	784,09	705,95	625,95	505,76	507,48	483,79	415,69
7. Totale Integrativi	-15,48	-15,26	-14,26	-18,38	-13,19	-17,77	-15,16	-10,11	-8,24	-7,33	-4,06	-3,49	-1,40	-1,96	1,85	8,13	8,23	8,05
TOTALE GESTIONI PENSIONISTICHE	-5,17	-3,95	-1,09	-4,83	-6,50	-8,01	-9,81	-11,77	-12,27	-12,19	-10,06	-9,51	-9,24	-9,06	-16,76	-12,59	-9,14	-9,87

(1) Vedasi note in tab.1.a

1. Private sector employees 2. Public sector employees 3.1. Artisans and Retailers 3.2. Farmers, tenant farmers and sharecroppers 4. Professionals 5. Clergy fund 6. Atypical workers 7. Total supplementary benefits. Total (1) *See note in Table 1a*

Table 3a - Contribution revenues/pension expenditure ratios (%) (1)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Lavoratori dipendenti privati	97,53	100,07	104,05	100,67	99,85	100,28	99,38	97,62	96,98	98,42	101,87	103,05	103,64	105,12	93,06	101,48	105,85	104,85
2. Lavoratori dipendenti pubblici	82,67	76,25	78,59	74,25	71,10	67,25	62,29	59,48	58,68	56,66	56,61	55,73	56,74	54,24	52,43	52,31	51,90	50,18
3.1. Artigiani	75,58	84,77	82,57	77,37	69,32	68,96	71,64	69,09	69,83	69,23	71,96	72,56	69,02	72,55	71,00	67,31	78,78	81,28
3.2. Commercianti	101,25	109,59	107,79	104,25	98,58	102,23	103,91	103,99	105,41	106,17	110,62	112,56	106,56	108,79	106,03	106,46	112,55	115,61
3.2. Coltiv.diretti, coloni e mezzadri	30,32	28,66	29,14	31,07	27,49	26,91	24,92	27,16	27,82	28,07	30,74	32,05	34,18	35,72	38,17	34,11	36,48	56,65
4. Liberi professionisti	183,38	185,06	185,63	186,42	188,54	194,36	190,52	190,65	184,72	183,38	185,88	184,03	181,64	176,37	172,63	164,31	168,52	161,96
5. Fondo clero	33,44	33,27	32,27	32,02	32,86	31,69	32,68	32,14	32,18	30,74	30,91	31,75	31,82	34,38	42,01	43,87	43,90	43,10
6. Lavoratori Parasubordinati	3.915,43	3.572,11	2.786,00	2.178,45	2.109,08	1.515,51	1.616,77	1.322,85	1.210,96	1.111,97	923,78	884,09	805,95	725,95	605,76	607,48	583,79	515,69
7. Totale Integrativi	84,52	84,74	85,74	81,62	86,81	82,23	84,84	89,89	91,76	92,67	95,94	96,51	98,60	98,04	101,85	108,13	108,23	108,05
TOTALE GESTIONI PENSIONISTICHE	94,83	96,05	98,91	95,17	93,50	91,99	90,19	88,23	87,73	87,81	89,94	90,49	90,76	90,94	83,24	87,41	90,86	90,13

(1) Vedasi note in tab.1.a

1. Private sector employees 2. Public sector employees 3.1. Artisans and Retailers 3.2. Farmers, tenant farmers and sharecroppers 4. Professionals 5. Clergy fund 6. Atypical workers 7. Total supplementary benefits. Total (1) *See note in Table 1a*

Table 4.a - Number of contributors, number of pensions, average contributions and average pensions

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
NUMERO CONTRIBUENTI (mgl)																		
Lavoratori dipendenti privati (1)	13.070,3	13.307,8	13.443,0	13.289,8	13.101,5	13.678,6	13.671,0	13.460,0	13.436,7	14.169,1	13.798,6	14.260,9	14.265,7	14.551,2	14.213,5	14.650,2	15.370,1	15.801,4
Lavoratori dipendenti pubblici	3.412,0	3.384,0	3.360,0	3.333,8	3.292,1	3.233,5	3.104,0	3.039,5	3.225,6	3.252,3	3.305,0	3.272,2	3.337,5	3.301,0	3.305,8	3.318,0	3.339,4	3.353,5
Artigiani	1.881,5	1.893,7	1.902,0	1.889,7	1.856,0	1.849,8	1.817,9	1.772,7	1.736,1	1.688,7	1.661,6	1.631,9	1.590,1	1.552,8	1.530,1	1.522,2	1.502,0	1.415,2
Commercianti	1.992,3	2.023,3	2.044,2	2.085,6	2.081,1	2.156,7	2.178,3	2.193,1	2.172,8	2.160,1	2.151,2	2.131,9	2.089,7	2.044,0	2.020,0	2.022,0	1.999,0	1.963,0
Coltiv.diretti, coloni e mezzadri	519,1	500,3	486,5	477,0	469,9	463,3	459,8	457,3	453,1	448,4	446,9	445,3	451,2	444,9	434,2	436,2	431,5	421,7
Liberi professionisti (2)	996,1	1.025,6	1.058,8	1.089,8	1.124,1	1.145,1	1.169,3	1.199,4	1.262,1	1.285,9	1.295,7	1.303,9	1.306,7	1.318,2	1.326,0	1.333,1	1.329,9	1.327,6
di cui Medici (b)	332,8	337,8	342,3	346,3	348,8	353,2	354,6	355,0	356,4	360,8	362,4	363,7	366,1	371,5	375,4	373,4	371,0	368,0
Fondo clero	19,6	19,9	20,0	19,7	20,0	19,5	19,6	19,4	18,9	18,0	17,9	17,9	17,9	17,9	17,8	17,8	18,4	17,8
Lavoratori Parasubordinati	1.789,0	1.808,0	1.821,0	1.730,0	1.709,0	1.741,0	1.707,0	1.563,0	1.526,0	1.441,0	1.249,0	1.247,0	1.303,0	1.330,0	1.326,0	1.408,0	1.542,0	1.592,0
Totale Integrativi	295,7	293,6	288,8	279,6	315,8	310,9	305,4	337,2	340,8	327,0	322,9	319,3	321,8	313,2	303,0	305,8	307,4	303,7
NUMERO PENSIONI (mgl) (8)																		
Lavoratori dipendenti privati	10.573,1	10.521,1	10.449,0	10.337,2	10.221,8	10.085,7	9.894,9	9.707,7	9.563,0	9.399,9	9.226,7	9.094,0	8.946,9	8.842,0	8.735,2	8.646,1	8.532,2	8.439,4
Lavoratori dipendenti pubblici	2.539,5	2.612,1	2.648,1	2.690,5	2.738,6	2.784,8	2.812,8	2.812,6	2.838,8	2.863,7	2.890,9	2.875,4	2.917,1	2.998,8	3.056,5	3.105,2	3.125,1	3.158,4
Artigiani	1.459,9	1.512,8	1.541,1	1.568,6	1.597,2	1.618,3	1.624,4	1.639,5	1.645,9	1.661,2	1.666,2	1.686,5	1.707,2	1.726,5	1.741,2	1.760,1	1.775,3	1.792,6
Commercianti	1.269,3	1.312,2	1.330,7	1.344,7	1.374,8	1.378,1	1.381,3	1.389,7	1.389,4	1.393,3	1.389,8	1.400,9	1.413,6	1.433,2	1.448,2	1.459,4	1.472,8	1.498,6
Coltiv.diretti, coloni e mezzadri	1.905,4	1.890,9	1.848,4	1.805,0	1.772,3	1.728,8	1.677,8	1.633,0	1.586,6	1.536,4	1.487,7	1.441,4	1.398,9	1.356,3	1.311,5	1.268,5	1.225,1	1.189,1
Liberi professionisti (2)	253,5	262,8	269,5	275,9	282,8	294,7	311,4	325,4	342,6	353,5	366,4	381,5	397,1	420,4	439,7	473,9	504,4	535,1
di cui Medici (a)	141,4	146,5	148,8	152,3	156,1	162,4	173,4	179,3	185,1	191,5	198,4	209,1	218,4	234,8	247,6	273,7	296,7	318,9
Fondo clero	14,7	14,8	14,6	14,6	14,5	14,3	14,1	13,9	13,8	13,5	13,2	12,9	12,6	12,2	11,9	11,4	11,1	10,9
Lavoratori Parasubordinati	120,1	157,9	184,5	208,3	232,2	256,4	275,9	301,8	331,1	361,2	386,5	419,4	449,0	472,4	498,1	526,0	553,6	586,5
Totale Integrativi	154,4	153,7	152,3	151,5	150,4	138,5	140,2	157,5	159,1	161,0	162,0	159,5	160,4	160,5	160,0	162,5	164,4	166,3
CONTRIBUZIONE MEDIA (€) (3)																		
Lavoratori dipendenti privati	6.559,4	6.946,1	7.402,5	7.202,2	7.405,7	7.313,3	7.272,2	7.417,2	7.419,1	7.250,4	7.763,3	7.725,5	7.968,6	8.024,0	7.539,5	7.975,0	8.289,5	8.485,5
Lavoratori dipendenti pubblici	11.655,7	11.409,8	12.414,7	12.458,1	12.612,7	12.609,6	12.645,3	12.583,0	11.831,5	11.650,5	11.581,6	11.699,6	12.019,1	12.083,2	12.111,2	12.350,0	12.753,7	13.192,6
Artigiani	3.406,1	4.055,5	4.169,9	4.166,7	3.955,4	4.080,5	4.408,0	4.517,1	4.676,8	4.770,7	4.996,1	5.135,4	5.059,7	5.280,2	5.252,8	5.146,8	6.083,6	6.962,3
Commercianti	3.551,2	4.038,2	4.138,2	4.137,3	4.065,3	4.209,8	4.412,5	4.489,1	4.641,3	4.714,5	4.929,4	5.064,8	4.981,2	5.199,0	5.150,6	5.102,9	5.750,4	6.259,5
Coltiv.diretti, coloni e mezzadri	1.769,5	1.823,8	1.858,3	1.941,7	2.005,4	2.049,8	2.202,1	2.312,8	2.472,5	2.542,4	2.637,0	2.727,5	2.797,8	2.864,1	2.920,0	2.913,5	2.915,6	2.957,8
Liberi professionisti (2)	4.566,7	4.750,5	4.880,7	5.030,3	5.166,7	5.477,3	5.644,4	5.888,5	5.725,9	5.805,9	6.102,1	6.248,6	6.471,1	6.731,9	6.945,1	7.063,8	7.863,6	8.489,2
di cui Medici	4.910,6	5.194,4	5.339,8	5.660,7	5.888,3	6.039,5	5.066,7	6.066,7	6.066,7	7.066,7	8.066,7	9.066,7	7.970,0	7.995,9	8.575,0	8.643,3	9.370,5	9.501,6
Fondo clero	1.513,1	1.557,5	1.549,9	1.610,0	1.575,5	1.609,4	1.664,3	1.707,0	1.739,9	1.735,5	1.722,4	1.716,6	1.696,6	1.740,4	1.743,2	1.757,4	1.699,9	1.778,9
Lavoratori Parasubordinati	2.548,6	3.437,3	3.607,8	3.808,6	4.749,6	3.960,3	4.404,6	4.670,7	4.942,2	5.469,8	5.907,2	6.030,6	5.965,1	6.147,7	5.856,0	6.255,4	6.365,6	6.455,5
Totale Integrativi	2.757,8	2.782,7	2.850,6	2.830,4	2.684,4	2.828,6	3.026,0	2.994,2	3.100,5	3.357,9	3.561,6	3.636,4	3.738,6	3.913,1	3.898,1	4.174,4	4.291,2	4.398,3
PENSIONE MEDIA (€) (4)																		
Lavoratori dipendenti privati	10.832,8	11.203,1	11.567,6	12.116,5	12.359,6	12.666,1	12.887,3	13.399,8	13.686,1	13.993,4	14.463,7	14.742,0	15.140,9	17.234,2	17.768,3	18.108,4	18.986,6	20.610,2
Lavoratori dipendenti pubblici	18.695,6	19.357,3	19.844,2	20.786,4	21.309,4	21.848,8	22.364,8	22.680,4	24.051,6	23.374,2	23.552,3	24.168,3	24.457,7	24.520,5	25.051,6	25.306,4	26.346,3	27.977,4
Artigiani	8.661,4	9.019,7	9.374,9	9.797,2	10.031,8	10.407,1	10.687,4	11.056,3	11.264,3	11.462,7	11.608,8	11.820,3	12.078,1	8.702,6	8.820,3	8.772,1	9.021,2	9.616,5
Commercianti	7.817,2	8.171,1	8.504,3	8.932,5	9.142,6	9.534,8	9.796,5	10.147,9	10.362,2	10.568,0	10.730,6	10.937,9	11.264,1	8.165,9	8.268,0	8.241,9	8.502,9	9.021,2
Coltiv.diretti, coloni e mezzadri	6.151,2	6.339,6	6.520,5	6.790,2	6.909,9	7.031,8	7.155,8	7.580,5	7.730,7	7.844,1	7.937,8	8.038,4	8.221,3	5.651,9	5.665,7	5.606,5	5.724,6	6.089,4
Liberi professionisti (2)	9.758,3	9.986,3	10.357,3	10.707,4	10.377,5	10.888,5	11.056,9	11.435,7	11.483,9	11.519,5	11.578,5	11.523,6	11.628,8	11.981,7	12.139,4	12.116,2	12.322,7	13.024,7
di cui Medici	6.319,4	6.305,3	6.527,9	6.628,3	5.653,2	6.649,6	6.700,9	6.936,3	6.980,1	7.010,0	7.140,3	7.214,3	7.515,7	7.815,6	8.230,4	8.525,7	9.002,0	9.843,4
Fondo clero	6.720,4	7.025,6	7.145,6	7.399,4	7.446,4	7.570,6	7.784,2	8.018,0	8.093,6	8.097,8	8.115,0	8.135,5	8.212,5	8.424,5	7.260,1	7.069,6	7.251,4	7.944,4
Lavoratori Parasubordinati	955,2	1.071,9	1.278,2	1.417,8	1.563,6	1.683,6	1.832,6	1.977,5	2.074,2	2.159,3	2.264,9	2.396,2	2.573,8	2.777,4	2.989,4	3.168,2	3.453,7	3.836,3
Totale Integrativi	6.455,3	6.524,8	6.592,9	7.506,7	6.731,8	6.315,9	6.510,4	6.846,1	7.076,1	7.208,7	7.296,7	7.396,0	7.442,8	7.913,6	7.969,1	7.890,9	7.990,8	8.002,7

NUMBER OF CONTRIBUTORS, NUMBER OF PENSIONS, AVERAGE CONTRIBUTIONS (€), AVERAGE PENSION (€)
(1) Private sector employees, Public sector employees, Artisans, Retailers, Farmers, tenant farmers and sharecroppers, Professionals, Of whom medical doctors, Clergy fund, Atypical workers, Total supplementary benefits (1) amounts of benefits to be paid at the end of the year; (2) The item private sector employees" includes the following funds: Fund of employed workers, Transportation fund, Telephony fund, Electricity fund, Aviation fund, Consumption tax fund, Fund for public entities, FFSS, Institute for corporate executives, Fund for journalists, ENPALS, IPOST

Table 5.a – Base-100 indices of number of contributors, number of pensions, average contributions and average pensions

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
NUMERO CONTRIBUENTI																		
Lavoratori dipendenti privati	106,96	108,90	110,01	108,76	107,22	111,94	111,88	110,15	109,96	115,95	112,92	116,70	116,74	119,08	116,32	119,89	125,78	129,31
Lavoratori dipendenti pubblici	100,09	99,27	98,56	97,79	96,57	94,85	91,05	89,16	94,62	95,40	96,95	95,99	97,90	96,83	96,97	97,33	97,96	98,37
Artigiani	100,78	101,43	101,87	101,21	99,41	99,08	97,37	94,95	92,99	90,45	89,00	87,41	85,17	83,17	81,96	81,53	80,45	75,80
Commercianti	122,60	124,51	125,80	128,35	128,07	132,72	134,05	134,96	133,71	132,93	132,38	131,19	128,60	125,78	124,31	124,43	123,02	120,80
Coltiv.diretti, coloni e mezzadri	43,04	41,48	40,34	39,55	38,97	38,42	38,12	37,92	37,57	37,18	37,06	36,92	37,41	36,89	36,00	36,17	35,78	34,97
Liberi professionisti	198,14	204,01	210,62	216,77	223,60	227,79	232,59	238,58	251,05	255,80	257,74	259,36	259,92	262,21	263,76	265,18	264,54	264,08
di cui Medici	133,56	135,55	137,34	138,95	139,99	141,72	142,28	142,45	143,01	144,80	145,42	145,93	146,90	149,06	150,63	149,84	148,89	147,69
Fondo clero	76,56	77,65	77,85	76,95	77,93	76,09	76,40	75,74	73,70	70,19	69,81	69,62	69,81	69,81	69,41	69,23	71,78	69,41
Lavoratori Parasubordinati	213,23	215,49	217,04	206,20	203,69	207,51	203,46	186,29	181,88	171,75	148,87	148,63	155,30	158,52	158,05	167,82	183,79	189,75
Totale Integrativi	105,83	105,09	103,39	100,07	113,03	111,27	109,30	120,69	122,00	117,04	115,59	114,28	115,17	112,09	108,45	109,47	110,04	108,71
Totale contribuenti	113,44	114,77	115,57	114,48	113,41	116,39	115,60	113,76	114,37	117,30	114,74	116,54	116,79	117,69	115,81	118,35	122,26	123,95
NUMERO PENSIONI																		
Lavoratori dipendenti privati	104,95	104,43	103,71	102,61	101,46	100,11	98,22	96,36	94,92	93,30	91,58	90,26	88,81	87,76	86,70	85,82	84,69	83,77
Lavoratori dipendenti pubblici	165,62	170,35	172,70	175,47	178,60	181,62	183,44	183,43	185,14	186,76	188,53	187,52	190,24	195,57	199,33	202,51	203,81	205,98
Artigiani	209,45	217,05	221,10	225,05	229,15	232,18	233,06	235,22	236,14	238,33	239,05	241,97	244,93	247,70	249,81	252,53	254,70	257,19
Commercianti	188,60	194,98	197,73	199,81	204,28	204,76	205,24	206,49	206,45	207,03	206,51	208,16	210,04	212,96	215,18	216,85	218,85	222,67
Coltiv.diretti, coloni e mezzadri	107,53	106,71	104,31	101,86	100,02	97,56	94,68	92,15	89,54	86,70	83,96	81,34	78,95	76,54	74,01	71,59	69,14	67,10
Liberi professionisti	179,17	185,75	190,45	195,01	199,86	208,27	220,04	229,93	242,12	249,85	258,91	269,59	280,66	297,08	310,74	334,91	356,48	378,12
di cui Medici	196,34	203,51	206,62	211,51	216,71	225,50	240,76	248,94	256,99	265,97	275,50	290,39	303,30	326,06	343,91	380,05	411,99	442,86
Fondo clero	104,92	105,73	104,62	104,16	103,60	102,05	100,79	99,13	98,60	96,53	94,05	92,46	90,39	87,50	85,08	81,54	79,66	77,62
Lavoratori Parasubordinati	2.421,13	3.184,94	3.720,17	4.199,44	4.682,29	5.170,24	5.564,25	6.086,71	6.676,29	7.284,37	7.794,90	8.457,98	9.054,99	9.526,80	10.043,84	10.606,57	11.163,26	11.826,50
Totale Integrativi	163,13	162,40	160,91	160,11	158,93	146,31	148,09	166,35	168,07	170,11	171,15	168,50	169,49	169,51	169,02	171,63	173,72	175,73
Totale pensioni	121,93	122,92	122,92	122,64	122,56	122,00	120,88	119,87	119,13	118,29	117,26	116,47	116,02	116,15	116,01	116,09	115,76	115,84
CONTRIBUZIONE MEDIA (1)																		
Lavoratori dipendenti privati	267,82	283,61	302,24	294,06	302,37	298,60	296,92	302,84	302,92	296,03	316,97	315,43	325,35	327,62	307,84	325,61	338,46	346,46
Lavoratori dipendenti pubblici	331,32	324,33	352,90	354,13	358,53	358,44	359,45	357,68	336,32	331,17	329,22	332,57	341,65	343,48	344,27	351,06	362,54	375,01
Artigiani	331,18	394,32	405,44	405,14	384,59	396,75	428,60	439,21	454,73	463,86	485,78	499,32	491,96	513,40	510,74	500,43	591,52	676,95
Commercianti	343,20	390,27	399,94	399,85	392,89	406,86	426,44	433,85	448,56	455,63	476,40	489,49	481,41	502,46	497,77	493,17	555,75	604,94
Coltiv.diretti, coloni e mezzadri	467,96	482,34	491,46	513,52	530,37	542,11	582,38	611,66	653,90	672,38	697,41	721,34	739,93	757,47	772,24	770,54	771,07	782,25
Liberi professionisti	261,09	271,60	279,04	287,59	295,39	313,15	322,70	336,66	327,36	331,94	348,87	357,25	369,97	384,88	397,07	403,85	449,58	485,35
di cui Medici	291,19	308,02	316,64	335,67	349,17	358,13	300,45	359,75	359,75	419,05	478,34	537,64	472,61	474,15	508,48	512,53	555,65	563,43
Fondo clero	269,95	277,85	276,51	287,23	281,07	287,12	296,91	304,53	310,41	309,61	307,29	306,24	302,68	310,49	310,99	313,53	303,27	317,36
Lavoratori Parasubordinati	213,04	287,33	301,58	318,37	397,03	331,05	368,19	390,44	413,12	457,23	493,80	504,11	498,64	513,90	489,52	522,90	532,11	539,63
Totale Integrativi	224,74	226,77	232,31	230,66	218,76	230,51	246,60	244,01	252,67	273,64	290,25	296,34	304,67	318,89	317,67	340,19	349,70	358,43
PENSIONE MEDIA (2)																		
Lavoratori dipendenti privati	234,93	242,96	250,87	262,77	268,04	274,69	279,49	290,60	296,81	303,47	313,67	319,71	328,36	373,76	385,34	392,72	411,76	446,97
Lavoratori dipendenti pubblici	217,49	225,19	230,85	241,81	247,90	254,17	260,17	263,85	279,80	271,92	273,99	281,15	284,52	285,25	291,43	294,39	306,49	325,47
Artigiani	306,72	319,41	331,99	346,95	355,25	368,54	378,47	391,53	398,90	405,93	411,10	418,59	427,72	308,18	312,35	310,64	319,47	340,55
Commercianti	292,47	305,71	318,18	334,19	342,06	356,73	366,52	379,67	387,69	395,39	401,47	409,23	421,43	305,51	309,33	308,36	318,12	337,52
Coltiv.diretti, coloni e mezzadri	202,82	209,03	215,00	223,89	227,84	231,85	235,94	249,95	254,90	258,64	261,73	265,04	271,07	186,35	186,81	184,86	188,75	200,78
Liberi professionisti	285,56	292,24	303,09	313,34	303,68	318,64	323,57	334,65	336,06	337,10	338,83	337,22	340,30	350,63	355,24	354,56	360,61	381,15
di cui Medici	247,11	246,56	255,26	259,19	221,05	260,02	262,02	271,23	272,94	274,11	279,21	282,10	293,89	305,61	321,83	333,38	352,00	384,90
Fondo clero	185,87	194,31	197,63	204,65	205,95	209,39	215,29	221,76	223,85	223,97	224,44	225,01	227,14	233,00	200,80	195,53	200,56	219,72
Lavoratori Parasubordinati	190,77	214,07	255,27	283,15	312,26	336,22	365,97	394,92	414,23	431,24	452,32	478,54	514,00	554,66	596,99	632,71	689,73	766,13
Totale Integrativi	198,61	200,74	202,84	230,95	207,11	194,32	200,30	210,63	217,71	221,79	224,49	227,55	228,99	243,47	245,18	242,78	245,85	246,21

NUMBER OF CONTRIBUTORS, NUMBER OF PENSIONS, AVERAGE CONTRIBUTIONS (€), AVERAGE PENSION (€)

(1) Private sector employees, Public sector employees, Artisans, Retailers, Farmers, tenant farmers and sharecroppers, Professionals, Of whom medical doctors, Clergy fund, Atypical workers, Total supplementary benefits (1) amounts of benefits to be paid at the end of the year; (*) the 100-base index has been used since 1989 to 2000

Table 6.a - Number of pensions/ number of active workers ratio and average pension/average income ratio (%)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
RAPPORTO TRA NUMERO PENSIONI E CONTRIBUENTI																		
Lavoratori dipendenti privati	80,89	79,06	77,73	77,78	78,02	73,73	72,38	72,12	71,17	66,34	66,87	63,77	62,72	60,77	61,46	59,02	55,51	53,41
Lavoratori dipendenti pubblici	74,43	77,19	78,81	80,70	83,19	86,12	90,62	92,53	88,01	88,05	87,47	87,87	87,40	90,85	92,46	93,59	93,58	94,18
Artigiani	77,59	79,89	81,02	83,01	86,06	87,48	89,36	92,49	94,80	98,37	100,28	103,35	107,36	111,19	113,79	115,63	118,19	126,67
Commercianti	63,71	64,86	65,10	64,47	66,06	63,90	63,41	63,37	63,94	64,50	64,60	65,71	67,65	70,12	71,69	72,18	73,68	76,34
Coltiv.diretti, coloni e mezzadri	367,07	377,98	379,98	378,40	377,14	373,15	364,93	357,12	350,17	342,62	332,90	323,68	310,06	304,89	302,05	290,81	283,90	281,99
Liberi professionisti	25,45	25,63	25,45	25,32	25,16	25,74	26,63	27,13	27,15	27,49	28,28	29,26	30,39	31,89	33,16	35,55	37,93	40,30
di cui Medici	42,48	43,38	43,47	43,99	44,73	45,98	48,90	50,50	51,93	53,08	54,74	57,50	59,66	63,21	65,97	73,29	79,96	86,65
Fondo clero	74,74	74,26	73,30	73,83	72,51	73,15	71,95	71,39	72,97	75,01	73,47	72,44	70,61	68,36	66,84	64,24	60,52	60,98
Lavoratori Parasubordinati	6,71	8,74	10,13	12,04	13,59	14,73	16,16	19,31	21,70	25,07	30,95	33,64	34,46	35,52	37,56	37,36	35,90	36,84
Totale Integrativi	52,23	52,36	52,73	54,21	47,64	44,55	45,90	46,70	46,67	49,24	50,16	49,96	49,86	51,24	52,80	53,12	53,49	54,77
RAPPORTO TRA PENSIONE MEDIA AL NETTO GIAS E REDDITO MEDIO																		
Lavoratori dipendenti privati	44,26	44,20	43,27	48,95	49,20	49,01	51,20	51,78	55,13	57,33	54,50	54,57	55,15	56,40	61,34	58,21	59,34	63,28
Lavoratori dipendenti pubblici (1)	55,47	56,71	53,77	56,25	56,42	56,84	58,36	60,21	66,28	68,79	69,33	67,56	66,73	68,57	69,43	67,84	56,99	59,17
Artigiani	30,28	29,03	30,13	31,39	33,63	33,56	33,68	34,47	34,40	34,42	33,08	31,89	32,52	30,17	30,65	31,23	28,15	29,63
Commercianti	27,50	27,70	28,76	30,05	31,00	31,23	32,98	33,66	33,34	33,57	32,77	32,40	34,04	32,21	32,83	32,13	31,81	33,07
Coltiv.diretti, coloni e mezzadri	20,08	20,21	19,98	18,77	22,83	26,99	31,09	28,54	25,00	25,85	24,13	26,67	24,28	23,67	22,50	26,09	23,64	20,38
Liberi professionisti	33,42	32,62	33,69	35,37	36,63	34,14	34,59	35,50	36,46	36,43	35,69	34,77	34,01	33,55	33,16	34,84	29,05	36,01
di cui Medici	25,79	25,18	25,53	25,72	24,61	22,44	22,80	22,34	22,35	20,82	19,92	18,83	17,28	17,34	16,70	17,32	16,19	17,53
Fondo clero	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lavoratori Parasubordinati	5,99	6,56	7,53	8,31	9,42	9,97	9,29	9,96	10,00	10,48	9,86	9,68	10,95	11,50	12,64	13,06	13,71	14,83
Totale Integrativi	30,65	30,84	30,14	30,81	35,18	38,36	36,08	29,46	31,62	29,78	27,08	29,69	30,31	30,22	31,16	29,06	28,89	27,89
Totale sistema pensionistico	41,29	41,39	40,90	44,46	45,35	46,92	48,78	49,29	51,61	53,12	50,91	50,56	50,90	51,36	53,53	52,21	48,94	51,31
Totale sist pens n° indice	106,7	107,0	105,7	114,9	117,2	121,3	126,1	127,4	133,4	137,3	131,6	130,7	131,5	132,7	138,3	134,9	126,5	132,6
RAPPORTO TRA PENSIONE MEDIA AL LORDO GIAS E REDDITO MEDIO																		
Lavoratori dipendenti privati	54,46	54,31	53,04	59,95	60,37	59,93	61,84	62,84	66,95	70,84	67,01	66,97	67,50	69,43	76,22	72,89	73,99	78,29
Lavoratori dipendenti pubblici (1)	55,47	56,71	53,77	56,25	56,42	56,84	58,36	60,21	66,28	68,79	69,33	67,56	66,73	68,57	69,43	67,84	69,66	73,05
Artigiani	34,61	33,20	34,49	35,75	38,24	38,28	38,64	39,60	40,03	40,70	39,54	38,88	40,01	38,83	40,17	39,98	37,53	38,45
Commercianti	31,50	31,78	33,04	34,32	35,42	35,50	36,85	37,99	37,66	38,29	37,25	37,33	39,16	37,68	39,02	38,22	37,94	38,92
Coltiv.diretti, coloni e mezzadri	54,23	53,69	53,97	52,75	54,94	63,04	61,94	60,44	50,74	51,94	49,07	54,21	49,90	49,01	48,52	47,95	47,78	50,30
Liberi professionisti	33,44	32,63	33,70	35,38	36,66	34,16	34,61	35,50	36,46	36,43	35,70	34,78	34,01	33,55	32,86	34,84	29,05	36,01
di cui Medici	25,79	25,18	25,53	25,72	24,61	22,46	22,84	22,34	22,35	20,82	19,92	18,83	17,28	17,34	16,43	17,32	16,19	17,53
Fondo clero	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lavoratori Parasubordinati	5,99	6,59	7,65	8,59	9,84	10,50	9,86	10,67	10,67	11,48	10,87	11,10	12,53	12,78	13,96	14,34	14,96	16,07
Totale Integrativi	30,97	31,17	30,48	31,17	35,61	38,77	36,46	29,75	31,92	30,10	27,35	29,98	30,56	30,44	31,36	29,26	29,09	28,08

RATIO OF THE NUMBER OF PENSIONS/ VS. THE NUMBER OF ACTIVE WORKERS (1); RATIO OF THE AVERAGE PENSION NET OF GIAS TRANSFERS VS. AVERAGE INCOME; RATIO OF THE AVERAGE PENSION GROSS OF GIAS TRANSFERS VS. AVERAGE INCOME (2) Private sector employees, Public sector employees, Artisans, Retailers, Farmers, tenant farmers and sharecroppers, Professionals, Of whom medical doctors, Clergy fund, Atypical workers, Total supplementary benefits (1) for private sector employees, in 2019, 60.76 benefits were paid for every 100 active workers, which means 100 active workers for each pensioner; (2) For private sector employees, in 2019, the average pension was equal to 67.5% of one active worker.

Table 7a - Former Special Funds - pension revenues and expenditure (absolute and % figures)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Trasporti																		
Uscite Previdenziali (mln)	**2.136**	**2.194**	**2.233**	**2.275**	**2.275**	**2.281**	**2.287**	**2.272**	**2.258**	**2.220**	**2.202**	**2.174**	**2.175**	**2.155**	**2.125**	**2.068**	**2.041**	**2.137**
% di variazione	*2,5%*	*2,7%*	*1,8%*	*1,8%*	*0,0%*	*0,2%*	*0,3%*	*-0,6%*	*-0,6%*	*-1,7%*	*-0,8%*	*-1,3%*	*0,0%*	*-0,9%*	*-1,4%*	*-2,7%*	*-1,3%*	*4,7%*
Entrate Previdenziali (mln)	**1.145**	**1.183**	**1.208**	**1.217**	**1.276**	**1.247**	**1.266**	**1.077**	**1.225**	**1.193**	**1.215**	**1.203**	**1.223**	**1.235**	**1.024**	**1.183**	**1.154**	**1.212**
% di variazione	*2,9%*	*3,3%*	*2,1%*	*0,8%*	*4,8%*	*-2,3%*	*1,5%*	*-15,0%*	*13,8%*	*-2,6%*	*1,8%*	*-0,9%*	*1,7%*	*1,0%*	*-17,1%*	*15,6%*	*-2,5%*	*5,1%*
saldo	**-990,9**	**-1.010,7**	**-1.025,7**	**-1.057,3**	**-999,3**	**-1.033,7**	**-1.020,6**	**-1.195,5**	**-1.033,5**	**-1.026,4**	**-987,7**	**-971,3**	**-951,8**	**-919,7**	**-1.101,3**	**-884,5**	**-887,3**	**-925,0**
Elettrici																		
Uscite Previdenziali (mln)	**2.249**	**2.298**	**2.335**	**2.380**	**2.394**	**2.434**	**2.481**	**2.488**	**2.489**	**2.471**	**2.502**	**2.535**	**2.592**	**2.615**	**2.620**	**2.613**	**2.675**	**2.802**
% di variazione	*1,9%*	*2,2%*	*1,6%*	*1,9%*	*0,6%*	*1,7%*	*1,9%*	*0,3%*	*0,0%*	*-0,7%*	*1,2%*	*1,3%*	*2,2%*	*0,9%*	*0,2%*	*-0,3%*	*2,4%*	*4,7%*
Entrate Previdenziali (mln)	**636**	**588**	**715**	**612**	**609**	**650**	**573**	**566**	**550**	**508**	**614**	**474**	**449**	**437**	**409**	**390**	**386**	**305**
% di variazione	*-7,7%*	*-7,5%*	*21,5%*	*-14,4%*	*-0,5%*	*6,7%*	*-11,8%*	*-1,2%*	*-2,9%*	*-7,6%*	*20,9%*	*-22,8%*	*-5,3%*	*-2,7%*	*-6,4%*	*-4,6%*	*-1,1%*	*-21,1%*
saldo	**-1.613,3**	**-1.709,9**	**-1.620,3**	**-1.768,2**	**-1.785,0**	**-1.784,1**	**-1.907,6**	**-1.922,2**	**-1.939,2**	**-1.963,1**	**-1.887,0**	**-2.060,5**	**-2.142,5**	**-2.177,6**	**-2.210,8**	**-2.222,3**	**-2.288,8**	**-2.497,1**
Telefonici																		
Uscite Previdenziali (mln)	**1.512**	**1.595**	**1.674**	**1.741**	**1.775**	**1.805**	**1.828**	**1.855**	**1.896**	**1.911**	**1.907**	**1.894**	**1.913**	**1.929**	**1.941**	**1.940**	**1.988**	**2.118**
% di variazione	*5,4%*	*5,5%*	*4,9%*	*4,0%*	*1,9%*	*1,7%*	*1,3%*	*1,4%*	*2,2%*	*0,8%*	*-0,2%*	*-0,7%*	*1,0%*	*0,8%*	*0,7%*	*-0,1%*	*2,5%*	*6,6%*
Entrate Previdenziali (mln)	**802**	**791**	**746**	**739**	**736**	**688**	**684**	**567**	**606**	**590**	**593**	**565**	**604**	**588**	**535**	**565**	**531**	**491**
% di variazione	*2,2%*	*-1,4%*	*-5,6%*	*-0,9%*	*-0,4%*	*-6,5%*	*-0,5%*	*-17,2%*	*7,0%*	*-2,7%*	*0,5%*	*-4,7%*	*6,9%*	*-2,7%*	*-9,0%*	*5,7%*	*-6,1%*	*-7,5%*
saldo	**-709,8**	**-804,8**	**-928,0**	**-1.002,0**	**-1.038,5**	**-1.116,6**	**-1.144,2**	**-1.288,2**	**-1.289,2**	**-1.320,7**	**-1.314,0**	**-1.329,1**	**-1.308,7**	**-1.340,9**	**-1.406,3**	**-1.374,5**	**-1.456,9**	**-1.627,2**
Inpdai																		
Uscite Previdenziali (mln)	**4.648**	**4.863**	**5.076**	**5.306**	**5.453**	**5.565**	**5.679**	**5.608**	**5.603**	**5.561**	**5.571**	**5.566**	**5.638**	**5.625**	**5.624**	**5.578**	**5.647**	**5.811**
% di variazione	*4,6%*	*4,6%*	*4,4%*	*4,5%*	*2,8%*	*2,1%*	*2,1%*	*-1,3%*	*-0,1%*	*-0,8%*	*0,2%*	*-0,1%*	*1,3%*	*-0,2%*	*0,0%*	*-0,8%*	*1,2%*	*2,9%*
Entrate Previdenziali (mln)	**2.363**	**2.265**	**2.343**	**2.197**	**2.069**	**2.001**	**1.965**	**1.798**	**1.867**	**1.668**	**1.581**	**1.538**	**1.479**	**1.437**	**1.312**	**1.180**	**1.015**	**819**
% di variazione	*-8,4%*	*-4,2%*	*3,4%*	*-6,2%*	*-5,8%*	*-3,3%*	*-1,8%*	*-8,5%*	*3,8%*	*-10,7%*	*-5,2%*	*-2,7%*	*-3,8%*	*-2,8%*	*-8,7%*	*-10,0%*	*-13,9%*	*-19,3%*
saldo	**-2.285,5**	**-2.598,5**	**-2.732,9**	**-3.109,0**	**-3.383,4**	**-3.564,1**	**-3.713,9**	**-3.809,7**	**-3.735,7**	**-3.892,7**	**-3.989,9**	**-4.028,3**	**-4.159,7**	**-4.187,3**	**-4.312,3**	**-4.398,5**	**-4.632,0**	**-4.992,4**
Inpgi																		
Uscite Previdenziali (mln)																	**307**	**601**
% di variazione																		*95,5%*
Entrate Previdenziali (mln)																	**164**	**328**
% di variazione																		*99,4%*
saldo																	**-142,9**	**-272,8**
Saldo totale	**-5.599,5**	**-6.124,0**	**-6.306,8**	**-6.936,5**	**-7.206,1**	**-7.498,4**	**-7.786,3**	**-8.215,6**	**-7.997,6**	**-8.202,9**	**-8.178,6**	**-8.389,1**	**-8.562,7**	**-8.625,5**	**-9.030,7**	**-8.879,8**	**-9.407,8**	**-10.314,5**

Transportation fund: benefit expenditure (millions), % variation; Electricity fund: benefit expenditure (millions), % variation; Telephony fund: benefit expenditure (millions), % variation; INPDAI: benefit expenditure (millions), % variation; Except for the Transportation Fund, for all the other special funds, since the merger into FPLD (INPDAI 2002, other 1997) the contributions of newly hired people have been included in the FPLD accounts, while benefits are still reported in the funds' accounts, which deteriorates their deficit situation

B.34.A - Benefits and contributions of the compulsory pension system

Anno 2022	uscite						entrate						
	numero di pensioni	spesa per prestazioni al lordo della GIAS	trasferimenti GIAS	spesa per pensioni al netto della GIAS (1)	prestazione media al lordo della GIAS	pensione media al netto della GIAS	numero di contribuenti	contributi al lordo dei trasferimenti (2)	trasferimenti (2)	contributi al netto dei trasferimenti	contributo medio al lordo dei trasferimenti	contributo medio al netto dei trasferimenti	monti retributivi stimati (6)
	mgl	*mln €*	*mln €*	*mln €*	*mgl €*	*mgl €*	*mgl €*	*mln €*	*mln €*	*mgl €*	*mgl €*	*mgl €*	*mln €*
Dipendenti Privati	**8.532,24**	**161.998,00**	**32.081,89**	**129.916,11**	**18,99**	**15,23**	**15.370,13**	**137.517,25**	**10.106,48**	**127.410,77**	**8,95**	**8,29**	**394.413,60**
Dipendenti privati INPS	**8.294,80**	**157.132,50**	**30.644,96**	**126.487,55**	**18,94**	**15,25**	**15.075,98**	**134.744,82**	**10.075,53**	**124.669,29**	**8,94**	**8,27**	**384.788,00**
Fondo Pensioni Lavoratori Dip. (7)	7.686,89	138.739,01	30.018,28	108.720,73	18,05	14,14	14.870,00	126.436,01	5.236,41	121.199,60	8,50	8,15	374.600,00
Fondo Trasporti	91,52	2.100,76	59,92	2.040,84	22,95	22,30	95,00	1.153,52	117,42	1.036,10	12,14	10,91	3.087,00
Fondo Telefonici	73,82	2.035,86	48,26	1.987,59	27,58	26,92	38,70	530,69	1,61	529,08	13,71	13,67	1.582,00
Fondo Elettrici	95,13	2.731,65	56,79	2.674,86	28,71	28,12	18,40	386,09	1,44	384,65	20,98	20,90	1.138,00
Fondo Volo	7,73	351,13	12,30	338,83	45,41	43,82	9,67	148,26	0,31	147,95	15,34	15,30	354,00
Fondo Imposte di consumo	5,91	112,42	2,94	109,49	19,02	18,53	0,00	110,45	110,40	0,05	0,00	0,00	0,00
Fondo Enti Pubblici Creditizi (4)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dipendenti delle FFSS	204,43	5.125,72	157,91	4.967,81	25,07	24,30	22,99	4.964,39	4.602,56	361,83	215,94	15,74	1.027,00
Istituto Dirigenti di Azienda	129,36	5.935,95	288,57	5.647,38	45,89	43,66	21,22	1.015,41	5,38	1.010,03	47,85	47,60	3.000,00
Altri Fondi Dip. Privati	**70,40**	**1.446,37**	**133,57**	**1.312,79**	**20,54**	**18,65**	**173,31**	**1.543,12**	**18,24**	**1.524,88**	**8,90**	**8,80**	**5.943,60**
Istituto Giornalisti	10,07	323,15	15,88	307,26	32,09	30,52	14,85	164,40	0,00	164,40	11,07	11,07	486,60
Ente Lavoratori Spettacolo	60,33	1.123,22	117,69	1.005,53	18,62	16,67	158,46	1.378,72	18,24	1.360,48	8,70	8,59	5.457,00
Fondi ex Aziende Autonome	**167,04**	**3.419,13**	**1.303,36**	**2.115,77**	**20,47**	**12,67**	**120,85**	**1.229,31**	**12,71**	**1.216,60**	**10,17**	**10,07**	**3.682,00**
Dipendenti delle Poste e Tel.	167,04	3.419,13	1.303,36	2.115,77	20,47	12,67	120,85	1.229,31	12,71	1.216,60	10,17	10,07	3.682,00
Dipendenti Pubblici (5) (b)	**3.125,15**	**82.336,21**	**14.976,15**	**67.360,06**	**26,35**	**21,55**	**3.339,40**	**42.731,15**	**141,39**	**42.589,76**	**12,80**	**12,75**	**126.299,70**
Cassa Dipendenti Enti Locali	1.186,47	26.476,38	1.804,10	24.672,28	22,32	20,79	1.175,00	13.005,77	38,65	12.967,12	11,07	11,04	38.900,00
Cassa Insegnanti di Asilo	16,86	337,17	17,74	319,43	20,00	18,94	23,00	191,75	0,61	191,14	8,34	8,31	570,50
Cassa Sanitari	90,51	5.840,01	317,19	5.522,82	64,52	61,02	118,00	3.417,42	13,36	3.404,06	28,96	28,85	10.000,00
Cassa Ufficiali Giudiziari	3,34	74,04	3,98	70,06	22,17	20,98	3,40	45,86	0,15	45,71	13,49	13,44	129,20
Dipendenti dello Stato	1.827,97	49.608,60	12.833,14	36.775,46	27,14	20,12	2.020,00	26.070,35	88,62	25.981,73	12,91	12,86	76.700,00
Autonomi e Professionisti	**4.977,63**	**41.767,63**	**9.569,95**	**32.197,68**	**8,39**	**6,47**	**5.262,38**	**33.020,57**	**672,17**	**32.348,40**	**6,27**	**6,15**	**141.029,74**
Autonomi INPS	**4.473,21**	**35.551,74**	**9.569,91**	**25.981,83**	**7,95**	**5,81**	**3.932,51**	**22.545,40**	**654,62**	**21.890,78**	**5,73**	**5,57**	**86.070,00**
Fondo Artigiani	1.775,26	16.015,01	4.001,99	12.013,02	9,02	6,77	1.501,99	9.464,00	326,47	9.137,54	6,30	6,08	36.100,00
Fondo Commercianti	1.472,84	12.523,48	2.025,19	10.498,29	8,50	7,13	1.999,00	11.815,44	320,34	11.495,11	5,91	5,75	44.800,00
Fondo CDCM (3)	1.225,11	7.013,25	3.542,73	3.470,52	5,72	2,83	431,53	1.265,95	7,81	1.258,14	2,93	2,92	5.170,00
Liberi Professionisti	**504,43**	**6.215,89**	**0,05**	**6.215,85**	**12,32**	**12,32**	**1.329,87**	**10.475,17**	**17,55**	**10.457,62**	**7,88**	**7,86**	**54.959,74**
Casse priv. 509 (escluso ENPAM)	182,90	3.463,27	0,05	3.463,23	18,94	18,94	747,19	6.330,73	17,55	6.313,18	8,47	8,45	30.464,59
ENPAM (a) (b)	296,68	2.670,66	0,00	2.670,66	9,00	9,00	371,04	3.476,80	0,00	3.476,80	9,37	9,37	20.636,04
Casse priv. 103	24,85	81,95	0,00	81,95	3,30	3,30	211,64	667,63	0,00	667,63	3,15	3,15	3.859,12
Fondo Clero	**11,14**	**80,77**	**9,51**	**71,26**	**7,25**	**6,40**	**18,41**	**31,29**	**0,00**	**31,29**	**1,70**	**1,70**	**0,00**
Gestione Parasubordinati	**553,59**	**1.911,93**	**159,70**	**1.752,23**	**3,45**	**3,17**	**1.542,00**	**10.229,37**	**413,61**	**9.815,76**	**6,63**	**6,37**	**35.600,00**
Totale Integrativi	**164,44**	**1.313,97**	**8,88**	**1.305,10**	**7,99**	**7,94**	**305,94**	**1.412,52**	**93,33**	**1.319,19**	**4,62**	**4,31**	**8.445,45**
Totali e medie del sistema obbligatorio	**17.364,18**	**289.408,51**	**56.806,08**	**232.602,43**	**16,67**	**13,40**	**25.838,26**	**224.942,14**	**11.426,98**	**213.515,16**	**8,71**	**8,26**	**705.788,49**

Year 2022 - number of pension - Benefit/contribution rate (before GIAS) - Accounting benefit/contribution rate (net of GIAS) (1) Accounting equilibrium rate (1) – Active workers/pensions ratio - Average pension/average contribution rate - Accounting average pension/average contribution rate - Ratio of contribution revenues vs. assets and income (2) Private sector employees - INPS private sector: employees FPLD, Transportation fund, Telephony fund, Electricity fund, Aviation fund, Tax collectors' fund, Fund for public credit institutions (4), FFSS employees, Institute for corporate executives. Other funds for private sector employees: journalists, show business and entertainment workers. Funds for former autonomous companies: Post and Telephony employees. Public sector employees: Fund for employees of local authorities, Fund for kindergarten teachers, Fund for healthcare workers, Scheme for judicial officials, Fund for State employees. Self-employed workers and professionals - INPS self-employed workers: artisans, retailers, CDCM (3). Professionals: 509 privatized funds (excluding ENPAM), ENPAM, 103 privatized funds. Clergy fund, Fund for atypical workers, Total supplementary benefits

(1) La spesa per pensioni al netto GIAS è al lordo della integrazione al minimo a carico di ogni singola gestione e della Gias per i dipendenti pubblici (vedasi tabella prestazioni assistenziali e nota 3 in tabella 1 a).

(2) Si tratta di trasferimenti a carico dello Stato e di altre gestioni (si veda nota 1, seconda alinea in tabella 1a).

(3) Per la gestione CDCM, nel numero delle pensioni, 1.225,11 sono comprese 121.343 pensioni ante 1/1/1989 in carico alla GIAS, mentre nell'importo di 3.470,52 milioni non sono compresi 699,36 milioni contabilizzati nella GIAS.

(4) Il Fondo è confluito in FPLD nel 2013.

(5) Per i dipendenti pubblici sono riportati i contributi al lordo e al netto dei trasferimenti, incluso il versamento per la copertura del mancato gettito contributivo ed escluso il contributo aggiuntivo a carico dello stato di cui alla nota 2 di tabella 1a.

(6) Si tratta di una stima su dati Inps e Agenzia delle Entrate sul totale dei redditi da lavoro dipendente e autonomo per ciascuna categoria di lavoratori.

(7) La voce 'lavoratori dipendenti privati' comprende le seguenti gestioni: Fondo Pensioni Lavoratori Dipendenti (FPLD), Fondo Trasporti, Fondo Telefonici, Fondo Elettrici, Volo, Fondo Imposte consumo, Fondo Enti Pubblici Creditizi, Dipendenti delle FFSS, Istituto Dirigenti di Azienda (Inpdai), Istituto Giornalisti Inpgi per la sola gestione sostitutiva, Enpals,

(a) Vedasi nota a), in tabella 4 - (b) Vedasi nota b), in tabella 4

(b) Per i dipendenti pubblici è riportata la spesa per pensioni al lordo e al netto GIAS; per maggiori dettagli vedasi nota 3 in tabella 1 a).

(1) expenditure for pensions net of GIAS and gross of the integration to the minimum load of each individual management of GIAS for public employees (2) these are references made by the state and by other administrations (3) For the CDCM management, the number of pensions, 1,268,50 includes 145.145 pensions before 1/1/1989 in the hands of GIAS, while the amount of 3,869,38 million does not include 823,86 million recorded in the GIAS. (4) The Fund merged into FPLDs in 2013 (5) For public employees, the contributions gross and net of transfers are shown, excluding the additional contribution to be paid by the state as per note 2 of table 1a. (6) This is an estimate based on INPS and Revenue Agency data on the total income from dependent and self-employed work for each category of workers.

Table B.34.b- Benefits and contributions of the compulsory pension system

Anno 2022	Rapporto tra spesa per prestazioni al lordo GIAS e contributi al lordo dei trasferimenti (1)	Rapporto tra spesa per prestazioni al netto GIAS e contributi al lordo dei trasferimenti (1)	Rapporto tra spesa per pensioni al netto GIAS e contributi al netto dei trasferimenti (1)	Aliquota di equilibrio contabile (2)	Rapporto percentuale tra numero di pensioni e numero di contribuenti	Rapporto percentuale tra pensione media al lordo GIAS e contributo medio al lordo dei trasferimenti	Rapporto contabile tra pensione media al netto GIAS e reddito medio (4)
Dipendenti Privati	**117,80**	**94,47**	**101,97**	**32,94**	**55,51**	**212,21**	**59,34**
Dipendenti privati INPS	**116,61**	**93,87**	**101,46**	**32,87**	**55,02**	**211,95**	**59,75**
Fondo Pensioni Lavoratori Dip.	109,73	85,99	89,70	29,02	51,69	212,27	56,14
Fondo Trasporti	182,12	176,92	196,97	66,11	96,34	189,04	68,62
Fondo Telefonici (3)	383,62	374,53	375,67	125,64	190,76	201,11	65,86
Fondo Elettrici (3)	707,52	692,81	695,40	235,05	517,01	136,85	45,46
Fondo Volo (3)	236,83	228,54	229,02	95,71	79,99	296,06	119,65
Fondo Imposte di consumo (3)	101,78	99,13	227.963,74	0,00	0,00	0,00	0,00
Fondo Enti Pubblici Creditizi (3)	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dipendenti delle FFSS (3)	103,25	100,07	1.372,96	483,72	889,21	11,61	54,40
Istituto Dirigenti di Azienda (3)	584,59	556,17	559,13	188,25	609,61	95,89	30,88
Altri Fondi Dip. Privati	**93,73**	**85,07**	**86,09**	**22,09**	**40,62**	**230,73**	**54,37**
Istituto Giornalisti	196,56	186,90	186,90	63,15	67,80	289,89	93,13
Ente Lavoratori Spettacolo	81,47	72,93	73,91	18,43	38,08	213,97	48,39
Fondi ex Aziende Autonome	**278,13**	**172,11**	**173,91**	**57,46**	**138,22**	**201,23**	**41,57**
Dipendenti delle Poste e Tel.	278,13	172,11	173,91	57,46	138,22	201,23	41,57
Dipendenti Pubblici	**192,68**	**157,64**	**158,16**	**53,33**	**93,58**	**205,89**	**56,99**
Cassa Dipendenti Enti Locali	203,57	189,70	190,27	63,42	100,98	201,61	62,81
Cassa Insegnanti di Asilo	175,84	166,59	167,12	55,99	73,31	239,85	76,37
Cassa Sanitari	170,89	161,61	162,24	55,23	76,70	222,79	72,00
Cassa Ufficiali Giudiziari	161,44	152,76	153,27	54,23	98,24	164,34	55,20
Dipendenti dello Stato	190,29	141,06	141,54	47,95	90,49	210,28	52,98
Autonomi e Professionisti	**126,49**	**97,51**	**99,53**	**22,83**	**94,59**	**133,73**	**24,14**
Autonomi INPS	**157,69**	**115,24**	**118,69**	**30,19**	**113,75**	**138,63**	**26,54**
Fondo Artigiani	169,22	126,93	131,47	33,28	118,19	143,17	28,15
Fondo Commercianti	105,99	88,85	91,33	23,43	73,68	143,86	31,81
Fondo CDCM	553,99	274,14	275,84	67,13	283,90	195,13	23,64
Liberi Professionisti	**59,34**	**59,34**	**59,44**	**11,31**	**37,93**	**156,44**	**29,82**
Casse priv. 509 (escluso ENPAM)	54,71	54,71	54,86	11,37	24,48	223,49	46,44
ENPAM	76,81	76,81	76,81	12,94	79,96	96,07	16,19
Casse priv. 103	12,28	12,28	12,28	2,12	11,74	104,53	18,08
Fondo Clero	**258,17**	**227,77**	**227,77**	**0,00**	**60,52**	**426,58**	**0,00**
Gestione Parasubordinati	**18,69**	**17,13**	**17,85**	**4,92**	**35,90**	**52,06**	**13,71**
Totale Integrativi	**93,02**	**92,40**	**98,93**	**15,45**	**53,75**	**173,07**	**28,75**
Totali e medie del sistema obbligatorio	**128,66**	**103,41**	**108,94**	**32,96**	**67,20**	**191,45**	**49,04**

(1) Dati in Tabella 1a e B34 a

(2) L'aliquota di equilibrio è il risultato del rapporto tra la spesa per pensioni al netto della Gias e i monti retributivi stimati in tabella B34 a.

(3) Sono ex Fondi Speciali e autonomi (nel caso INPDAI) confluiti in FPLD con contabilità separate. Tuttavia dalla data di confluenza nel FPLD i nuovi iscritti e i relativi contributi sono contabilizzati nel FPLD e non nelle contabilità separate.

(4) Rapporto tra pensione media al netto della Gias (Tabella B34 a) e reddito medio frutto del rapporto tra monti retributivi e numero di contribuenti di ciascuna categoria di lavoratori.

(1) Data in Table 1a and B.34.A (2) The equilibrium rate is the result of the ratio between pension expenditure net of the GIAS and the estimated wages in table B.32.A. (3) They are former Special and autonomous Funds (in the INPDAI case) merged into FPLDs with separate accounts. However, from the date of merging into the FPLD, new members and their contributions are accounted for in the FPLD and not in separate accounts. Ratio between average pension net of the GIAS (Table B.34.A) and average income resulting from the ratio between wages and the number of taxpayers of each category of workers

B.35.A - Benefits and contributions of the compulsory pension system

Anno 2023	uscite						entrate						
	numero di pensioni	spesa per prestazioni al lordo della GIAS	trasferimenti GIAS	spesa per pensioni al netto della GIAS (1)	prestazione media al lordo della GIAS	pensione media al netto della GIAS	numero di contribuenti	contributi al lordo dei trasferimenti (2)	trasferimenti (2)	contributi al netto dei trasferimenti	contributo medio al lordo dei trasferimenti	contributo medio al netto dei trasferimenti	monti retributivi stimati (6)
	mgl	*mln €*	*mln €*	*mln €*	*mgl €*	*mgl €*	*mgl €*	*mln €*	*mln €*	*mgl €*	*mgl €*	*mgl €*	*mln €*
Dipendenti Privati	**8.439,39**	**173.937,72**	**33.340,98**	**140.596,74**	**20,61**	**16,66**	**15.801,41**	**144.782,55**	**10.700,37**	**134.082,18**	**9,16**	**8,49**	**415.969,00**
Dipendenti privati INPS	**8.199,09**	**168.381,40**	**31.871,54**	**136.509,86**	**20,54**	**16,65**	**15.503,88**	**141.696,08**	**10.668,58**	**131.027,50**	**9,14**	**8,45**	**405.113,00**
Fondo Pensioni Lavoratori Dip. (7)	7.600,55	149.232,05	31.023,61	118.208,43	19,63	15,55	15.302,50	133.316,33	5.470,02	127.846,31	8,71	8,35	395.500,00
Fondo Trasporti	88,83	2.188,54	51,05	2.137,49	24,64	24,06	97,70	1.212,45	117,04	1.095,41	12,41	11,21	3.252,00
Fondo Telefonici	73,46	2.161,99	43,87	2.118,12	29,43	28,84	36,30	490,89	1,61	489,28	13,52	13,48	1.496,00
Fondo Elettrici	92,96	2.853,68	51,85	2.801,83	30,70	30,14	16,80	304,71	1,44	303,27	18,14	18,05	979,00
Fondo Volo	7,66	365,93	10,27	355,65	47,76	46,42	11,54	183,45	2,96	180,49	15,90	15,64	459,00
Fondo Imposte di consumo	5,58	114,01	299,13	-185,12	20,43	-33,17	0,00	111,97	111,93	0,04	0,00	0,00	0,00
Fondo Enti Pubblici Creditizi (4)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dipendenti delle FFSS	201,83	5.384,05	121,96	5.262,09	26,68	26,07	20,44	5.257,28	4.958,40	298,87	257,21	14,62	1.027,00
Istituto Dirigenti di Azienda	128,21	6.081,15	269,79	5.811,37	47,43	45,33	18,60	819,00	5,17	813,83	44,03	43,75	2.400,00
Altri Fondi Dip. Privati	**71,42**	**1.840,03**	**139,63**	**1.700,41**	**25,76**	**23,81**	**179,26**	**1.896,32**	**20,60**	**1.875,72**	**10,58**	**10,46**	**6.981,00**
Istituto Giornalisti	10,05	624,49	23,81	600,67	62,15	59,78	14,50	327,88	0,00	327,88	22,61	22,61	990,00
Ente Lavoratori Spettacolo	61,38	1.215,55	115,81	1.099,73	19,80	17,92	164,76	1.568,44	20,60	1.547,84	9,52	9,39	5.991,00
Fondi ex Aziende Autonome	**168,88**	**3.716,28**	**1.329,81**	**2.386,47**	**22,01**	**14,13**	**118,28**	**1.190,15**	**11,19**	**1.178,96**	**10,06**	**9,97**	**3.875,00**
Dipendenti delle Poste e Tel. (c)	168,88	3.716,28	1.329,81	2.386,47	22,01	14,13	118,28	1.190,15	11,19	1.178,96	10,06	9,97	3.875,00
Dipendenti Pubblici (5) (b)	**3.158,40**	**88.364,04**	**16.791,09**	**71.572,95**	**27,98**	**22,66**	**3.353,50**	**44.342,19**	**100,71**	**44.241,48**	**13,22**	**13,19**	**128.442,00**
Cassa Dipendenti Enti Locali	1.203,78	28.715,07	1.262,45	27.452,62	23,85	22,81	1.170,00	13.786,07	36,13	13.749,94	11,78	11,75	40.598,00
Cassa Insegnanti di Asilo	17,07	365,85	12,69	353,16	21,44	20,70	22,00	191,52	0,61	190,91	8,71	8,68	591,00
Cassa Sanitari	92,75	6.234,03	261,10	5.972,93	67,22	64,40	118,00	3.470,07	12,25	3.457,82	29,41	29,30	10.267,00
Cassa Ufficiali Giudiziari	4,25	81,42	2,97	78,45	19,16	18,46	3,50	42,31	0,15	42,15	12,09	12,04	129,00
Dipendenti dello Stato	1.840,56	52.967,66	15.251,88	37.715,78	28,78	20,49	2.040,00	26.852,24	51,57	26.800,66	13,16	13,14	76.857,00
Autonomi e Professionisti	**5.015,36**	**44.967,76**	**10.292,28**	**34.675,47**	**8,97**	**6,91**	**5.127,49**	**35.398,61**	**740,79**	**34.657,82**	**6,90**	**6,76**	**144.365,88**
Autonomi INPS	**4.480,31**	**37.998,89**	**10.292,24**	**27.706,65**	**8,48**	**6,18**	**3.799,92**	**24.111,56**	**723,69**	**23.387,87**	**6,35**	**6,15**	**86.005,00**
Fondo Artigiani	1.792,63	17.238,88	3.954,17	13.284,71	9,62	7,41	1.415,24	10.214,56	361,27	9.853,30	7,22	6,96	35.400,00
Fondo Commercianti	1.498,60	13.519,23	2.031,32	11.487,91	9,02	7,67	1.963,00	12.641,93	354,61	12.287,32	6,44	6,26	45.500,00
Fondo CDCM (3)	1.189,08	7.240,78	4.306,75	2.934,03	6,09	2,47	421,68	1.255,07	7,81	1.247,26	2,98	2,96	5.105,00
Liberi Professionisti	**535,05**	**6.968,87**	**0,05**	**6.968,83**	**13,02**	**13,02**	**1.327,57**	**11.287,05**	**17,10**	**11.269,95**	**8,50**	**8,49**	**58.360,88**
Casse priv. 509 (escluso ENPAM)	189,32	3.729,17	0,05	3.729,12	19,70	19,70	741,77	7.042,45	17,10	7.025,35	9,49	9,47	33.353,32
ENPAM (a) (b)	318,90	3.139,09	0,00	3.139,09	9,84	9,84	368,04	3.496,98	0,00	3.496,98	9,50	9,50	20.663,72
Casse priv. 103	26,83	100,62	0,00	100,62	3,75	3,75	217,76	747,62	0,00	747,62	3,43	3,43	4.343,84
Fondo Clero	**10,85**	**86,23**	**12,55**	**73,68**	**7,94**	**6,79**	**17,80**	**31,66**	**0,00**	**31,66**	**1,78**	**1,78**	**0,00**
Gestione Parasubordinati	**586,48**	**2.249,88**	**174,47**	**2.075,41**	**3,84**	**3,54**	**1.592,00**	**10.702,58**	**425,36**	**10.277,22**	**6,72**	**6,46**	**38.000,00**
Totale Integrativi	**166,34**	**1.331,14**	**9,02**	**1.322,12**	**8,00**	**7,95**	**303,72**	**1.428,11**	**92,27**	**1.335,84**	**4,70**	**4,40**	**8.655,32**
Totali e medie del sistema obbligatorio	**17.376,82**	**310.936,76**	**60.620,38**	**250.316,38**	**17,89**	**14,41**	**26.195,92**	**236.685,70**	**12.059,51**	**224.626,20**	**9,04**	**8,57**	**735.432,20**

Year 2023 - number of pension - Benefit/contribution rate (before GIAS) - Accounting benefit/contribution rate (net of GIAS) (1) Accounting equilibrium rate (1) – Active workers/pensions ratio - Average pension/average contribution rate - Accounting average pension/average contribution rate - Ratio of contribution revenues vs. assets and income (2) Private sector employees - INPS private sector: employees FPLD, Transportation fund, Telephony fund, Electricity fund, Aviation fund, Tax collectors' fund, Fund for public credit institutions (4), FFSS employees, Institute for corporate executives. Other funds for private sector employees: journalists, show business and entertainment workers. Funds for former autonomous companies: Post and Telephony employees. Public sector employees: Fund for employees of local authorities, Fund for kindergarten teachers, Fund for healthcare workers, Scheme for judicial officials, Fund for State employees. Self-employed workers and professionals - INPS self-employed workers: artisans, retailers, CDCM (3). Professionals: 509 privatized funds (excluding ENPAM), ENPAM, 103 privatized funds. Clergy fund, Fund for atypical workers, Total supplementary benefits

B.35.B - Benefits and contributions of the compulsory pension system

Anno 2023	Rapporto tra spesa per prestazioni al lordo GIAS e contributi al lordo dei trasferimenti (1)	Rapporto tra spesa per prestazioni al netto GIAS e contributi al lordo dei trasferimenti (1)	Rapporto tra spesa per pensioni al netto GIAS e contributi al netto dei trasferimenti (1)	Aliquota di equilibrio contabile (2)	Rapporto percentuale tra numero di pensioni e numero di contribuenti	Rapporto percentuale tra pensione media al lordo GIAS e contributo medio al lordo dei trasferimenti	Rapporto contabile tra pensione media al netto GIAS e reddito medio (4)
Dipendenti Privati	**120,14**	**97,11**	**104,86**	**33,80**	**53,41**	**224,94**	**63,28**
Dipendenti privati INPS	**118,83**	**96,34**	**104,18**	**33,70**	**52,88**	**224,70**	**63,72**
Fondo Pensioni Lavoratori Dip.	111,94	88,67	92,46	29,89	49,67	225,37	60,18
Fondo Trasporti	180,51	176,30	195,13	65,73	90,92	198,53	72,29
Fondo Telefonici (3)	440,42	431,48	432,90	141,59	202,36	217,64	69,97
Fondo Elettrici (3)	936,53	919,51	923,88	286,19	553,35	169,25	51,72
Fondo Volo (3)	199,47	193,87	197,05	77,48	66,41	300,35	116,67
Fondo Imposte di consumo (3)	101,82	-165,33	-465.968,53	0,00	0,00	0,00	0,00
Fondo Enti Pubblici Creditizi (3)	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dipendenti delle FFSS (3)	102,41	100,09	1.760,64	512,37	987,44	10,37	51,89
Istituto Dirigenti di Azienda (3)	742,51	709,57	714,08	242,14	689,28	107,72	35,13
Altri Fondi Dip. Privati	**97,03**	**89,67**	**90,65**	**24,36**	**39,84**	**243,53**	**61,13**
Istituto Giornalisti	190,46	183,20	183,20	60,67	69,30	274,85	87,56
Ente Lavoratori Spettacolo	77,50	70,12	71,05	18,36	37,25	208,04	49,28
Fondi ex Aziende Autonome	**312,25**	**200,52**	**202,42**	**61,59**	**142,78**	**218,69**	**43,13**
Dipendenti delle Poste e Tel.	312,25	200,52	202,42	61,59	142,78	218,69	43,13
Dipendenti Pubblici	**199,28**	**161,41**	**161,78**	**55,72**	**94,18**	**211,59**	**59,17**
Cassa Dipendenti Enti Locali	208,29	199,13	199,66	67,62	102,89	202,45	65,72
Cassa Insegnanti di Asilo	191,03	184,40	184,99	59,76	77,57	246,27	77,04
Cassa Sanitari	179,65	172,13	172,74	58,18	78,60	228,57	74,02
Cassa Ufficiali Giudiziari	192,47	185,45	186,12	60,82	121,43	158,50	50,09
Dipendenti dello Stato	197,26	140,46	140,73	49,07	90,22	218,63	54,39
Autonomi e Professionisti	**127,03**	**97,96**	**100,05**	**24,02**	**97,81**	**129,87**	**24,56**
Autonomi INPS	**157,60**	**114,91**	**118,47**	**32,22**	**117,91**	**133,66**	**27,32**
Fondo Artigiani	168,77	130,06	134,83	37,53	126,67	133,24	29,63
Fondo Commercianti	106,94	90,87	93,49	25,25	76,34	140,08	33,07
Fondo CDCM	576,92	233,77	235,24	57,47	281,99	204,59	20,38
Liberi Professionisti	**61,74**	**61,74**	**61,84**	**11,94**	**40,30**	**153,19**	**29,63**
Casse priv. 509 (escluso ENPAM)	52,95	52,95	53,08	11,18	25,52	207,47	43,81
ENPAM	89,77	89,77	89,77	15,19	86,65	103,60	17,53
Casse priv. 103	13,46	13,46	13,46	2,32	12,32	109,25	18,80
Fondo Clero	**272,35**	**232,72**	**232,72**	**0,00**	**60,98**	**446,58**	**0,00**
Gestione Parasubordinati	**21,02**	**19,39**	**20,19**	**5,46**	**36,84**	**57,06**	**14,83**
Totale Integrativi	**93,21**	**92,58**	**98,97**	**15,28**	**54,77**	**170,20**	**27,89**
Totali e medie del sistema obbligatorio	**131,37**	**105,76**	**111,44**	**34,04**	**66,33**	**198,04**	**51,31**

(1) Dati in Tabella 1a e B35 a

(2) L'aliquota di equilibrio è il risultato del rapporto tra la spesa per pensioni al netto della Gias e i monti retributivi stimati in tabella B35 a.

(3) Sono ex Fondi Speciali e autonomi (nel caso INPDAI) confluiti in FPLD con contabilità separate. Tuttavia dalla data di confluenza nel FPLD i nuovi iscritti e i relativi contributi sono contabilizzati nel FPLD e non nelle contabilità separate.

(4) Rapporto tra pensione media al netto della Gias (Tabella B35 a) e reddito medio frutto del rapporto tra monti retributivi e numero di contribuenti di ciascuna categoria di lavoratori.

(1) Data in Table 1a and B.35.A (2) The equilibrium rate is the result of the ratio between pension expenditure net of the GIAS and the estimated wages in table B.35.A. (3) They are former Special and autonomous Funds (in the INPDAI case) merged into FPLDs with separate accounts. However, from the date of merging into the FPLD, new members and their contributions are accounted for in the FPLD and not in separate accounts. Ratio between average pension net of the GIAS (Table B.35.A) and average income resulting from the ratio between wages and the number of taxpayers of each category of workers.

Table 1b - Contribution income and expenditure for pensions and welfare supplements - Privatized Professional Funds pursuant to Legislative Decree No. 509/94 (million euros)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Consulenti del lavoro																		
- contributi	84,23	86,53	91,32	97,54	112,43	114,89	122,76	150,52	161,95	169,21	169,68	168,49	174,98	179,14	181,92	197,53	208,07	221,54
- prestazioni	44,88	49,03	54,32	62,05	66,28	71,88	79,38	88,68	94,41	101,78	105,93	110,73	117,70	129,11	132,22	135,62	141,76	153,20
- saldi	39,35	37,50	37,01	35,49	46,15	43,01	43,38	61,84	67,54	67,43	63,75	57,75	57,28	50,04	49,71	61,91	66,31	68,34
2. Veterinari																		
- contributi	47,03	50,98	55,93	60,38	67,14	73,10	79,80	86,06	89,96	95,85	100,22	107,41	114,28	121,37	132,13	143,85	154,61	164,39
- prestazioni	24,34	25,29	26,08	27,26	28,92	30,70	32,64	34,79	36,20	37,26	38,58	40,76	43,21	47,03	52,14	57,52	63,65	72,51
- saldi	22,70	25,69	29,85	33,12	38,22	42,41	47,16	51,27	53,76	58,58	61,64	66,64	71,07	74,34	80,00	86,33	90,96	91,88
3. Farmacisti																		
- contributi	241,03	241,06	246,32	254,33	258,51	256,09	254,18	259,24	259,66	261,77	264,38	266,65	266,73	266,66	265,64	267,89	271,82	286,98
- prestazioni	145,00	147,84	149,53	155,21	154,95	157,84	160,49	162,97	159,70	157,10	154,15	150,80	152,44	153,04	154,71	155,43	160,43	177,70
- saldi	96,03	93,23	96,79	99,13	103,56	98,25	93,69	96,27	99,96	104,67	110,23	115,85	114,29	113,62	110,93	112,46	111,39	109,27
4. Avvocati																		
- contributi	646,56	707,48	782,31	883,20	1.075,38	1.308,54	1.326,27	1.444,97	1.474,50	1.515,55	1.578,37	1.616,66	1.575,85	1.696,66	1.741,72	1.745,29	1.955,00	2.204,78
- prestazioni	502,79	537,93	562,56	592,74	622,72	640,67	670,68	710,14	746,54	765,69	788,29	802,26	820,21	862,04	873,48	892,43	931,78	1.030,68
- saldi	143,77	169,55	219,75	290,46	452,67	667,86	655,60	734,83	727,95	749,86	790,08	814,40	755,64	834,61	868,24	852,85	1.023,22	1.174,10
5. Inarcassa																		
- contributi	556,91	591,00	640,74	665,09	661,04	733,46	923,48	1.059,26	1.017,86	984,61	1.080,72	1.066,48	1.066,48	1.128,17	1.181,93	1.209,81	1.453,52	1.699,64
- prestazioni	213,30	228,33	248,96	277,58	298,93	328,36	375,20	431,22	493,67	534,90	576,15	614,17	657,43	704,16	746,63	784,82	813,37	880,57
- saldi	343,61	362,67	391,78	387,51	362,11	405,10	548,28	628,04	524,18	449,71	504,57	452,31	409,05	424,01	435,30	424,99	640,15	819,07
6. Geometri																		
- contributi	316,81	367,81	388,32	396,51	390,13	409,86	416,02	430,70	427,15	467,82	495,41	518,54	511,70	546,45	553,29	536,13	658,95	744,77
- prestazioni	271,48	302,79	330,29	350,75	376,03	393,67	421,25	437,47	453,92	470,34	477,24	489,60	490,64	504,15	510,28	517,45	529,89	531,00
- saldi	45,33	65,01	58,03	45,77	14,11	16,18	-5,23	-6,77	-26,77	-2,53	18,17	28,94	21,06	42,30	43,01	18,69	129,05	213,77
7. Ragionieri																		
- contributi	231,78	243,39	250,43	252,05	258,86	249,98	254,28	270,81	278,25	279,89	293,10	301,21	311,07	296,00	287,91	272,54	289,62	295,87
- prestazioni	121,96	133,64	145,47	158,81	171,14	184,55	202,60	209,56	222,78	225,96	226,77	224,81	232,42	235,60	237,03	239,91	247,49	261,11
- saldi	109,82	109,76	104,96	93,24	87,73	65,43	51,68	61,25	55,46	53,93	66,33	76,40	78,65	60,40	50,88	32,63	42,13	34,76
8. Commercialisti																		
- contributi	429,35	467,02	514,09	548,47	555,91	580,79	618,99	664,78	721,01	729,86	757,55	791,76	825,76	866,39	888,98	939,46	1.009,08	1.114,99
- prestazioni	143,18	152,77	163,43	176,91	190,78	202,08	213,15	227,40	242,29	253,03	260,84	272,04	282,01	297,98	313,88	337,43	355,29	394,18
- saldi	286,17	314,26	350,65	371,56	365,13	378,72	405,84	437,37	478,72	476,83	496,71	519,73	543,74	568,41	575,10	602,03	653,79	720,81
9. Notai																		
- contributi	238,41	209,87	209,75	198,77	204,69	196,70	196,53	214,73	252,18	263,81	291,18	289,24	293,07	294,15	267,30	334,27	330,06	309,50
- prestazioni	153,31	159,99	166,22	172,43	175,48	179,20	183,60	190,35	198,13	201,68	204,57	206,42	208,10	211,81	215,28	216,78	219,58	228,17
- saldi	85,10	49,88	43,54	26,34	29,21	17,50	12,93	24,38	54,05	62,13	86,62	82,82	84,97	82,34	52,03	117,49	110,48	81,33
10. Giornalisti - Gestione Sostitutiva (4)																		
- contributi	346,31	370,72	393,53	388,19	385,63	381,47	383,05	382,53	359,78	351,25	374,80	360,88	362,92	360,34	340,61	346,13	0,00	0,00
- prestazioni	287,87	304,95	321,67	346,18	369,93	392,49	408,58	428,97	447,34	463,75	488,68	513,44	529,55	537,75	547,10	552,53	0,00	0,00
- saldi	58,44	65,77	71,86	42,01	15,70	-11,02	-25,53	-46,44	-87,55	-112,50	-113,88	-152,57	-166,63	-177,40	-206,49	-206,41	0,00	0,00
11. Medici																		
- contributi	1.634,42	1.754,66	1.827,61	1.960,03	2.054,11	2.132,98	2.150,97	2.208,81	2.246,32	2.375,70	2.518,96	2.648,44	2.917,68	2.970,20	3.218,87	3.227,46	3.476,80	3.496,98
- prestazioni	920,53	949,37	989,05	1.016,75	1.043,91	1.078,87	1.159,33	1.238,28	1.286,29	1.340,98	1.429,06	1.520,81	1.649,21	1.835,09	2.038,25	2.333,28	2.670,66	3.139,09
- saldi	713,89	805,29	838,56	943,28	1.010,20	1.054,11	991,65	970,53	960,04	1.034,72	1.089,90	1.127,64	1.268,47	1.135,11	1.180,62	894,18	806,14	357,89
TOTALE GESTIONI PENSIONISTICHE																		
- contributi	4.772,84	5.090,53	5.400,34	5.704,57	6.023,83	6.437,86	6.726,34	7.172,41	7.288,61	7.495,32	7.924,36	8.135,76	8.420,52	8.725,52	9.060,30	9.220,34	9.807,53	10.539,43
- prestazioni	2.828,63	2.991,93	3.157,57	3.336,67	3.499,06	3.660,30	3.906,90	4.159,83	4.381,28	4.552,48	4.750,23	4.945,84	5.182,92	5.517,75	5.820,98	6.223,21	6.133,90	6.868,21
- saldi	1.944,21	2.098,60	2.242,77	2.367,90	2.524,77	2.777,56	2.819,44	3.012,57	2.907,33	2.942,83	3.174,12	3.189,92	3.237,60	3.207,77	3.239,32	2.997,14	3.673,63	3.671,22
Spesa pensionistica in % del PIL	0,189%	0,193%	0,200%	0,220%	0,225%	0,232%	0,249%	0,267%	0,281%	0,292%	0,283%	0,288%	0,291%	0,309%	0,352%	0,338%	0,307%	0,323%

(1) Nel totale delle Casse mancano Enpaia, Fasc ed Enasarco, inseriti al punto 7 della tabella 1.a; i dati della presente tabella rappresentano l'analisi di dettaglio del punto 4 della tabella 1.a relativa agli Enti di cui al D.Lgs. N°509/94

(2) E' possibile che i dati relativi agli anni precedenti analizzati nei Rapporti annuali abbiano subito piccole variazioni dovute ad assestamenti dei bilanci successivi.

(3) Tutte le annualità antecedenti il 2006 (di ogni tabella) sono consultabili nelle serie storiche disponibili sul sito web www.itinerariprevidenziali.it nella sezione Rapporti.

(4) Con la Legge 30 dicembre 2023 n.234 la funzione previdenziale svolta dall'INPGI, in regime sostitutivo delle corrispondenti forme di previdenza obbligatoria viene trasferita, con effetto dal 1 luglio 2022 e limitatamente alla gesstne sostitutiva all'Inps. per maggiori dettagli vedasi Tabella Tab B34 a e b. e Tab B35 a e b

Table 1.c - Contribution income and expenditure for pensions and welfare supplements - Professional Social Security Funds pursuant to Legislative Decree No. 103/96 (million euros)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Periti industriali																		
- contributi	46,49	49,98	54,80	55,94	53,84	55,90	64,40	68,73	69,41	81,35	87,44	93,73	99,10	107,39	96,53	103,42	110,91	142,41
- prestazioni	1,13	1,64	2,13	3,07	3,78	4,61	5,72	7,85	8,83	11,07	13,75	13,96	16,93	20,02	21,06	22,49	25,73	30,97
- saldi	45,36	48,34	52,66	52,87	50,06	51,29	58,68	60,88	60,57	70,28	73,69	79,76	82,17	87,37	75,47	80,93	85,18	111,44
2. Psicologi																		
- contributi	55,00	55,00	61,43	65,70	71,86	79,26	83,98	89,02	92,63	100,63	108,99	114,24	130,17	143,65	155,54	170,67	224,96	240,65
- prestazioni	0,78	0,78	1,11	1,78	1,87	2,67	3,55	4,19	5,19	6,13	7,30	8,20	9,30	11,16	13,30	15,18	17,84	22,42
- saldi	54,22	54,22	60,32	63,92	71,00	76,59	80,42	84,82	87,44	94,49	101,69	106,04	120,87	132,50	142,24	155,49	207,12	218,22
3. Infermieri																		
- contributi	34,91	43,52	37,67	35,51	41,33	47,48	65,93	68,78	79,74	83,79	92,80	95,79	93,18	91,13	92,75	88,55	102,55	110,11
- prestazioni	0,15	0,23	0,35	0,53	0,79	0,98	1,39	1,70	2,07	2,54	3,12	3,67	4,16	4,77	5,52	6,09	6,74	8,93
- saldi	34,76	43,29	37,31	34,98	40,55	46,50	64,55	67,09	77,67	81,25	89,68	92,12	89,03	86,36	87,23	82,46	95,80	101,18
4. Biologi																		
- contributi	24,42	27,16	28,43	29,35	30,94	29,54	30,21	33,10	36,87	41,87	48,11	50,56	52,94	58,47	45,85	63,75	79,08	81,40
- prestazioni	0,13	0,22	0,37	0,50	0,73	0,93	1,59	1,76	2,19	2,54	3,19	3,85	4,58	5,56	6,73	7,58	9,02	11,24
- saldi	24,29	26,95	28,06	28,85	30,21	28,61	28,62	31,33	34,68	39,32	44,92	46,71	48,36	52,90	39,13	56,16	70,05	70,16
5. Agrotecnici																		
- contributi	1,13	1,16	1,25	1,35	1,45	1,56	1,67	1,75	1,91	2,28	2,56	2,68	3,00	3,35	4,01	4,83	6,39	7,53
- prestazioni	0,00	0,00	0,00	0,03	0,00	0,01	0,02	0,02	0,02	0,02	0,02	0,02	0,02	0,03	0,05	0,08	0,11	0,19
- saldi	1,13	1,16	1,25	1,32	1,45	1,55	1,65	1,74	1,90	2,27	2,54	2,66	2,98	3,32	3,96	4,75	6,27	7,34
6. Periti agrari																		
- contributi	6,59	6,01	6,36	6,64	8,42	6,48	7,47	7,59	7,77	8,19	8,26	8,17	8,40	8,49	8,23	9,69	10,59	14,27
- prestazioni	0,23	0,28	0,28	0,39	0,42	0,47	0,55	0,56	0,64	0,75	0,87	0,99	1,06	1,21	1,45	1,68	1,87	2,21
- saldi	6,36	5,73	6,08	6,25	8,01	6,01	6,92	7,03	7,13	7,43	7,39	7,19	7,34	7,29	6,79	8,01	8,72	12,06
7. Pluricategoriale																		
- contributi	43,67	50,16	51,19	51,45	52,00	52,35	54,62	53,57	54,19	53,10	55,34	53,24	55,31	61,05	56,58	67,30	78,27	91,91
- prestazioni	0,60	0,86	1,16	1,49	1,84	2,42	3,05	4,12	4,80	5,35	6,23	7,24	7,71	8,76	9,76	11,52	12,91	15,56
- saldi	43,07	49,30	50,04	49,96	50,16	49,93	51,57	49,46	49,39	47,75	49,10	46,01	47,59	52,29	46,82	55,79	65,36	76,35
8. Giornalisti - Gestione Separata																		
- contributi	26,39	27,71	27,33	28,16	22,69	47,60	45,75	42,95	46,27	42,07	43,10	42,81	42,31	44,99	41,91	52,00	54,89	59,35
- prestazioni	0,25	0,34	0,46	0,55	0,70	0,89	1,21	2,12	3,87	3,92	5,78	5,10	5,38	5,36	6,04	6,77	7,72	9,10
- saldi	26,14	27,37	26,87	27,61	21,98	46,71	44,54	40,83	42,40	38,15	37,32	37,71	36,93	39,64	35,87	45,23	47,17	50,25
TOTALE GESTIONI PENSIONISTICHE																		
- contributi	238,61	260,70	268,46	274,09	282,54	320,17	354,04	365,49	388,79	413,28	446,60	461,22	484,42	518,53	501,40	560,22	667,63	747,62
- prestazioni	3,27	4,35	5,87	8,33	10,13	12,99	17,08	22,31	27,62	32,32	40,27	43,02	49,15	56,86	63,90	71,38	81,95	100,62
- saldi	235,34	256,34	262,59	265,76	272,41	307,18	336,95	343,18	361,17	380,95	406,33	418,20	435,27	461,67	437,50	488,84	585,68	647,00
Spesa pensionistica in % del PIL	0,000%	0,000%	0,000%	0,001%	0,001%	0,001%	0,001%	0,001%	0,002%	0,002%	0,002%	0,003%	0,003%	0,003%	0,004%	0,004%	0,004%	0,005%

(1) I dati della presente tabella rappresentano l'analisi di dettaglio al punto 4 della tabella 1.a relativa agli Enti di cui del D.Lgs. N°103/94

(2) E' possibile che i dati relativi agli anni precedenti analizzati nei Rapporti annuali abbiano subito piccole variazioni dovute ad assestamenti dei bilanci successivi.

(3) Tutte le annualità antecedenti il 2006 sono consultabili nelle serie storiche disponibili sul sito web www.itinerariprevidenziali.it nella sezione Rapporti.

Table 2.b - Incidence in % of the balances between income and expenses on pension expenditure - Privatized Professional Funds pursuant to Legislative Decree N ° 509/94

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Consulenti del lavoro	87,67	76,48	68,13	57,20	69,63	59,84	54,65	69,74	71,53	66,26	60,18	52,15	48,66	38,75	37,59	45,65	46,78	44,61
2. Veterinari	93,26	101,57	114,42	121,50	132,14	138,14	144,46	147,39	148,50	157,22	159,78	163,49	164,47	158,06	153,44	150,08	142,91	126,71
3. Farmacisti	66,23	63,06	64,73	63,87	66,84	62,25	58,38	59,08	62,59	66,63	71,51	76,82	74,97	74,24	71,70	72,35	69,44	61,49
4. Avvocati	28,59	31,52	39,06	49,00	72,69	104,24	97,75	103,48	97,51	97,93	100,23	101,51	92,13	96,82	99,40	95,56	109,81	113,92
5. Inarcassa	161,10	158,83	157,37	139,60	121,14	123,37	146,13	145,64	106,18	84,07	87,57	73,65	62,22	60,21	58,30	54,15	78,70	93,02
6. Geometri	16,70	21,47	17,57	13,05	3,75	4,11	-1,24	-1,55	-5,90	-0,54	3,81	5,91	4,29	8,39	8,43	3,61	24,35	40,26
7. Ragionieri	90,04	82,13	72,15	58,71	51,26	35,45	25,51	29,23	24,90	23,87	29,25	33,98	33,84	25,64	21,47	13,60	17,02	13,31
8. Commercialisti	199,87	205,71	214,56	210,03	191,39	187,41	190,40	192,33	197,58	188,45	190,43	191,05	192,81	190,76	183,22	178,42	184,02	182,86
9. Notai	55,51	31,18	26,19	15,27	16,65	9,77	7,04	12,81	27,28	30,80	42,34	40,12	40,83	38,87	24,17	54,20	50,31	35,64
10. Giornalisti - Gest. Sostitutiva (2)	20,30	21,57	22,34	12,13	4,24	-2,81	-6,25	-10,83	-19,57	-24,26	-23,30	-29,71	-31,47	-32,99	-37,74	-37,36	-	-
11. Medici	77,55	84,82	84,78	92,77	96,77	97,71	85,54	78,38	74,64	77,16	76,27	74,15	76,91	61,86	57,92	38,32	30,18	11,40
TOTALE	68,73	70,14	71,03	70,97	72,16	75,88	72,17	72,42	66,36	64,64	66,82	64,50	62,47	58,14	55,65	48,16	59,89	53,45

(1) A titolo esemplificativo per i consulenti del lavoro, nel 2022, il saldo è pari al 46,68% della spesa totale per prestazioni

(2) Per l'anno 2022 e 2023 vedasi nota in tab. 1 b

Table 2.c - Incidence in % of the balances between income and expenses on pension expenditure - Professional Pension Funds pursuant to Legislative Decree N ° 103/96

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Periti industriali	3.998,95	2.947,26	2.467,85	1.723,24	1.323,69	1.111,53	1.026,07	775,76	685,71	635,07	536,08	571,22	485,32	436,49	358,45	359,80	331,01	359,87
2. Psicologi	6.937,49	6.937,49	5.447,46	3.596,94	3.753,03	2.866,82	2.264,05	2.022,71	1.683,63	1.540,88	1.393,29	1.293,49	1.299,34	1.187,35	1.069,80	1.024,08	1.161,32	973,19
3. Infermieri	23.267,69	18.682,54	10.600,39	6.623,95	5.144,40	4.735,14	4.659,01	3.957,89	3.750,03	3.195,45	2.872,24	2.511,34	2.141,55	1.811,16	1.579,24	1.354,79	1.420,37	1.133,47
4. Biologi	18.720,67	12.465,71	7.501,63	5.755,62	4.145,38	3.060,35	1.800,42	1.776,09	1.583,57	1.545,29	1.407,24	1.212,93	1.056,06	950,93	581,80	740,76	776,32	624,01
5. Agrotecnici			28.521,63	4.447,76	51.221,65	13.104,59	7.764,53	11.365,95	12.425,52	13.138,97	14.126,04	13.931,49	13.659,80	11.178,81	8.199,58	6.233,06	5.468,50	3.801,85
6. Periti Agrari	2.764,20	2.022,89	2.142,04	1.596,99	1.913,19	1.287,29	1.260,26	1.264,51	1.109,42	986,61	845,69	729,30	691,86	604,57	469,50	478,16	465,08	546,81
7. Pluricategoriale	7.208,28	5.730,45	4.330,59	3.361,63	2.725,55	2.064,33	1.688,64	1.201,72	1.028,36	892,69	787,57	635,72	616,91	596,76	479,66	484,43	506,34	490,76
8. Giornalisti - Gestione Separata	10.391,97	8.092,91	5.906,10	5.029,37	3.125,61	5.231,67	3.672,56	1.924,32	1.095,55	973,82	645,18	739,61	685,93	739,91	593,69	668,39	611,17	552,16
TOTALE	7.187,74	5.891,30	4.476,67	3.190,23	2.689,43	2.364,28	1.972,41	1.538,27	1.307,71	1.178,53	1.009,01	972,09	885,58	811,90	684,71	684,83	714,65	643,04

(1) A titolo esemplificativo per i periti industriali, nel 2020, il saldo è pari al 359,80% della spesa totale per prestazioni

Table 3.b - Ratio between contributory income and pension expenditure (percentage values) - Privatized Professional Funds pursuant to Legislative Decree N ° 509/94

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Consulenti del lavoro	187,67	176,48	168,13	157,20	169,63	159,84	154,65	169,74	171,53	166,26	160,18	152,15	148,66	138,75	137,59	145,65	146,78	144,61
2. Veterinari	193,26	201,57	214,42	221,50	232,14	238,14	244,46	247,39	248,50	257,22	259,78	263,49	264,47	258,06	253,44	250,08	242,91	226,71
3. Farmacisti	166,23	163,06	164,73	163,87	166,84	162,25	158,38	159,08	162,59	166,63	171,51	176,82	174,97	174,24	171,70	172,35	169,44	161,49
4. Avvocati	128,59	131,52	139,06	149,00	172,69	204,24	197,75	203,48	197,51	197,93	200,23	201,51	192,13	196,82	199,40	195,56	209,81	213,92
5. Inarcassa	261,10	258,83	257,37	239,60	221,14	223,37	246,13	245,64	206,18	184,07	187,57	173,65	162,22	160,21	158,30	154,15	178,70	193,02
6. Geometri	116,70	121,47	117,57	113,05	103,75	104,11	98,76	98,45	94,10	99,46	103,81	105,91	104,29	108,39	108,43	103,61	124,35	140,26
7. Ragionieri	190,04	182,13	172,15	158,71	151,26	135,45	125,51	129,23	124,90	123,87	129,25	133,98	133,84	125,64	121,47	113,60	117,02	113,31
8. Commercialisti	299,87	305,71	314,56	310,03	291,39	287,41	290,40	292,33	297,58	288,45	290,43	291,05	292,81	290,76	283,22	278,42	284,02	282,86
9. Notai	155,51	131,18	126,19	115,27	116,65	109,77	107,04	112,81	127,28	130,80	142,34	140,12	140,83	138,87	124,17	154,20	150,31	135,64
10. Giornalisti - Gest. Sostitutiva (1)	120,30	121,57	122,34	112,13	104,24	97,19	93,75	89,17	80,43	75,74	76,70	70,29	68,53	67,01	62,26	62,64	-	-
11. Medici	177,55	184,82	184,78	192,77	196,77	197,71	185,54	178,38	174,64	177,16	176,27	174,15	176,91	161,86	157,92	138,32	130,18	111,40
TOTALE	168,73	170,14	171,03	170,97	172,16	175,88	172,17	172,42	166,36	164,64	166,82	164,50	162,47	158,14	155,65	148,16	159,89	153,45

(1) Per l'anno 2022 E 2023 vedasi nota in tab. 1 b

Table 3.c - Ratio between contributory income and pension expenditure (percentage values) - Professional Social Security Funds pursuant to Legislative Decree N ° 103/96

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Periti industriali	4.098,95	3.047,26	2.567,85	1.823,24	1.423,69	1.211,53	1.126,07	875,76	785,71	735,07	636,08	671,22	585,32	536,49	458,45	459,80	431,01	459,87
2. Psicologi	7.037,49	7.037,49	5.547,46	3.696,94	3.853,03	2.966,82	2.364,05	2.122,71	1.783,63	1.640,88	1.493,29	1.393,49	1.399,34	1.287,35	1.169,80	1.124,08	1.261,32	1.073,19
3. Infermieri	23.367,69	18.782,54	10.700,39	6.723,95	5.244,40	4.835,14	4.759,01	4.057,89	3.850,03	3.295,45	2.972,24	2.611,34	2.241,55	1.911,16	1.679,24	1.454,79	1.520,37	1.233,47
4. Biologi	18.820,67	12.565,71	7.601,63	5.855,62	4.245,38	3.160,35	1.900,42	1.876,09	1.683,57	1.645,29	1.507,24	1.312,93	1.156,06	1.050,93	681,80	840,76	876,32	724,01
5. Agrotecnici			28.621,63	4.547,76	51.321,65	13.204,59	7.864,53	11.465,95	12.525,52	13.238,97	14.226,04	14.031,49	13.759,80	11.278,81	8.299,58	6.333,06	5.568,50	3.901,85
6. Periti Agrari	2.864,20	2.122,89	2.242,04	1.696,99	2.013,19	1.387,29	1.360,26	1.364,51	1.209,42	1.086,61	945,69	829,30	791,86	704,57	569,50	578,16	565,08	646,81
7. Pluricategoriale	7.308,28	5.830,45	4.430,59	3.461,63	2.825,55	2.164,33	1.788,64	1.301,72	1.128,36	992,69	887,57	735,72	716,91	696,76	579,66	584,43	606,34	590,76
8. Giornalisti - Gestione Separata	10.491,97	8.192,91	6.006,10	5.129,37	3.225,61	5.331,67	3.772,56	2.024,32	1.195,55	1.073,82	745,18	839,61	785,93	839,91	693,69	768,39	711,17	652,16
TOTALE	7.287,74	5.991,30	4.576,67	3.290,23	2.789,43	2.464,28	2.072,41	1.638,27	1.407,71	1.278,53	1.109,01	1.072,09	985,58	911,90	784,71	784,83	814,65	743,04

Tab. 4.b - Number of pensions, average contribution and average pension - Privatized Professional Funds pursuant to Legislative Decree No. 509/94

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
NUMERO CONTRIBUENTI																		
Consulenti del lavoro	21.684	22.225	22.897	23.630	27.092	26.742	26.712	26.423	26.460	26.239	25.903	25.598	25.469	25.372	25.240	25.478	25.469	25.265
Veterinari	24.123	24.902	25.478	26.036	26.410	26.727	27.161	27.596	28.080	28.563	28.850	29.223	29.252	29.044	29.117	28.753	28.018	27.341
Farmacisti	69.663	71.373	73.728	76.091	78.768	80.942	83.401	86.395	88.239	89.960	91.935	93.936	95.656	96.829	97.748	99.077	99.722	100.298
Avvocati	129.359	136.818	144.070	152.097	156.934	162.820	170.107	177.088	223.842	235.055	239.848	242.235	243.233	244.952	245.030	241.830	240.019	236.946
Inarcassa	131.095	138.124	143.850	149.101	155.208	160.802	164.731	167.092	167.567	168.385	168.402	168.109	168.851	168.501	168.981	173.957	175.627	175.319
Geometri	92.779	93.480	96.585	95.036	95.490	95.419	94.951	94.667	95.098	92.289	89.472	87.023	84.202	81.322	78.967	78.069	76.916	75.393
Ragionieri	29.690	29.297	28.659	28.148	30.842	30.492	30.050	29.587	29.690	29.534	29.238	28.833	25.238	24.914	24.914	24.146	23.488	22.900
Commercialisti	45.353	47.322	49.759	51.858	54.134	56.611	58.563	60.383	62.655	64.921	66.260	67.365	68.552	69.719	70.597	72.061	72.817	73.307
Notai	5.312	5.312	5.312	5.312	5.779	4.663	4.741	4.761	4.756	4.776	4.776	4.938	4.970	5.148	5.148	5.021	5.116	5.005
Giornalisti - Gest. Sostitutiva (4)	17.578	17.909	18.139	18.383	18.020	17.863	17.364	16.576	15.891	15.461	15.521	15.011	14.731	14.727	14.719	14.594	-	-
Medici (3)	332.834	337.798	342.260	346.255	348.846	353.172	354.553	354.993	356.375	360.845	362.391	363.670	366.084	371.465	375.380	373.407	371.038	368.039
Totale	**899.470**	**924.560**	**950.737**	**971.947**	**997.523**	**1.016.253**	**1.032.334**	**1.045.561**	**1.098.653**	**1.116.028**	**1.122.596**	**1.125.941**	**1.126.238**	**1.131.993**	**1.135.841**	**1.136.393**	**1.118.230**	**1.109.813**
NUMERO PENSIONI																		
Consulenti del lavoro	5.951	6.282	6.782	7.261	7.468	9.530	9.903	8.729	9.211	9.512	9.803	10.039	10.356	10.904	11.094	11.298	11.493	11.693
Veterinari	5.996	5.980	5.963	5.928	6.021	6.073	6.176	6.285	6.307	6.006	6.456	6.610	6.763	7.168	7.626	8.122	8.728	9.288
Farmacisti	26.639	26.619	26.750	26.724	26.628	27.406	27.571	26.821	26.338	25.725	25.252	25.023	24.925	24.945	24.815	25.906	26.226	26.335
Avvocati	23.374	23.890	24.472	24.934	25.250	24.373	24.901	25.362	26.963	27.375	28.152	28.351	28.913	29.425	29.777	30.243	30.986	32.206
Inarcassa	11.756	12.076	12.706	13.266	13.802	14.548	15.762	23.047	25.780	27.632	29.902	31.885	34.192	36.269	38.714	40.992	42.856	45.552
Geometri	23.199	25.065	26.554	25.369	26.296	27.102	27.863	28.394	33.626	34.304	34.803	35.302	35.821	36.595	37.241	37.726	38.410	38.668
Ragionieri	5.431	5.751	6.258	7.025	7.064	7.503	8.007	8.209	8.489	8.757	8.987	9.118	9.511	9.760	10.096	10.535	10.928	11.423
Commercialisti	4.603	4.809	5.097	5.423	5.683	5.971	6.190	6.431	6.694	6.987	7.251	7.654	7.972	8.536	8.988	9.903	10.617	11.500
Notai	2.362	2.380	2.409	2.414	2.395	2.543	2.579	2.517	2.562	2.587	2.592	2.624	2.625	2.654	2.643	2.659	2.653	2.657
Giornalisti - Gest. Sostitutiva (4)	5.794	6.002	6.230	6.495	6.992	7.303	7.646	7.964	8.234	8.857	9.222	9.398	9.568	9.876	9.944	9.909	-	-
Medici (2)	141.386	146.544	148.790	152.308	156.051	162.386	173.370	179.262	185.056	191.522	198.384	209.113	218.406	234.797	247.648	273.675	296.676	318.904
Totale	**256.491**	**265.398**	**272.011**	**277.147**	**283.650**	**294.738**	**309.968**	**323.021**	**339.260**	**349.264**	**360.804**	**375.117**	**389.052**	**410.929**	**428.586**	**460.968**	**479.573**	**508.226**
CONTRIBUZIONE MEDIA (€)																		
Consulenti del lavoro	3.885	3.893	3.988	4.128	4.150	4.296	4.596	5.697	6.121	6.449	6.550	6.582	6.870	7.061	7.208	7.753	8.170	8.769
Veterinari	1.950	2.047	2.195	2.319	2.542	2.735	2.938	3.118	3.204	3.356	3.474	3.675	3.907	4.179	4.538	5.003	5.518	6.012
Farmacisti	3.460	3.378	3.341	3.342	3.282	3.164	3.048	3.001	2.943	2.910	2.876	2.839	2.788	2.754	2.718	2.704	2.726	2.861
Avvocati	4.998	5.171	5.430	5.807	6.852	8.037	7.797	8.160	6.587	6.448	6.581	6.674	6.479	6.926	7.108	7.217	8.145	9.305
Inarcassa	4.248	4.279	4.454	4.461	4.259	4.561	5.606	6.339	6.074	5.847	6.417	6.344	6.316	6.695	6.994	6.955	8.276	9.695
Geometri	3.415	3.935	4.020	4.172	4.086	4.295	4.381	4.550	4.492	5.069	5.537	5.959	6.077	6.720	7.007	6.867	8.567	9.879
Ragionieri	7.807	8.308	8.738	8.954	8.393	8.198	8.462	9.153	9.372	9.477	10.025	10.447	12.325	11.881	11.556	11.287	12.331	12.920
Commercialisti	9.467	9.869	10.332	10.576	10.269	10.259	10.570	11.009	11.508	11.242	11.433	11.753	12.046	12.427	12.592	13.037	13.858	15.210
Notai	44.881	39.509	39.487	37.419	35.420	42.183	41.454	45.101	53.023	55.236	60.968	58.574	58.968	57.138	51.923	66.574	64.515	61.838
Giornalisti - Gest. Sostitutiva (4)	19.701	20.700	21.695	21.117	21.400	21.355	22.060	23.077	22.641	22.719	24.148	24.041	24.637	24.468	23.141	23.717	-	-
Medici	4.911	5.194	5.340	5.661	5.888	6.039	6.067	6.222	6.303	6.584	6.951	7.283	7.970	7.996	8.575	8.643	9.370	9.502
Totale	**5.306**	**5.506**	**5.680**	**5.869**	**6.039**	**6.335**	**6.516**	**6.860**	**6.634**	**6.716**	**7.059**	**7.226**	**7.477**	**7.708**	**7.977**	**8.114**	**8.771**	**9.497**
PENSIONE MEDIA (€) (1)																		
Consulenti del lavoro	7.542	7.805	8.009	8.546	8.875	7.542	8.015	10.159	10.250	10.700	10.805	11.030	11.366	11.840	11.918	12.004	12.334	13.102
Veterinari	4.059	4.229	4.374	4.598	4.804	5.055	5.286	5.535	5.740	6.204	5.976	6.167	6.390	6.561	6.837	7.082	7.292	7.807
Farmacisti	5.443	5.554	5.590	5.808	5.819	5.759	5.821	6.076	6.063	6.107	6.104	6.027	6.116	6.135	6.234	6.000	6.117	6.748
Avvocati	21.511	22.517	22.988	23.772	24.662	26.286	26.934	28.000	27.688	27.970	28.001	28.297	28.368	29.296	29.334	29.509	30.071	32.003
Inarcassa	18.144	18.908	19.594	20.924	21.658	22.571	23.804	18.711	19.149	19.358	19.268	19.262	19.228	19.415	19.286	19.146	18.979	19.331
Geometri	11.702	12.080	12.438	13.826	14.300	14.526	15.119	15.407	13.499	13.711	13.713	13.869	13.697	13.777	13.702	13.716	13.796	13.732
Ragionieri	22.457	23.237	23.245	22.606	24.226	24.597	25.303	25.528	26.244	25.803	25.233	24.656	24.436	24.139	23.478	22.773	22.647	22.858
Commercialisti	31.105	31.766	32.065	32.622	33.570	33.843	34.435	35.361	36.195	36.214	35.973	35.542	35.376	34.908	34.922	34.073	33.464	34.277
Notai	64.906	67.224	68.998	71.431	73.270	70.466	71.192	75.624	77.332	77.960	78.923	78.666	79.275	79.808	81.452	81.527	82.767	85.875
Giornalisti - Gest. Sostitutiva (4)	49.684	50.809	51.632	53.299	52.908	53.744	53.437	53.864	54.328	52.360	52.990	54.633	55.346	54.450	55.018	55.761	-	-
Medici	6.511	6.478	6.647	6.676	6.690	6.644	6.687	6.908	6.951	7.002	7.203	7.273	7.551	7.816	8.230	8.526	9.002	9.843
Totale	**11.028**	**11.273**	**11.608**	**12.039**	**12.336**	**12.419**	**12.604**	**12.878**	**12.914**	**13.034**	**13.166**	**13.185**	**13.322**	**13.428**	**13.582**	**13.500**	**12.790**	**13.514**

(1) Importi delle pensioni in pagamento a fine anno

(2) Per i medici, il numero delle pensioni è pari alla somma del numero pensioni di tutte le 5 Gestioni ENPAM. Per il dettaglio si veda la serie delle tabelle d) sul sito web www.itinerariprevidenziali.it.

(3) Per i medici, il numero dei contribuenti totale è pari al numero degli iscritti alla sola gestione generici A. Per il dettaglio si veda la serie delle tabelle d) sul sito web www.itinerariprevidenziali.it.

(4) Per l'anno 2022 e 2023 vedasi nota in tab. 1 b

Table 4.c - Number of pensions, average contribution and average pension - Professional Social Security Funds pursuant to Legislative Decree No. 103/96

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
NUMERO CONTRIBUENTI																		
Periti Industriali	16.897	17.390	19.372	19.777	20.575	20.857	21.658	14.681	14.514	14.255	14.043	14.043	13.702	13.479	13.431	13.296	13.271	13.174
Psicologi	27.911	27.911	30.101	32.819	35.837	38.516	41.870	45.194	49.085	51.272	54.444	57.774	61.068	64.366	68.037	72.640	77.151	81.761
Infermieri	12.183	14.275	15.286	16.169	18.577	24.205	25.976	35.910	38.580	39.928	43.826	44.061	42.978	44.209	43.099	43.295	38.168	39.611
Biologi	11.208	11.488	11.344	12.433	12.509	13.448	13.815	12.281	13.009	13.721	14.475	15.070	14.981	15.733	16.184	17.152	17.801	18.138
Agrotecnici	1.392	1.426	1.430	1.524	1.606	1.237	1.315	1.384	1.461	1.599	1.716	1.807	1.933	2.067	2.178	2.222	2.359	2.491
Periti Agrari	3.968	4.025	4.200	4.253	4.267	4.267	4.267	3.219	3.231	3.297	3.295	3.270	3.274	3.283	3.281	3.317	3.374	3.440
Pluricategoriale	20.950	21.960	22.867	24.221	24.408	26.875	27.273	27.466	28.287	28.847	29.131	29.539	30.078	30.910	31.318	31.890	32.484	33.022
Giornalisti - Gest. Separata	19.680	20.496	21.617	24.999	26.797	27.389	29.063	30.271	31.171	32.454	27.707	27.359	27.146	26.846	27.573	27.496	27.030	26.118
Totale	**114.189**	**118.971**	**126.217**	**136.195**	**144.576**	**156.794**	**165.237**	**170.406**	**179.338**	**185.373**	**188.637**	**192.923**	**195.160**	**200.893**	**205.101**	**211.308**	**211.638**	**217.755**
NUMERO PENSIONI																		
Periti Industriali	759	959	1.202	1.463	1.673	1.886	2.344	2.781	3.128	3.477	3.779	4.050	4.432	4.857	5.114	5.472	5.810	6.150
Psicologi	719	719	885	1.152	1.289	1.628	1.995	2.263	2.594	2.980	3.391	3.647	4.120	4.614	5.181	5.672	6.172	6.780
Infermieri	141	214	300	422	551	701	920	1.179	1.472	1.770	2.107	2.359	2.608	2.948	3.201	3.506	3.787	4.007
Biologi	115	169	219	296	376	442	736	712	825	969	1.163	1.326	1.530	1.678	1.944	2.099	2.412	2.689
Agrotecnici	0	0	2	6	6	8	8	16	18	21	26	26	48	42	51	78	90	119
Periti Agrari	211	247	277	313	337	361	372	412	444	480	534	564	720	664	696	763	810	868
Pluricategoriale	485	613	719	852	1.016	1.213	1.436	1.663	1.774	2.096	2.417	2.538	2.746	3.012	3.261	3.554	3.896	4.241
Giornalisti - Gest. Separata	406	529	671	792	899	1.051	1.239	1.275	1.325	1.347	1.364	1.397	1.448	1.514	1.620	1.709	1.877	1.971
Totale	**2.836**	**3.450**	**4.275**	**5.296**	**6.147**	**7.290**	**9.050**	**10.301**	**11.580**	**13.140**	**14.781**	**15.907**	**17.652**	**19.329**	**21.068**	**22.853**	**24.854**	**26.825**
CONTRIBUZIONE MEDIA (€)																		
Periti Industriali	2.751	2.874	2.829	2.828	2.617	2.680	2.974	4.682	4.782	5.707	6.227	6.674	7.232	7.967	7.187	7.779	8.357	10.810
Psicologi	1.971	1.971	2.041	2.002	2.005	2.058	2.006	1.970	1.887	1.963	2.002	1.977	2.132	2.232	2.286	2.350	2.916	2.943
Infermieri	2.865	3.048	2.464	2.196	2.225	1.962	2.538	1.915	2.067	2.099	2.117	2.174	2.168	2.061	2.152	2.045	2.687	2.780
Biologi	2.179	2.365	2.506	2.361	2.473	2.197	2.187	2.695	2.834	3.051	3.323	3.355	3.534	3.716	2.833	3.717	4.442	4.488
Agrotecnici	814	811	876	883	903	1.262	1.272	1.267	1.311	1.429	1.490	1.482	1.554	1.620	1.841	2.174	2.707	3.025
Periti Agrari	1.661	1.494	1.514	1.560	1.974	1.517	1.750	2.357	2.406	2.483	2.507	2.499	2.566	2.586	2.510	2.921	3.139	4.148
Pluricategoriale	2.084	2.284	2.239	2.124	2.130	1.948	2.003	1.951	1.916	1.841	1.900	1.802	1.839	1.975	1.807	2.110	2.410	2.783
Giornalisti - Gest. Separata	1.341	1.352	1.264	1.127	847	1.738	1.574	1.419	1.484	1.296	1.556	1.565	1.559	1.676	1.520	1.891	2.031	2.272
Totale	**2.090**	**2.191**	**2.127**	**2.012**	**1.954**	**2.042**	**2.143**	**2.145**	**2.168**	**2.229**	**2.367**	**2.391**	**2.482**	**2.581**	**2.445**	**2.651**	**3.155**	**3.433**
PENSIONE MEDIA (€) (1)																		
Periti Industriali	1.494	1.710	1.775	2.097	2.261	2.446	2.440	2.822	2.824	3.183	3.638	3.448	3.820	4.121	4.117	4.111	4.429	5.035
Psicologi	1.087	1.087	1.251	1.543	1.447	1.641	1.781	1.853	2.002	2.058	2.152	2.248	2.258	2.418	2.566	2.677	2.890	3.307
Infermieri	1.060	1.083	1.173	1.251	1.430	1.401	1.506	1.438	1.407	1.437	1.482	1.555	1.594	1.617	1.725	1.736	1.781	2.228
Biologi	1.128	1.279	1.708	1.694	1.938	2.115	2.160	2.478	2.654	2.626	2.744	2.904	2.993	3.315	3.459	3.612	3.741	4.181
Agrotecnici			2.190	4.934	471	1.477	2.658	956	849	822	691	734	455	707	947	978	1.274	1.623
Periti Agrari	1.091	1.147	1.024	1.249	1.242	1.293	1.476	1.350	1.447	1.569	1.636	1.747	1.474	1.815	2.077	2.196	2.314	2.542
Pluricategoriale	1.232	1.403	1.607	1.744	1.811	1.994	2.126	2.475	2.707	2.552	2.580	2.851	2.809	2.909	2.993	3.240	3.313	3.669
Giornalisti - Gest. Separata	620	639	678	693	782	849	979	1.664	2.921	2.909	4.241	3.650	3.718	3.538	3.729	3.959	4.112	4.617
Totale	**1.154**	**1.261**	**1.372**	**1.573**	**1.648**	**1.782**	**1.888**	**2.166**	**2.385**	**2.460**	**2.724**	**2.705**	**2.784**	**2.942**	**3.033**	**3.123**	**3.297**	**3.751**

(1) Importi delle pensioni in pagamento a fine anno

Appendix 1 - Summary of the major revisions and reforms of the Italian pension system from 1992 to 2024: the changes introduced by the last two2023 and 2024 Budget laws for 2024 and 2025 respectively

The key labour and welfare legislation from 1992 to 2023 can be found attached on the www.itinerariprevidenziali.it page devoted to the XII Report on the economic and financial situation of the *Italian Welfare System.*

Ae) The 2023 Budget Law no. 213 of December 30, for 2024 (Meloni Government; Minister of the Economy and Finance, Giancarlo Giorgetti) introduced ***more restrictive*** pension and Social APE requirements compared to the ones applied in 2023; this was particularly true for the **103 Quota**, ***Women's Option, Social APE, pensions for public-sector employed workers*** and for the ***indexation*** mechanism of ***pensions*** that maintained the same penalties as in 2023, thus further reducing the revaluation of benefits 10 times over the minimum from 32 to 22%; it also introduced ***expansive measures*** to adjust the minimum pensions and the 2022 inflation scheduled for 2024 but brought forward to December 2023, according to the provisions of Law Decree no. 145 of October 18, 2023, renamed DL Anticipi (see Insight 2 on pension indexing). The novelties for are listed below:

1) The **103 Quota** - Under this measure, it is still possible to retire early with ***62 years of age and 41 of contributions***, but with much more stringent constraints than the previous year; in fact, for the workers who have accrued the requirements during 2024, the amount of benefits is entirely determined according to the ***contribution-based calculation rules*** and the gross monthly ceiling is lower, never above four times the minimum pension, (about 2.270 euros in 2024) until they reach the age to be entitled to the old-age pension, currently at 67 (in 2023 it was equal to five times the minimum benefits); this law also provides for tighter exit windows: the time between the moment workers become entitled to their pension and the moment in which they actually receive it has been extended from 3 to 7 months for private-sector employed workers and from 6 to 9 months for public-sector-employed workers. Those who have opted to temporarily postpone their retirement and work for a few more years can benefit from the so-called "Maroni bonus" and request that their 9.19% contribution be included in their pay-check while the employer's share continues to be paid to INPS; the portion of contributions collected does not contribute to increasing the pension. Those who have opted for the 103 Quota (as with the 100and 102 Quotas) are not allowed to work effect and hence combine their work income with their pension income until they reach 67 years of age. Those who have reached the 103 Quota requirements by December 31, 2023 can apply for a pension in 2024 and the following years, while maintaining the conditions under the previous regulations. The same can be done by those who have met the requirements for the 100 Quota (62 years of age and 38 years of contributions by December 31, 2021) and the 102 Quota (64 years of age and 38 years of contributions by December 31, 2022).

2) Women's Option – It has been further restricted after its significant reform in 2023; it is only applicable to women workers: **(a)** who have been laid off or are employed in companies with a crisis negotiation managed by the Ministry; **(b)** with disabilities of 74% or more; **(c)** who have cared for disabled or severely disabled first-degree relatives under Act no. 104 of 1992 and for second degree relatives above 70 years of age for at least six months; in fact in 2024, ***the age requirement has been extended from 60 to 61 years of age***, reduced by one year for each child within the limit of two years, while the requirement of ***35 years of contributions*** remains unchanged. The age and contribution requirements must have been met by December 31, 2024. For 2025, the following provisions remain: **1)** the ***calculation of the pension benefits entirely with the contribution-based system*** with a reduction of the benefits at 61years of age by about 18%/20% with the coefficients in force in 2023-24; **2)** moving 12-month windows for employed workers and 18-month windows for the self-employed; in practice, a self-employed woman without children can be entitled to the Women's Option at 62 and a half years of age. *It should also be pointed out, but this applies to all early retirements, and due to the principle of "crystallization of pension rights," It is possible to start receiving the benefits also after having reached the retirement age and contribution requirements in (requirements + windows), thus even later*. The pensions provided under the Women's Option can be fully combined with other sources of labour income in the same way as any other pension.

3) Social APE – It has been extended again to the end of 2024 but can be obtained with ***63 years and 5 months of age***, 5 months more than in 2023; like with the Women's Option, the subjects entitled are: **(a)** unemployed workers with at least ***63 years and 5 months of age and 30 years of contributions*** resulting from termination of employment due to dismissal, including collective dismissals, resignation for just cause or consensual termination or to a crisis of the employer that is being managed together with the Ministry and subjects have finished their Naspi-type periods of unemployment,; **(b)** people ***with 63 years and 5 months of age and 30 years of contributions***, with disabilities equal to or over 74% and recognized as disabled civilians; **c)** workers also with ***63 years and 5 months of age and 30 years of contributions*** who have been caring for at least 6 months for co-habiting first or second-degree disabled people, seriously disabled as provided for under Act no. 104 of 1992 (second degree relatives only over 70 years of age); **d)** employed workers with the ***so-called "heavy"*** jobs with at least ***63 years and 5 months of age and 36 years of contributions*** and who, at the time of their application for the social APE, have been working in one or more of the occupations listed in the Exhibit no. 3 to Act no. 234/2021 for at least 6 years in the last 7 or for at least 7 years in the last 10 (for the list of heavy jobs, see the aforementioned web attachment); the previously announced expansion of the heavy job categories under Act no. 234/2021 has not been finalized. The contribution requirements have not changed; for women, they are reduced by 1 year for each child (for a maximum of 2). For 2024, it is possible to fully combine the benefits with employment or self-employment income, a possibility that did not exist before, with the exception of temporary work for a maximum of 5,000 euros per year. As a reminder, these benefits, still calculated under the mixed system, are not pension but welfare benefits obtained before the actual retirement; they are paid in 12 monthly instalments (not 13), and the amount of the instalment is limited to 1,500 euros, without inflation adjustments until the statutory old-age pension requirement is reached at 67 years of age.

4) Workers whose benefits are calculated entirely with the contribution-based system – It is no longer required to have a minimum pension equal to 1.5 times the social allowance to retire under the contribution-based system upon reaching 67 years of age, adjusted for life expectancy and with at least 20 years of contributions; in fact, it is enough to have a pension not below the amount of the social allowance without the requirement of having a pension amount equal to 1.5 times the social allowance as originally provided for by the Fornero reform, and so these workers are no longer obliged to work until age of 71. The amount of the contribution-based ***early old-age pension*** at 64 years of age and 20 years of contributions has also changed, rising from 2.8 to ***more than 3 times the social allowance*** (about 1,550 in 2024). There is a discount to 2.8 for women with one child and to

2.6 for women with two or more children. These early retirement benefits are granted for a maximum amount per before taxes that should not exceed 5 times the minimum pension, until fulfilling the old-age retirement requirements, and take effect 3 months (window) after the date on which these workers become eligible. It is judged to be a schizophrenic measure that exacerbates one the main flaws of the Fornero Law, thus making retirement even more difficult for pension beneficiaries and easier for welfare benefit recipients.

5) "Contribution peace" - For the so-called "subject under the pure contribution-based system" i.e., those who have started working from January 1,1996 onwards, the 2019-2021 three-year trial was reinstated for the two years, for 2024 and 2025, which allows for redeeming periods without contributions within a deadline of five years. This option does not apply to the subject under the income-based or mixed system, that is, those who had more than 18 years of contributions on December 31, 1995 and less than 18 years of contributions respectively. subject under the pure contribution-based system, i.e., those who, as of Dec. 31, 1995, had paid no contributions and had registered with Ago (General Compulsory Insurance) as employed workers, with the schemes for the self-employed and with the INPS separate scheme, are able to redeem up to 5 years, even non-consecutive, of "contribution gaps" between January 1, 1996 and December 31, 2023. The cost of the redemption is calculated using the contribution-based system, (Paragraph 5 Art. 2 of Law Decree of April 30, 1997), with the contribution rate applied to the fund where this redemption is requested: for employed workers 33% of their taxable income, for self-employed workers 24% on average, for the members of the INPS separate scheme 25.72% of the salary received in the twelve months prior to the request, multiplied by the years to be redeemed (including university studies). This charge may be paid as a lump sum or, up to 120 monthly instalments of no less than 30 euros. Compared to the rule in effect for the 2019-2021 two-year period, the major difference is that for redemption applications submitted from January 1, 2024 to December 31, 2025, the contributions paid can be deducted from taxes from the total income instead of 50% of the expenses incurred, as under the previous provisions, and no interests are charged. Moreover, under these provisions, for the private-sector workers, the redemption costs may be borne by the employer as their eligible production bonus. In this case, the amounts paid by the company ca be deducted from corporate income taxes (IRES). With the redemption, it is possible to retire for a maximum of 5 years in advance, compared to the statutory age of 42 years and 10 months (one year less for women) and compared to the 20 years for old age pensions. It remains to be seen whether the rule that allows the subjects under the contribution-based system workers to redeem their degree on favourable terms (annual flat-rate contributions, calculated by multiplying the minimum taxable amount of artisans and retailers by the contribution rate levied at the time of the application, about 5,240 euros in 2019 for each year of study to be redeemed) is confirmed or whether the measure described integrates also the previous one, but with the new modalities. The ordinary rules apply to the other degree redemption requirements.

6) Pensions for public-sector employed workers – The benefits accrued before Dec. 31, 1995 are reduced for the members of the former pension funds for public–sector employed workers administered by the Treasury and now by INPS, after the integration of Inpdap: CTPS for central government employed workers; CPDEL for local government employees; CPI, the pension fund for teachers; CPS, the pension for health care workers; and CPUG, pension fund for court officials, who have less than 15 years of contributions as of December 31, 1995, and who are eligible for retirement as of January 1, 2024, with the reduction of the extremely favourable rates of return provided for under former Acts no. 965/1965 and no. 16/1986, that have been replaced with the rates applied to the category of private-sector employed workers (about 2% for each year of work); this can slash pensions by more than 4,300 euros a year with a gross salary of 30,000 euros and by nearly 7.400 euros for those with a gross salary of 50,000 euros, with an estimated loss between 5% and 25% of the annual pension check to be multiplied by the average remaining life expectancy; this measure is applied to about 700,000 public-sector workers (government estimate), including about 3,800 doctors. *However, being an ex-.post measure without the pro-rata principle, the government proposal can be deemed unconstitutional, and so it has been revised.*

No changes for the categories of ***early workers*** and workers employed in demanding activities, for which please refer to previous Budget Laws (extensively described in the appendix on the website).

The cut to the contribution wedge has been extended until the end of 2024, under the same conditions as in 2023 and the same for the cut to the contribution wedge for women and incomes under 35,000 euros; the inflation adjustment of minimum pensions has been extended too, equal to **2.7%** (vs. **1.5%** ***for subjects under 75 and* 6.4%** ***for those over* 75** ***in 2023)***; temporary measures that last only for 2024 with a cost of over 20 billion (see the INPS final figures on the cost of contribution reliefs that alone amount to over 20 billion) and that are bound to be a burden for the future Budget Laws and e difficult for politicians to eliminate.

A final mention of ***expansion*** and ***isopension contracts***. Under Law Decree no. 48 of May 4, 2023, , transposed into Act no. 85 of July 3, 2023, the expansion contracts signed by December 31, 2022 and not yet expired, can readjust until December 31, 2023 through a ministerial agreement, the terminations of employment giving access to a retirement exit within 12 months after the original term of the contract, thus giving a further opportunity to the companies that have had a lower number of retirements than budgeted in 2022; in the absence of further regulations, expansion contracts will cease to exist. Finally, Law Decree no. 198 of Dec. 29, 2022, transposed into Act no. 14 of 2023 (the so-called Milleproroghe) further extended the ***Isopension*** until 2026[1].

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[1] The ***expansion contract*** is a retirement support measure introduced for the two year 2019-20 period by Law Decree no. 34 of April 30, 2019 (Growth Decree), transposed into Act no. 58 of June 28, 2019. It is an early retirement option initially reserved for large companies with at least 1,000 employees that are allowed to lay off their workers close to retirement or reduce their working time. The 2021 Budget Law (Act no.178/2020) extended the contract to 2021, lowering the threshold to 500 workers to initiate reorganization/reindustrialization plans, and to 250 workers for early retirement pension up to 5 years in advance with respect to the statutory retirement age requirements. However, this second option can be activated only under certain conditions: stable aggregation of companies with a single production or service purpose, and also the provision of retirement support incentive and notional contributions (the so-called correlated contributions). Under Law Decree no. 73of May 25, 2021, transposed into Act no. 106 of July 23, 2021, this limit dropped to 100 employed workers. The expansion contract requires an agreement between employers and trade unions, signed by the Ministry of Labour, in which the company must indicate a hiring schedule and a staff skilling and upskilling project. The employers must submit a bank guarantee to secure the benefits they are committed to paying. The employed workers for whom early retirement is requested must have a permanent employment relationship and they have to agree to leave by November 30, 2021. The employees who accept this option receive a pension from INPS equal to the gross salary accrued upon the termination of employment, compatible with other work assignments. The cost is borne by the company, net of the eligible Naspi benefits. This option is open for the members of FPLD and of other substitutive and exclusive funds who: a) are no more than five years away from fulfilling the old-age or early retirement requirements; b) have complied with the minimum contribution requirements, i.e., 20 years for the old-age pension and 37/36 years and 10 months for the early pension, depending on whether they are men or women. The 2022 Budget Law Act no. 234/2021) extended by two years (2022-23) the expansion contract for companies with at least 50 employees operating in any sector that plan a turnover with one newly-hired worker out of three who retire. Finally, in order to fully implement the relaunching plans of corporate groups with more than 1,000 employees, Law Decree no. 48 of May 4, 2023, transposed into Act no. 85, provided, for expansion contracts signed by Dec. 31, 2022 and not yet terminated, the possibility of being rescheduled, until Dec. 31, 2023, through

<u>Af) The 2025 Budget Law (Meloni government; Minister of Economy and Finance Giancarlo Giorgetti</u>

The ***Structural Budget Plan (Psb)*** was launched by the Government to replace the old NaDef, (Updated Note to the Economic and Financial Document), used to illustrate the requirements and plans for the budget law to be passed in autumn, and it was sent to the EU in mid-October 2024. The Plan is a more binding with respect to NaDef because it commits member countries to a five-year program and sets the maximum level of net primary spending for 4/7 years. This binding plan can be modified only due to exceptional events or changes of government. The cornerstone of the Plan is the ceiling on spending increases agreed upon between the EU Commission and the Government so as to reduce the deficit to meet the EU parameters and, above all, to bring the ratio of public debt to GDP back on a more sustainable path. For Italy, this means an annual cut to the structural deficit of 0.55 points of GDP, about 12 billion euros in 2025 and 2026, followed by a marginally lighter correction (0.52% of GDP) in subsequent years (2027 to 2031) when the adjustment of the deficit below 3% of GDP will have brought Italy out of the excessive deficit procedure. The plan is based on a reduction in net primary spending, i.e., total government expenditure adjusted for interest on debt, European transfers (but not NRP loans) and cyclical unemployment benefits. This aggregate (net primary spending) amounts to more than 1 trillion a year for Italy; the aim is to contain its growth below 1.5% a year until 2031; this means a reduction in real terms given a higher, although moderate, inflation rate over this period. On the basis of the new PSB, the ***2025 Budget Law*** totals about 28.5

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a ministerial agreement, to allow their workers to retire within 12 months after the original term of the contract, thus providing an additional opportunity to enterprises that have had a lowed number of retirements than budgeted in 2022. The overall expenditure of this measure (increased by 20 million up to 68.4 million under the same Law) and the maximum number of eligible workers provided for in the original contract remain the same. For large companies up to 1,000 employees, the expansion contract plans are extended until 2024 if previous agreements have not been fully implemented, while new agreements are not allowed. The Isopension is a form of employer-paid redundancy support measure established by the Monti-Fornero Law (Act no. 92 of 2012), which covers salary and contributions until the actual benefits accrue. This measure was temporarily extended to 7 years for the three-year 2018-2020 period under the 2017 Budget Law (Act no. 205/2017) for 2018, then further extended to 2023 by the 2020 Budget Law (Act no. 178 of 2020). Finally, Law Decree no. 198 of December 29, 2022, transposed into Act no. 14 of 2023 (the so-called Milleproroghe) further extended the Isopension until 2026. On the basis of an agreement between companies and trade unions, workers close to retirement can retire up to 7 years earlier than the early and old age retirement requirements of the Fornero Law. Workers receive an allowance from their company equal to the pension calculated at the time of early retirement. Actually, the company pays monthly amounts to INPS to finance these benefits and the (so-called related) notional contributions. This pension cannot be granted to survivors, who may be entitled to an indirect pension under the current regulations. The subjects eligible for the isopension are workers close to retirement employed by the enterprises: **a)** that operate in any sector, with an average of more than 15 employees; **b)** that have a redundancy plan; **c)** that have signed an agreement with the trade unions on redundancies and redundancy conditions and on pension support allowances; this agreement must be validated by INPS after an ad-hoc assessment; (**d)** that submit a bank guarantee together with their application so as to ensure their financial solvency for the redundancy entire duration; if these companies discontinue their monthly payments, INPS can request the payment of the instalments from the bank; if the insolvency situation lasts for over 180 days, INPS can use the entire guarantee to pay for the workers' benefits throughout the whole process; in case the guaranteed sums are not paid by the bank, INPS will stop paying the isopension and notional contributions. This measure cannot be granted to workers who already receive a disability pension or an ordinary invalidity allowance. The contribution requirements to be eligible for this measure cannot be obtained through the cumulation of contributions paid to different funds: in case of fragmented contributions and periods of contribution in privatized schemes for professionals, the onerous reconciliation under ex Act no. 29/79, or ex Act no. 45/90 must be used. This instrument cannot be utilized to obtain a 102/103 Quota pension. Currently, the possibility for workers to retire 7 years in advance with respect to the statutory requirement of 42 years and 10 months (1 year less for women), allows them to obtain a pension with 35 years and 10 months (34 years and 10 months for women) with no lower age limit compared to the 62 years of age for the 103 Quota and even more to the 64 years of age for the 102 Quota.

billion, of which 9 billion raised through the deficit, while the rest will come from higher than expected revenues, the extraordinary contribution to be paid by banks and insurance companies, and the ministerial spending review except for the Ministry of health. This law follows the line of the two previous budget laws, with a series of costly welfare measures but with no active labour policies, industrial development plans, actions to boost productivity (Italy's Achilles heel), or a roadmap for the country's future; the Minister of Economy, Giorgetti, refers to this law as "the law for poor chaps."

The ***welfare*** part of the ***social security budget*** features the following measures: the "***Newborn Card***" a one-off grant of ***1,000 euros*** to parents within the ISEE (means testing) income threshold of 40,000 euros for each new born, disbursed in the month following the date of birth or adoption; this sum is not taken into consideration in the calculation of income; the total cost is 330 million euros in 2025, and 360 million per year from 2026. The ***AUUF*** (single universal child allowance) is excluded from the calculation of ISEE but only for two specific child-related benefits: the ***day-care bonus*** and the ***new baby bonus***; the day-care bonus is a structural measure which can go up to **3,600 euros** ***a year*** for parents of children born after December 31, 2023 whose ISEE is below 40,000 euros. The "***Dedicated to You***" card is financed with 500 million in 2025. Finally, it extends up to three months the parental leave until the child's sixth birthday with 80% of the remuneration. The only measure to boost employment without jeopardizing INPS's accounts with contribution reliefs is the again the "***super-amortization of labour costs***" introduced by Legislative Decree no. 216/2023 that implements the tax reform, which provides for a personal and corporate income tax deduction of the cost of newly-hired workers with open-ended contracts equal to 120%, which can go up to 130% for the employment of people in disadvantaged conditions (including young people, women victims of violence, disabled individuals).

The law still envisages ***contribution reliefs*** and innovations, but not ***Decontribuzione Sud*** (the contribution relief for the South) that expires in December because, as in 1994 (1st Berlusconi government), it is considered a "state aid." *Evidently the Government has not taken into account what happened in 1994, when the Commission started an infringement procedure against Italy because it had provided total contribution reliefs for the entire South of Italy for 20 years; this measure was not successful because it failed to increase the employment rate in the South; a partial rebate like the one provided by law would have worked even less*. The European Commission extended the contribution reliefs but only for contracts signed by June 30, 2024. Instead, the law **c*onfirms,*** for the ***period from Sepember 1, 2024 to December 31, 2025***, the contribution exemption for hiring ***under 35s*** with long-term contracts up to a maximum of 500 euros per month and for a maximum of 2 years (650 in the South; the funds for the bonus increase from 700,000 euros in 2024 to 16.3 million for 2025, 15.9 million for 2026 and 5.6 million for 2027. ***Contribution reliefs for hiring women in special disadvantaged conditions:*** the provisions under Art. 23 of the so-called "Cohesion Decree" are extended for 2 years; under these provisions, private employers who hire women with long-term contracts from Sept. 1, 2024 to December 31, 2025 with no age or residence limits are entitled to pay lower contributions on the basis of the following conditions: if these women have been without regular paid employment for at least twenty-four months or without regular paid employment for at least six months if they reside in the regions of the Single Special Economic Zone for the South, for a maximum period of 24 months, these employers are exempted from paying 100% of their own social security contributions**,** excluding the ones to be paid to INAIL, up to a maximum amount of 650.00 euros per month for each female worker. ***Contribution reliefs for working mothers*** (always with an ISEE not exceeding 40,000 euros). As of 2025, under this measure, there is a partial exemption of the share of social security contributions with a spending limit of 300 million euros per year, but only for employed women with at least two children, excluding domestic work relationships and for self-employed women who receive at least one form of self-employment income, ordinary accounting business income, simplified accounting business income or participation income and who have not opted for the flat-rate scheme. The contribution exemption is available until the youngest child is 10 years old; instead, as of 2027, the age threshold rises to 18 for mothers who have three or more children. ***ZES contribution relief bonus*** (Single Special Economic Zone of the South) is open for companies with up to 10 permanent employees that are exempted from paying social security contributions for 2 years, up to a maximum of 650 euros per month but for newly hired workers over 35 years old and without paid employment for at least 2 years; the ZES bonus increases from 2.1 million euros in 2024, to 68.9 million in 2025, 73.5 million in 2026 and 28.7 million for 2027. ***Contribution reliefs on salaries***: Under the law (Art. 2), the tax-contribution wedge cut becomes more structural and is extended to incomes up to 40,000 euros with a new formula. This measure, with its cut in the contribution rate for incomes up to 35,000 euros, has had a partially negative effect, with an increase in the taxable income due to a higher pay cheque which, in turn, has resulted in a slight increase in the taxes to be paid with a sliding scale effect for incomes close to the 35,000-euro threshold. In order to avoid this effect, this measure has been fine-tuned and applied with a new formula, i.e. a non-taxable bonus up to 20,000 euros of income, that varies according to the salary: 7.1% up to 8,500 euros, 5.3% between 8,500 and 15,000 euros, 4.8% percent between 15,000 and 20,000 euros. A mechanism of additional payroll deductions is envisaged above this amount: 1,000 euros between 20,000 and 32,000 euros, and then a décalage up to 40,000 euros.

***Fringe benefits* -** The law extends for 3 years the 5% tax break (it was 10%) for incomes up to 80,000 euros, for productivity bonuses up to 3,000 euros and for corporate welfare, with a tax exemption ceiling rising from 258.53 euros under Article 51 of the Framework Income Tax Law (TUIR) to 1,000 euros for everyone and to 2,000 euros for those with tax dependent children; the amounts are higher for the newly- hired workers who agree to move more than 100 kilometers from home. *There are no particular measures to encourage the supply and demand matching or incentives for vocational schools despite the high demand from businesses and the limited availability of skilled workers to fill these jobs*.

Retirement measures: the 2025 Budget Law ***extends the measures expiring on December 31, 2024, the 103 Quota, Women's Option, Social APE*** (*see the 2024 Budget Law*) while the rules for ordinary retirement remain identical.

The retirement age requirements remain the same for the 2025-2026 two-year period under the Ministry of Economy's Decree of July 18, 2023, published on October 17 in the Official Journal no. 243; in fact, there is no plan to extend the retirement age for all pensions: "early retirement, old age and social allowances and special measures". According to ISTAT, the adjustment of the retirement requirements to a longer life expectancy, has led to a reduction of this parameter by 0.11 months in 2021 and 2022, that is a negative change of one month.

***Adjustment of contributions* -** With its note no. 2545394/2024, ISTAT communicated the capitalization rate to be applied to the contributions accrued as of December 3, 2023 under Act no. 335/1995; therefore, all the workers who retire as of January 1, 2025 will have a capitalization rate of the contribution pool of 3.6622% until December 31, 2023 (vs.+ 2.3082% up to 2022), an increase by about 6% over these two years. The adjustment will apply to members of the mandatory public pension funds who retire between January 1, 2025 and December 31, 2025; it is worth reminding that, under Act no. 335/95, the adjustment does not apply to the contributions paid in the year preceding the effective date of retirement (2024 in our case) or in the year of retirement (2025). So, the value of 100,000 euros' worth of contributions will therefore be 103,662 euros.

These are the 2025 requirements to be entitled to:

1) ***Old-age pension:*** 67 years of age and at least 20 years of contributions (referred to as the 87 Quota by the 100 Quota promoters); the retirement age adjusted to life expectancy is maintained at 67 until the end of 2026; in 2027, it is likely to be 67 years and 2 or 3 months.

2) ***Early old-age pension: 42 years and 10 months of contributions seniority regardless of age (41 years and 10 months for women)*** without further adjustments to life expectancy (blocked by the 2019 decree until 2026) and which the 2023 Budget Law had brought forward to 2024 but, as mentioned, it will remain blocked until 2026. Bear in mind that there is a three-month "window" to have access to these benefits; in practice, the first pension instalment is paid 3 months after the statutory requirement of 42 years and 10 months (one year less for women). In this case, it is necessary to apply and ask the employer for three more months of work in order to avoid being without salary and pension. Of course, it would have been better to permanently eliminate this adjustment, which is not envisaged by the pension legislation of the vast majority of EU and OECD countries; moreover, in the absence of desirable corrections, as of 2027, it may extend the contribution seniority to over 43 years with the paradox that, at 67 years of age and with only 20 years of contributions, workers will be able to receive a pension that is generally financed through public money (supplementary minimum benefits, additional social benefits and various increases for those who have paid few contributions and therefore few taxes in the 67 years of their lives), while with more than the double (42 years), it is not possible to receive these pension benefits.

3) The 2024 rules are confirmed for *the* ***workers*** under the full contribution-based system[2]. *Given the statements of some political forces, and considering that it is not possible to divide the population into different groups under a pay-as-you-go system, observers speculated that the requirements and the benefits of the income-based and mixed system would finally be extended also to the workers under the full contribution-based system.*

Public-sector employed workers - The Budget Law also envisages incentives to retain the workers who meet the retirement requirements by raising the statutory limits that pegged to the retirement age (i.e., 67 years) from the current 65 years of age (valid for all public employees). Then, it repeals the obligation of compulsory retirement provided for under Article 2, par. 5 of Law Decree no. 101/2013

[2] Since the Italian pension system is a pay-as-you-go system (i.e., the active workers' contributions are used to pay the pensions) the Fornero Law had mistakenly divided workers into two groups from a technical standpoint: the subjects under the income-based system and those under the mixed system who have more favourable retirement requirements and benefit from the supplementary minimum benefits or social additional benefits if at 67 years of age, they do not reach the minimum pension requirement (only 15 years of ordinary contributions would be enough to meet this parameter, but today almost 25% of pensioners receive these benefits, which means that the dimension of irregular work is large); the workers under the full contribution-based system are not entitled to supplementary minimum benefits or to the additional social benefits.

(the so-called D'Alia Decree), which requires the Public Administration to terminate the employment relationship for the workers who have reached the right to early retirement (42 years and 10 months of contributions for men; 41 years and 10 months for women). It also eliminates the option provided for under Article 72, par. 11 of Law Decree no. 112/2008 to terminate the employment relationship for the workers who have become entitled to early retirement. Finally, the Public Administrations may retain available subjects within the limit of 10% of the recruitments authorized under the current legislation, "also for mentoring and coaching newly-hired workers and to carry out functional tasks that cannot otherwise be finalized." This retention option is no longer applicable for workers above the age of 70.

The Budget Law confirms: **a)** The ***103 Quot*****a**, introduced to replace the Draghi government's 102 Quota as of January 1, 2023 and also confirms for 2024 and 2025; b**)** The ***Women's Option***; **c)** ***Social Ape***, which is not a pension but a state-funded benefit provided by INPS. d) The ***Contribution Peace*** for so-called "workers under the full contribution-based system," i.e., those who started working on or after January 1, 1996 (*for specific details about this measure, see the previous Section*).

Focus no. 1 - Retirement eligibility requirements under the current legislation

Like most European countries, the Italian pension system essentially provides for two retirement channels: ***old-age retirement*** with a ***minimum contribution requirement*** of **20** ***years***; ***early retirement*** with a lower retirement age but with more stringent contribution requirements. Moreover, as in the case of private and public-sector employed workers, the employment relationship must be terminated; instead, there is no obligation to terminate employment to retire for atypical workers and the members of the fund for artisans.
First of all, for clarity's sake, it is important to consider that the ***so-called "workers under the pure income-based system",*** i.e. those with more than 18 years of contributions by December 31, 1995***, have all retired,*** except for a few cases (18 years at the end of 1995 + 29 years at the end of 2024 = 47 years of contribution seniority), for having fulfilled the eligibility requirements and having reached the statutory retirement age[3]. The same applies to the early pensions under the ***mixed system*** of the workers born up to 1957***,*** who have more than **14** ***years of contributions by December 31, 1995*** (early pension = 15 years + 29 years = 44). ***So, these subjects have all retired with an old-age or early retirement pension (even some born in 1958 up to 1962 with early retirement***). All the other workers have a contribution-based component (part of the pension is calculated on the basis of the contribution-based system) that is about 70% for those with 14 years in the income-based system and 100% for those under the full contribution-based system or with a few years of contributions by December 31, 1995.

Old-age pension requirements: a) For all workers whose pension is calculated with the ***income-based method (pure income-based system until 2011 and contribution-based pro-rata system as of January 1, 2012)***, with over 18 years of contributions by December 31, 1995) and for those under the ***mixed method***, i.e. benefits calculated with the income-based system until December 31, 1995 and with the contribution-based system as of January 1, 1996 (therefore, with less than 18 years of contributions by December 31, 1995), the minimum retirement age for the ***old-age pension*** is ***67***

[3] The current minimum age to be eligible for employment is ***16***, provided the candidate has completed the compulsory education period of at least 10 years to obtain: an upper secondary school diploma or, a vocational qualification of at least three years. There is an exception for 15-year-olds but only with a particular apprenticeship contract.

years of age, equal for all, men and women in the private and public sectors and for self-employed. (see ***Table A2***) for the 2019-2020 period after the Monti-Fornero Reform. This requirement remained set at 67 years of age with at least 20 years of contributions until the end of 2022, since the 2017/18 average figures showed a difference of life expectancy by less than one month compared to 2016, so zero effect according to these calculation rules. Under the Decree of the Minister of the Economy of October 27, 2021, published in the Official Journal on November 10, 2021, the automatic adjustment of the retirement age requirements to life expectancy was frozen for the two-year period 2023-2024; in fact, also due to the effect of the COVID-19 pandemic, life expectancy did not increase in the last two-year period, with a reduction reported by ISTAT by - 0.25 compared to the previous two-year period. Since, under the law, the retirement age cannot be lowered, but can only be subjected to a positive adjustment, the age requirements for old-age and seniority pensions and for social allowances remained frozen until the end of 2024. Decree Law no. 78 of July 30, 2010 introduced the adjustment of life expectancy to retirement age requirement every two years as of January 1, 2013. Among other things, the law provides for a maximum "step" of 3 months between the two-year periods, which can be offset through subsequent adjustments. (if, for example, in a two-year period, life expectancy is increased by 4 months, the excess month is considered in the following two-year period, if any). Subsequently, the Decree of the Ministry of Economy and Finance of July 18, 2023, published in Official Gazette no. 243/2023, certified a negative ISTAT change in life expectancy (-0.11 per year, equal to one month) for the resident population at 65 years of age, corresponding to the difference between the average figure in 2021 and 2022 and the average figure in 2019 and 2020. Therefore, for the third consecutive time, there will be no the planned increase in "life expectancy" that was supposed to initiate on January 1, 2025. As a result, ***the age requirement for the old-age pension and the social allowance remains unchanged at 67***. Overall, this is the sixth planned adjustment after the start of life expectancy adjustments: on January 1, 2013, life expectancy was extended by 3 months; on January 1, 2016, by 4 months; on January 1, 2019, by 5 months; instead, on January 1, 2021, 2023, and 2025, there were or will be no adjustments.

b) The ***workers under the full contribution-based system*** i.e., those who started working after January 1, 1996, whose pension is fully calculated with the ***contribution-based method***, can obtain the ***old-age (contribution-based) pension*** at 67 years of age, adjusted to life expectancy, and with a minimum of 20 years of contributions; as mentioned, until the end of 2026 there is no life expectancy adjustment. In order to obtain the ***old-age (contribution-based) pension*** as of January 1, 2024, it is sufficient for the minimum pension to be equal to 1 time (no longer 1.5 times) the social allowance (see the Section). Finally, it is also possible to obtain the accrued old-age pension at the ***age of* 71 *r with 5 years of minimum actual contributions***, regardless of its calculated value. The non-adjustment of the age requirement for the old-age pension means that the age requirement for **the social allowance** will also remain unchanged at 67 until 2026. Instead, the coefficients to transform the amount into an annuity under the contribution-based system have changed because they follow a different methodology based on the mortality tables for a given year (see Focus no. 4).

Early Retirement (see ***Table A1***) - All workers in the income-based, contribution-based and mixed pension system, can retire earlier with respect to their statutory old age retirement requirement (the so-called "early old-age retirement") if they have a minimum contribution period of 42 years and 10 months for men and 41 years and 10 months for women, as established in 2012 (according to the Fornero law, it should have been 43 years and 3 months, one year less for women, in 2020). The contribution requirement is independent of age and is adjusted over time to life expectancy. However, as mentioned above, Law Decree no. 4 of January 28, 2019, transposed into Act no. 26 of January 28, 2019, froze the contribution seniority requirement at 42 years and 10 months (one year less for women) from 2019 to 2026, introducing a 3- month delay in the effective retirement age (the so-called "moving window") which reduces this option from 5 to only 2 months.

Just as a reminder related to early retirement, the age requirement to obtain an old-age pension for workers with particularly strenuous jobs remains set at 61 years and seven months (and 63 years and 7 months or 62 years and 7 months for night workers) under the 2018 Budget Law; this law froze, as of January 1, 2019, the adjustment of the old-age and early-retirement pensions for workers in the 13 so-called heavy-duty categories, who have reached a minimum of 35 years of contributions provided that they are not beneficiaries of early retirement benefits when they retire.

For the so-called ***early workers***, the contribution requirements remain at 41 years even if with a three-month moving window as of 2019. Under Decree no. 4/2019, this category of workers have been exempted from the application of adjustments to life expectancy until December 31, 2026. Finally, nothing changes for night workers, who retire with the old requirements under Decree 67/2011; the life expectancy adjustment is frozen for them too until 2026.

In addition to the above, the ***workers who first registered*** with the public pension system in ***1996*** (i.e. workers fully subject to the contribution-based system) are allowed to have an additional early retirement window: a ***maximum of 3 years*** before the statutory old age pension requirement (64 instead of 67 years), if they have at least 20 years of contributions and minimum benefits amounting to at least ***3 times the social allowance*** as of January 1, 2024 under the 2024 Budget Law (2.8 times the social allowance in 2023), with a further reduction to 2.8 for women with one child and to 2.6 for women with two or more children **(**see ***Table A.5***). This amount is adjusted to the five-year moving average of nominal GDP., (until 2023 2.8 times the social allowance), with further discount to 2.8 times for women with 1 child and 2.6 for women with 2 or more children **(**for amounts see ***Table A.5***). This amount is indexed according to the 5-year moving average of nominal GDP. The requirement of a relatively high minimum pension for early retirement in a contribution-based system replaces, de facto, the minimum contribution requirement of 35 years under the previous legislation. This threshold is designed to ensure a level playing field in the access to retirement and to preserve the level of adequacy guaranteed by the previous legislation with the shortcomings indicated in Chapter 6.

Adjustment of minimum age requirements to life expectancy - As of 2013[4], the minimum age requirement for old-age pensions (and early retirement in the contribution-based system), as well as the minimum contribution period for early retirement independent of age under all the three systems, have been adjusted every 3 years according to the variation in life expectancy at **65** ***year of age***, certified by ISTAT in the previous three years. Since 2019, the aforementioned adjustment has been

[4] The adjustment of requirements as of 2013, in line with the law (Art.12, p, 12-bis, L.D. 78/2010, transposed into Act no. 122/2010), was adopted at least 12 months before its start under the Decree of December 6, 2011, published in the Official Journal on December 13, 2011. This adjustment is equal to 3 months, as provided for under par. 12-ter, Law Decree no. 78/2010: the first adjustment must not exceed three months, even if life expectancy is longer than in the previous three years (as happened, since ISTAT estimated that this extension in life expectancy for a reference age of 65 would be by 5 months between 2007 and 2010 with respect to the average for the resident population.

planned ***every two years*** instead of three. The adjustment to changes in life expectancy also applies to the minimum age to be entitled to ***social allowances***. As expressly provided for by the current legislation, the adjustment of minimum requirements to changes in life expectancy is an administrative function so as to ensure effective periodic reviews and compliance with the scheduled deadlines. This procedure is fully consistent with that envisaged to update transformation coefficients in the contribution-based calculation system (Art.1, par. 6, Act no. 335/1995, as amended by Act 247/2007) which takes place every ***two years*** starting from 2019.

Table A.1 – Seniority pension requirements

Year of retirement	**Age**			
Age	***Private-sector employed workers***	***Public-sector employed workers***	***Protected categories (1)***	***Self-employed workers***
Up to 1995	35 years	20/25 years (2)	35 years	35 years
1996 – 1997	35 + 52 (36)	20/25 anni (2)	35 + 52 (36)	35 + 56 (40)
1998	35 + 54 (36)	35 + 53 (36)	35 + 53 (36)	35 + 57 (40)
1999	35 + 55 (37)	35 + 53 (37)	35 + 53 (37)	35 + 57 (40)
2000	35 + 55 (37)	35 + 54 (37)	35 + 54 (37)	35 + 57 (40)
2001	35 + 56 (37)	35 + 55 (37)	35 + 54 (37)	35 + 58 (40)
2002	35 + 57 (37)	35 + 55 (37)	35 + 55 (37)	35 + 58 (40)
2003	35 + 57 (37)	35 + 56 (37)	35 + 55 (37)	35 + 58 (40)
2004 – 2005	35 + 57 (38)	35 + 57 (38)	35 + 56 (38)	35 + 58 (40)
2006 – 2007	35 + 57 (39)	35 + 57 (39)		35 + 58 (40)
2008 - 6/2009	35 + 59 (40)	35 + 59 (40)		35 + 60 (40)
7/2009 – 2010	35 + 60 (40)	35 + 60 (40)		35 + 61 (40)
	36 + 59	36 + 59		36 + 60
2011	35 + 61 oppure	35 + 61 oppure		35 + 62 oppure
	36 + 60 (40)	36 + 60 (40)		36 + 61 (40)
	All under the income-based or mixed system		**Members post December 31, 1995 (3)**	
2012	42 anni e 1 mese (41 anni 1 mese le donne)		63 anni **(3.1)**	
2013	42 anni e 5 mese (41 anni 5 mesi le donne)		63 anni e 3 mesi	
2014-2015	42 anni e 6 mesi (41 anni 6 mesi le donne)		63 anni e 3 mesi; 2015 63 a + 7m	
2016-2017/18	42 anni e 10 mesi (41 anni 10 mesi le donne)		63 anni e 7 mesi; 2028 63a + 11m	
2019-2020 (4)	**vedasi nota 4**		**vedasi nota 4**	
	42 anni e 10 mesi (41 anni e 10 mesi donne)		**63 anni e 11 mesi (3.2); 2020 64a + 2m**	
2021	**42 anni e 10 mesi (41 anni e 10 mesi donne)**		**64 anni** (ex 64 anni + 2m);	
2022/2023-	**42 anni e 10 mesi (41 anni e 10 mesi donne)**		**64 anni** (ex 64a + 5 m; (64 a + 8 m)	
2027/2028 (5);	**44 a + 2 m (-1 x F);**		**64 anni e11 mesi)**	
2029//2030	44 anni e 4 mesi (43 anni 2 mesi le donne)		65 a + 1 m;	
2031/2032; 2033/2034	44 a + 6 m F -1; (43 anni 4 m x F); 44 a + 8 m		65 anni e 3 mese; 65 anni e 5 mesi	
2035/36; 2037/38	44 anni e 10 mesi (43 a + 10 m x F); 45 anni		65 anni e 7 mesi; 65 a + 9m	
2039/2040 (5)	45 anni e 2 mesi (44 anni 2 mesi le donne)		65 anni e 11 mesi	

(1) Protected categories mean skilled employed workers such as blue collars (and related occupations) and the so-called “early workers” that is those who have paid at least one year of work-related contributions before 19 years of age, who had more flexible criteria until 2005

(2) The requirements were 20 years (19 years six months and one day) for civil servants and 25 years (24 years, 6 months and 1 day) for employees of local authorities and local health organizations. In both cases, a 5-year reduction was envisaged for married women and/or with dependent children

(3) Workers newly recruited as of January 1, 1996, the subjects under the so-called 'full contribution-based system'; (3.1) In the absence of a minimum contribution period of at least 20 years (excluding notional contributions) and on condition that the monthly amount of the pension is at least 2.8 times the social allowance. (3.2) Following the pandemic, the life expectancy increase calculated by ISTAT (between parentheses) was conservatively reduced until 2025/2026, then the estimates will be reviewed.

(4) The figures for 2016-2018 adjusted to life expectancy and established by Ministerial Decree of December 16, 2014 were increased by 5 months, for the two-year period 2019-2020, according to the new ISTAT projection in October 2017, reaching 43 years and 3 months for men and 42 years and 3 months for women; however, under Law Decree no. 4/2019, workers can obtain this benefit with 43 years and 3 months for men and with 1 year less for women, like in the previous two years; this option is valid until 2026 on an experimental basis, offset by the reintroduction of the 3-month “mobile “window; so the actual retirement takes place only 2 months in advance. As of 2021, even the 64 years were expected to be adjusted to life excpectancy as indicated in the table, but this age limit will remain until the end of 2026.

(5) The figures from 2027 onwards are those estimated by ISTAT and annexed to the Monti-Fornero reform

NOTE: *The adjustment of minimum retirement requirements further strengthens the endogenous mechanisms of the pension system (including the revision of transformation coefficients in contribution based calculation method) to counteract the negative effects of aging of the population on the financial balance of the pension system. Furthermore, this adjustment leads to an increase in the average level of pension benefits, thus improving the adequacy of benefits, especially in the contribution-based system. The tables below show the minimum age and contribution requirements for old-age pensions, early retirement and social allowances, calculated on the basis of the life expectancy hypothesis produced by ISTAT. Obviously, the actual adjustments will be the ones reported by ISTAT in the final results according to the procedure established by the current legislation.*

Table A.2 - Evolution of retirement age

Year of retirement	Age			
Years	*Private-sector employed workers*	*Self-employed*	*Workers under the full contribution-based system*	*Pure contributory (M e F)*
Up tol 1993	60 men e 55 women	65 uomini e donne	65 uomini e 60 donne	
From 1/1/1994 to 30/06/1995	61 uomini e 56 donne	65 uomini e 60 donne	65 uomini e 60 donne	
From 1/7/1995 to 31/12/1996	62 uomini e 57 donne	65 uomini e 60 donne	65 uomini e 60 donne	
From 1/1/1997 to 30/06/1998	63 uomini e 58 donne	65 uomini e 60 donne	65 uomini e 60 donne	
From 1/1/1998 to 31/12/1999	64 uomini e 59 donne	65 uomini e 60 donne	65 uomini e 60 donne	
From 1/1/2000 to 31/12/2009	65 uomini e 60 donne	65 uomini e 60 donne	65 uomini e 60 donne	
2010 – 2011	65 uomini e 60 donne	65 uomini e 61 donne (1)	65 uomini e 60 donne	
2012	66 uomini e 62 donne	66 uomini e donne	66 uomini e 63 e 6 mesi donne	70 anni
2013	66 e 3 mesi uomini 62 e 3 mesi donne	66 e 3 mesi uomini e donne	66 e 3 mesi uomini e 63 e 9 mesi donne	70 a + 3 m
2014-2015	66 e 3 mesi uomini e 63 e 9 mesi donne	66 e 3 mesi uomini e donne	66 e 3 mesi uomini e 64 e 9 mesi donne	70 a + 3 m
2016-2017	66 e 7 mesi uomini	66 e 7 mesi uomini e donne	66 e 7 mesi uomini	70 a + 7 m
	65 e 7 mesi donne		66 e 1 mese donne	
2018	66 e 7 mesi uomini e donne	66 e 7 mesi uomini e donne	66 e 7 mesi uomini e donne	70 a + 7 m
2019-2020-2021- 2022 (2)	**67 anni per uomini e donne**	**67 anni per uomini e donne**	**67 anni per uomini e donne**	71
2023-2024; 2025-2026 (nota 2)	**67 anni per uomini e donne**	**67 anni per uomini e donne**	**67 anni per uomini e donne**	71
2025/26 (3); 2027/28	**67 e 8 mesi M e F; (67 +2) (67 + 3)**	**67 e 8 mesi uomini e donne**	**67 e 8 mesi uomini e donne**	**71 a; 71 a + 2 m**
2029/30; 2031/32	**68 e 1 mese M e F; (67 + 5); (67 + 8)**	**68 e 1 mese uomini e donne**	**68 e 1 mese uomini e donne**	**71 + 5; (71 + 8)**
2033/34; 2035/36; 2037/38	**68 e 7 m M e F; (67 + 11) (68 + 2) (68 + 4)**	**68 e 7 mesi uomini e donne**	**68 e 7 mesi uomini e donne**	**71 + 11; (72+2)(72+4)**
2039/40; 2041/42; 2043/44	**68 e 11 m M e F; (68 + 6); (68+ 8); (68 + 10)**	**68 e 11 mesi uomini e donne**	**68 e 11 mesi uomini e donne**	**72+6; (72+8) (72+10)**
2045/46; 2047/48	**69 e 3 m M e F; (69); (69 + 2)**	**69 e 3 mesi uomini e donne**	**69 e 3 mesi uomini e donne**	**73 a; 73 + 2**
2049/50	**69 e 9 mesi M e F; (69 + 4)**	**69 e 9 mesi uomini e donne**	**69 e 9 mesi uomini e donne**	**73 + 4**

The old projections by Fornero in blue, highlighted in pink; (1) For women employed in the public sector, the age requirement of 61 years was established by Act no. 122/2010, following the decision by the European Court of Justice of 13/11/2008 (case C-46/07) that recognized INPDAP, the Fund of public employees, as a professional scheme and therefore it rejected a different retirement age for women.

(2) The Monti-Fornero reform envisaged that as of 2021 the retirement age had to be at least 67 years of age. The new ISTAT projection of October 2017 envisaged an increase in life expectancy by 5 months, thus bringing the minimum retirement age to 67 as early as 2019; in the three years from 2019 to 2021, the 67 years of age were blocked by Decree no. 4/2019. For the reasons illustrated in the section, the age of 67 remains unchanged until 2026.

3) The figures indicated as of 2025 are adjusted to life expectancy on the basis of the estimates provided by ISTAT and attached to the Monti-Fornero reform (Act no. 214/2011). Actually, in 2025, the 67 years are expected to remain, while in 2027 the maximum may be 67 years and 3 months with possible two-year extensions by 1 or 2 months to reach 68 years of age by 2040. The data in parenthesis in black are related to the 2022 it would be possible to start again with 67 years and 2 months, with subsequent increases every two years up to 67 years and 7/8 months in 2030 and to 68 years and 11 months in 2040; the figures in brackets in black are related to the new 2022 RGS projections and apply to the three categories, always with 5 months less for heavy or strenuous jobs.

.Note to Tables A1 and A2: until December 31, 2011, it was possible to retire with 61 years of age and 35 years of contributions (or 60 with 36); alternatively, with at least 40 years of contributions regardless of age. In 2010, the so-called "12-month windows" for employed workers and "18-month windows for the self-employed were introduced, which in part increased the requirements by one year (62 years of age and with 35 years of contributions or 61 with 36 and 41 years of seniority for employed workers; +6 months for the self-employed). Under the Monti-Fornero law, the minimum age for seniority and old age pensions increased to 66 years (+6 years), while it increased to 42 and 1 month for early seniority pensions.

Focus no. 2: Pension adjustment

For about 20 years now, the pension system has fully adjusted only the lowest pensions and has partially adjusted the higher ones. Many, often conflicting, indexation measures have been adopted with the sole aim to produce savings, but never to support the pension system; in some periods, pensions did not receive any equalization, while in others, benefits were adjusted several times with a structural and unrecoverable reduction in their value; for this reason, the Supreme Court issued a negative opinion about these provisions.

The characteristics of the indexations from 2007 to 2024 for 2025 are described below:

2007 and previous years: 100% indexation to the cost of living of the pension share up to 3 times the minimum benefits (up to 1,382.91 per month before taxes); 90% on the pension share between 3 and 5 times the minimum benefits (from 1,382.92 to 2,304.85 euros per month before taxes): 75% on the pension share higher than 5 times the minimum benefits (from 2,304.86 euros per month before taxes).

2009-2010 100% adjustment to the cost of living index for the share of benefits 5 times higher than the minimum pension (up to 2,217.80 gross euros per month in 2009 and to 2.,288.80 euros in 2010);75% adjustment of the share of benefits 5 times higher than the minimum pension (starting from a gross amount of 2,217,81 per month in 2009 and from 2,288.81 euros in 2010).

<u>2011</u> After the three-year period with the full adjustment of the benefits to the inflation rate, the situation went back to that of **2007**;

<u>2012 – 2013</u> The ***Monti government and its "Salva Italia" Law in late 2011 put a halt to the equalization for pensions 3 times higher than the minimum benefits for 2012 and 2013***; 100% indexation to the cost of living of the share of benefits 3 times higher than the minimum pension (up to 1,405.05 gross euros per month in 2012, and to 1,443.05 in 2013); ***pensions 3 times higher than the minimum benefits were not adjusted***.

<u>2012-2016</u> – Under **Law Decree no. 65/2015 transposed into Act no. 109/2015**, issued following the ruling of the Constitutional Court that rejected the "halt " to indexation for the 2012/2013 period for pensions exceeding three times the minimum benefits, the rules substantially changed as follows:

<u>In 2012 and 2013</u>:
- 100% of ISTAT up to 3 times the INPS minimum benefits;
- 40% above 3 and up to 4 times the minimum benefits;
- 20% above 4 and up to 5 times the minimum benefits;
- 10% above 5 and up to 6 times the minimum benefits;
- no adjustment above 6 times the minimum benefits.

<u>In 2014 and 2015</u>: (Renzi Government from 2014 to December 12, 2016)
- 100% of ISTAT up to 3 times the INPS minimum benefits;
- 8% above 3 and up to 4 times the minimum benefits;
- 4% above 4 and up to 5 times the minimum benefits;
- 2% above 5 and up to 6 times the minimum benefits;
- no adjustment above 6 times the minimum.

<u>In 2016</u>:
-100% of ISTAT up to 3 times the INPS minimum benefits;
- 20% above 3 and up to 4 times the minimum benefits;
-10% above 4 and up to 5 times the minimum benefits;
- 5% above 5 and up to 6 times the minimum benefits;
- no adjustment above 6 times the minimum.

2012 Indexation

Amount of benefits in December 2011	**Growth**
Up to 1,406 euro	+2.7% (100% ISTAT)
From 1,406 to 1,924 euro	+1.08% (40% ISTAT)
From 1,924 to 2,405 euro	+0.54% (20% ISTAT)
From 2,405 to 2,886 euro	+0.27% (10% ISTAT)
Above 2,886 euro	0

2013 Indexation

Amount of benefits in December 2012	**Growth**
Up to 1,443 euro	+3% (100% ISTAT)
From 1,443 to 2,405 euro	+1.2% (40% ISTAT)
From 2,405 to 2,477 euro	+0.6% (20% ISTAT)
From 2,477 to 2,973 euro	+0.3% (10% ISTAT)
Above 2,973 euro	0

2014 Indexation

Amount of benefits in December 2013	Growth
Up to 1,487 euro	+1.2% (100% ISTAT)
From 1,487 to 1,982 euro	+0.096 (8% ISTAT)
From1,982 to 2,478 euro	+0.048% (4% ISTAT)
From 2,478 to 2,973 euro	+0.024% (2% ISTAT)
Above 2,973 euro	0

2015 Indexation

Amount of benefits in December 2014	*Provisional growth*	*Final growth*
Up to 1,503 euro	+0.30% (100% ISTAT)	+0.20% (100% ISTAT)
From 1,503 to 2,004 euro	+0.285% (95% ISTAT)	+0.190% (95% ISTAT)
From 2,004 to 2,505 euro	+0.225% (75% ISTAT)	+0.015% (75% ISTAT)
From 2,505 to 3,006 euro	+0.0150% (50% ISTAT)	+0.01% (50% ISTAT)
Above 3,006 euro	+0.135% (45% ISTAT)	+0.09% (45% ISTAT)

As of 2017, the plan was to go back to the previous indexation system, i.e., 100% cost-of-living adjustment i on the pension share up to 3 times the minimum benefits; 90% on the pension share between 3 and 5 times the minimum benefits; and 75% on the share above 5 times the minimum pension; but the 2016 Stability Law Act no. 208/2015 extended the provisional system in effect in 2015 up to 2018. However, the ISTAT inflation rate index for 2016 was negative and therefore no revaluation of pensions was allowed as of January 1, 2017; moreover, since the provisional inflation index for the revaluation of pensions in 2015 was set at 0.3%, but then was definitively set by ISTAT at 0.2%, ***as of January 1, 2016*** pensions should have been reduced by what was paid extra in 2015, i.e., 0.1%. In order to avoid negative revaluation, the 2016 Stability Law stipulated that in January "adjusted" amounts based on final 2014 inflation would be paid, but without any deductions referring to 2015. The adjustment was to be made in 2017, which did not happen. The deadline for the adjustment (thanks to the so-called Legge Milleproroghe) slipped to 2018.

Pension adjustment in 2018 (Conte Government): On the basis of the inter-ministerial decree 20/11/2017 issued by the Ministry of Economy and Finance and the Ministry of Labour and Social Policies, which used the inflation rate data provided by ISTAT in the first nine months of 2017, after two years of zero indexation and ***as of January 1, 2018, pensions had to be adjusted to 1.1%*** to make up for the loss of the purchasing power in 2017. This indexation mechanism, less favourable with respect to the ordinary one envisaged by Act no. 388/2000(100% up to three times the minimum benefits, 90% on the benefits between 3 and 5 times the minimum pension and 75% of the remaining part of benefits) was introduced by Act no. 147/2013 as of ***January 1,* 2014** and extended by Act no. 208/2015 to December 31, 2018, thus reducing the indexation to the cost of living for medium-high pensions with respect to the past. In fact, the indexation continued to be applied according to overall ***amount levels*** and not to ***amount brackets*;** this means that the aforementioned pension of 3,050 euros was fully adjusted by 0.495 and not by amount brackets, with many negative consequences and constitutional doubts.

- Pensions up to **three times the minimum benefits**: 100% adjustment, **1.1%** growth
- Pensions between **three and four times the minimum benefits**: 95% indexation, **1.045%** growth
- Pensions between **four and five times the minimum benefits**: 75% adjustment, **0.825%** growth
- Pensions between **five and six times the minimum benefits**: 50% indexation**, 0.55%** growth
- Pensions above **six times the minimum benefits**: 45% indexation, **0.495%** growth

These adjustments would then be finalized in 2019, based on real inflation, which determined the resulting change in the calculation of pension equalisation.

Pension adjustment in 2019

Under a Decree of the Ministry of the Economy and Finance of November 16, 2018, published on the Official Journal on November 26, the pension equalization rate was set at 1.1% for the period between January 1 to December 31 2018 and in 2019; in fact, the rate for 2018 did not change with respect to 1.10% and so, no rebalance was expected in 2019 and the provisional equalization rate was estimated to grow by 1.10%[5]. The original indexation mechanism was supposed to be reinstated as of 2019, which had a lower impact on the medium-high benefits provided for under Act no. 388/2000; but with the 2019 Budget Law (Act no. 45/2018), the Conte Government again introduced a penalizing pension adjustment similar to the previous one adopted by the Renzi Government. Therefore, as stated in its Circular no. 122/2018, in December, INPS prepared the pension payments for the year 2019, considering the adjustment to inflation (provisionally estimated to be 1.10% for 2018) envisaged under Act n. 388/2000; so, it had to recalculate all the benefits according to the new indexation scheme which was expected to produce a zero balance for the first two amount levels, a (slightly) positive for the third and negative for all the others. This measure adopted by the Conte government had a negative impact on ***more than 3 million pensioners*** out of a total of 16 million, precisely on those who have paid contributions and taxes, namely personal income taxes unlike the over 8 million pensioners totally or partially supported a by the State and the 2 million who have paid little in their lifetime. With its Circular no. 44 of March 22, INPS announced the new amount to be paid as of April 2019 for the first three months of 2019. Therefore, for the 2019-2021 period, the adjustment mechanism was structured as follows:

- 100% inflation for pensions up to 3 times the INPS* minimum benefits;
- 97% of inflation for pensions of between 3 and 4 times the minimum benefits;
- 77% of inflation for pensions between 4 and 5 times the minimum benefits;
- 52% of inflation for pensions between 5 and 6 times the minimum benefits;
- 47% of inflation for pensions between 6 and 8 times the minimum benefits;
- 45% of inflation for pensions between 8 and 9 times the minimum benefits;
- 40% of inflation for pensions above 9 times the minimum benefits;

**For 2019, the minimum benefit was equal to 513.01 euros per month; in 2018, it was 507.41 euros.*

[5] Under the Decree of the Minister of Economy and Finance of November 15, 2019, the equalization of pensions for 2019 was confirmed at 1.1% as provided for in the previous Ministerial Decree of 2018; for 2020, the equalization to inflation was initially calculated at 0.4%, effective on benefits as of January 1, 2020, then corrected to 0.5% by ISTAT and confirmed again with this value under the Decree of the Minister of Economy and Finance in November 2020.

Pension adjustment in 2020 and 2021

The 2020 Budget Law (no. 160/2019) once again intervened on the issue and, for 2020 and 2021, it merged the 100% adjustment of benefits with an amount up to 4 times the minimum benefit (equal to 515.58 euros for 2020, confirmed for 2021), leaving the other revaluation brackets unchanged. As in the past, for 2020 and 2021 the adjustment was applied to the total amount of the pension and not to the different brackets, as provided for under Act no. 388/2000. This means that in the past, a hypothetical gross pension of 4,000 euros per month would be revalued at 100% of inflation up to 3 times the minimum benefit (about 1,547 euros), at 90% from 3 to 5 times the minimum benefit (from 1,548 to 2,578 euros) and at 75% on the share of the pension over 5 times the minimum (from 2,579 to 4,000 euros). On the contrary, the 2019, 2020 and 2021 Budget Laws maintained the same approach as in 2018 and therefore adjusted the entire amount in a less favourable way; going back to the example, this means that the entire amount is revalued at 47% of inflation in the case of pensions between 6 and 8 times the minimum benefits.
So, to recap, the pension adjustment for 2020 and 2021 was equal to:

- 100% inflation for pensions up to 4 times the INPS minimum benefits;
- 77% of inflation for pensions between 4 and 5 times the minimum benefits;
- 52% of inflation for pensions between 5 and 6 times the minimum benefits;
- 47% of inflation for pensions between 6 and 8 times the minimum benefits;
- 45% inflation for pensions between 8 and 9 times the minimum benefits;
- 40% inflation for pensions above 9 times the minimum benefits.

The repeated interventions to reduce the adjustment of pensions to inflation have seriously damaged pensioners in terms of ***loss of purchasing power*** *given by the progressive increase in the difference between the pensions thy would have received if it had been adjusted at 100% to inflation and those actually paid according to the adjustment method adopted by the different governments. Considering a time frame from 2006 to 2022, a pension of* **8 *times the minimum benefits*** *lost in terms of* ***purchasing power and so a* 14% *devaluation, or equal to about* 2 *months of salary****; slightly less for pensions below 8 times, much more for those above this limit; moreover, if we assume a life expectancy of at least 10 years and a 2% inflation rate, the loss of value of these pensions would be even greater due to an insufficient adjustment,* thus ***leading to a cumulative loss of* 18%.**

Pension adjustment in 2022

The 2022 Budget Law (Draghi government) again intervened on the subject by reinstating, for the same year, the 3 income brackets of the 1996 Budget Law of the 1 Prodi Government and the ***adjustment by brackets and not by the total pension amount*** as provided for under the 2018 law. As of January 1, 2022, an automatic pension adjustment index of 1.7% is applied according to the mechanism established by Article 34, par. 1, of Act no. 448 of 23 December 1998 to: (a) 100% for pension benefits up to four times the INPS minimum benefits; (b) 90% for pension benefits between four and five times the INPS minimum benefits; (c) 75% for pensions in excess of five times the minimum benefits. Moreover, in order to counter the negative effects of inflation in 2022 and support the purchasing power of pension benefits, the Draghi government with Law Decree no. 115 of August 9, 2022 (so-called Aiuti bis), transposed into Act no. 142 of September 21, 2022, brought forward the pension revaluation to the last quarter of 2022 under Art. 21 on an exceptional basis. In detail, Article 21 of this Decree provided for two distinct measures: a revaluation of 0.2 % to make up for inflation in 2021 for all pensioners; an increase by a further 2 % for October, November and December 2022, only for pensions up to 2,692 euros per month before taxes. The first measure envisaged bringing forward to November 1, 2022 the final adjustment for the calculation of the equalisation of pensions for 2021; a 0.2% "rebalance" brought forward by 2 months compared to the ordinary deadline, normally set on January 1 of each year; this percentage is equal to the difference between the estimated inflation for 2021 applied for pension revaluation in January 2022 (1.7%), and the actual 2021 inflation rate (1.9%), for all pension benefits with the payment of arrears accrued in the first 10 months of the year. The second envisaged an increase by 2% to be granted only for the months of October, November and December 2022 (13th month included) for pensions equal to or lower than 2,692 euros per month; if the benefits were higher than this amount and lower than this limit plus the increase (i.e. between 2,692 and 2,745 euros), the increase was granted up to the aforementioned increased limit. According to this rule, the 2 % increase is deducted from the overall pension amount, and the increase thus obtained does not contribute to determining if the income limits provided for income-related benefits were exceeded in 2022.

Pension adjustment in 2023 - The Budget Law drafted by the new Meloni government (Economy Minister Giorgetti) twisted the Draghi government's approach and for the two-year 2023-2024 period (after the inflation peak in 25 years, +8.1% in 2022 and + 5%.7 in 2023), further damaged the beneficiaries of pensions over 5 times the minimum benefits (generally those who have always paid taxes and contributions) and promoted welfare pensions with 100% increases in social pensions and allowances and an additional 1.5% for minimum pensions over the 2022 average annual inflation index (7.3%) provisionally established by the Ministry of Economy and Finance and 2.7% for 2024 and for pensions up to 4 times the minimum, with a more limited growth for all the pensions above 4 times the minimum (see the Table below). Moreover, as happened under the Monti, Letta, Conte and Renzi governments, the 2023 equalization was applied according to overall amount levels referring to the 2022 minimum pension of **525.38** euros and not by brackets, which means, for example, that the entire 4,203-euro pension will be fully adjusted by 2.997%. The gross pension income to which equalization applies is given by the sum of all basic, complementary, supplementary, indemnity and welfare pensions, and that there are safeguard rules for pension incomes close to the lower limits of the brackets not to be exceeded by the previous brackets.

Table A.3 - Adjustment of pensions to inflation in 2023-2024

year 2023							
2022 minimum benefits per month	**525,38 €**						
2023 estimated inflation rate	7,3%						
2023 final inflation rate	**8,1%**						
2023 minimum benefits per month	**567,94 €**						
2023 equalisation levels							
adjustment up to 4 times the minimum benefits 2022=100% di 8,1% =		**8,1%**	from	1,00 €	to	2.101,52 €
adjustment up from 4 to 5 the minimum benefits " = 85% di 8,1 % =		**6,9%**	from	2.101,53 €	to	2.626,90 €
adjustment up from 5 to 6 the minimum benefits " = 53% di 8,1% =		**4,3%**	from	2.626,91 €	to	3.152,28 €
adjustment up from 6 to 8 the minimum benefits " = 47% di 8,1% =		**3,8%**	from	3.152,29 €	to	4.203,04 €
adjustment up from 8 to 10 the minimum benefits " = 37% di 8,1% =		**3,0%**	from	4.203,05 €	to	5.253,80 €
adjustment over10 the minimum benefits " = **32%** di 8,1% =		**2,6%**	from	5.253,81 €	over	
year 2024							
2023 minimum benefits	**567,94 €**						
2022 final inflation rate	**8,10%**						
2023 provisional inflation rate	**5,40%**						
2024 provisional minimum benefits	**598,61 €**						
2024 extraordinary adjustment of minimum benefits	**2,70%**						
2024 extraordinary minimum benefits per month; 2024 equalization levels.	**614,77 €**						
2024 equalisation levels							
adjustment up to TM 2023 = 102,7% TM def.2023		**0,0%**	from		to	598,61 €
adjustment up 4 to minimum 2023=100% di 5,4% =		**5,4%**	from	1,00 €	to	2.271,76 €
adjustment up to 4 from 5 minimum " = 85% di 5,4% =		**4,6%**	from	2.271,77 €	to	2.839,70 €
adjustment up to 5 from 6 minimum " = 53% di 5,4% =		**2,9%**	from	2.839,71 €	to	3.407,64 €
adjustment up to 6 from 8 minimum " = 47% di 5,4% =		**2,5%**	from	3.407,65 €	to	4.543,52 €
adjustment up to 8 from 10 minimumo " = 37% di 5,4% =		**2,0%**	from	4.543,53 €	to	5.679,40 €
adjustment over 10 the minimum " = **22%** di 5,4% =		**1,2%**	from	5.679,41 €	to	over

Pension adjustment in 2024: it was identical to that for 2023, the only negative difference was that the pensions (or gross pension incomes) totalling more than ***ten times*** the INPS minimum pensions are adjusted by **22%** instead by the former 32%. *As highlighted in INPS Circular no. 35/2023, the provisional minimum pension amount in 2023 was* **563.74 euros** *(a 7.3% growth compared to 2022), which increased by 1.5% for minimum pensions becomes 572.20 euros, while increased by 6.4 percent for those over 75, becomes 599.82 euros.* Therefore, in 2024, according to the exact wording of the Budget Law, the adjustment is as follows:

(a) For pension benefits equal or totalling four times or less than the ***INPS minimum pension, the inflation adjustment will be 100%;***

(**b**) for pension benefits exceeding four times the INPS minimum benefits and in reference to their total amount, the adjustment is as follows:

1) 85% for pension benefits equal to or lower than ***5 times the INPS minimum pension***. For pensions in excess of four times the minimum pension and below this limit increased by the automatic adjustment under the provisions illustrated in (a), the adjustment increase cannot exceed the aforementioned increased limit.

(2) 53% for pensions that are more than ***five times the INPS minimum pension and equal to or less than six times*** as above;

(3) 47% for pension benefits that are more than ***six times the INPS minimum benefits and equal to or less than eight times (c/s)***.

4) 37% for pension benefits that are more than eight times the minimum INPS treatment and ten times or less (c/s).

5) ***22 %*** for pension benefits exceeding ***ten times*** the INPS minimum pension, vs. 32% in 2023.

Example: with the 2022 inflation at 8.1% and the 2023 inflation at 5.8% for a simple total of 13.9%, a pensioner with benefits equal to 10 times the minimum pension (5,637 euros before taxes, about

3.890 euros after taxes) will find his or her pension revalued by only 22% (3.058% instead of 13.9%) after paying more than 25000 euros in taxes for 13 months, with a loss of real purchasing power of 10.8% in 2 years (172.4 euros instead of 783.5 euros), that adds up to the previous loss of 14%/18%; moreover, after the loss of these last two years, if this pensioner lives for another10 years and the remains at 2% for the decade, the loss will be over 100000 euros.

Pension adjustment in 2025 - The 2025 Draft Budget Law does not envisage the mechanism to limit the automatic adjustment of pensions above four times the minimum benefits as was the case in the previous two Budget Laws (2023 and 2024); so, there is no application of the provisions of Article 1, par. 478, of Act no. 160 of 2019, according to which, as of January 1, 2025, the automatic pension adjustment index must be applied according to the mechanism established under Article 34, par. 1, of Act no. 448 of December 23, 1998, related to the inflation index calculated by ISTAT provisionally for 2024 equal to 0.8 percent (Economy and Labour Ministerial Decree, Official Journal of November 27). In practice, in 2025 the adjustment will be as follows:

(a) 100% for pensions up to **4 *times the INPS minimum benefits (TM)***;
(b) 90% for pensions ***between* 4 *and* 5 *times the INPS minimum benefits;***
(c) ***75%*** for the pensions ***exceeding* 5 *times the INPS minimum benefits.***

The automatic adjustment of each benefit is proportional to the amount of benefit to be adjusted with respect to the total amount, that is, by "amount brackets" and not by "amount levels." This means, on the one hand, that the equalization of pensions above 4 times the INPS TM goes up and, on the other hand, that it is applied in a progressive form as follows: **a)** the pensions up to 4 times the TM (i.e., within 2,394.44 euros per month before taxes as of December 31, 2024) are 100% adjusted to the ISTAT index; **b)** pensions above 4 times and within 5 times the TM (2.993.04 euros before taxes) are 100% adjusted to the ISTAT index up to 2,394.44 euros and 90% to the ISTAT index for the excess amount; **c**) pensions over 5 times the minimum benefits (i.e., over 2.993.04 euros) are 100% adjusted to the ISTAT index up to 2,394.44 euros, 90% of the ISTAT index for the amount exceeding 2,394.44 euros up to 2,993.04 euros and 75% of the ISTAT index for the amount exceeding 2,993.04 euros.

The ***Government's*** decision was undoubtedly influenced by the judgements of the ***Court of Auditors, which raised doubts about the constitutional legitimacy*** of the restrictive measure adopted in 2023 and 2024, which affected medium-high pensions. In its order of referral to the Constitutional Court, the panel of judges pointed out that "*the penalization of holders of higher pension benefits undermines not only the economic expectation but also the very dignity of the retired worker*," and that "*the higher-than-average pension is the deserved recognition for the greater commitment and ability during the economically active life*."

Adjustment of minimum pensions: Pensions not exceeding the minimum benefits (598.61 euros per month) will be not only 100% adjusted to the ISTAT index, but have an extraordinary revaluation of ***2.2%*** in 2025 and of 1.3% in 2026 (an extraordinary revaluation of 2.7% had been granted for 2024, but limited only to that year). The additional revaluation will therefore be lower than in 2024 and is expected to raise the minimum to 616.97 euros per month, about 2 euros more than the current 614.77 euros. However, it should be noted that without this provision under the current Draft Budget Law, the minimum pensions would have dropped from the current 614.77 euros monthly to 603.40 euros in 2025.

Pensioners abroad: reduced adjustment: pensioners living abroad will have a lower revaluation of their pensions. Exceptionally for 2025, the automatic pension adjustment of these ***pensioners*** is not granted if their ***benefits*** are higher than the INPS minimum pension with reference to the total amount of these benefits.

Table A.3.1 - The adjustment of pensions to inflation from 1996 to 2025

year 2025						
2024 final minimum benefits	**598,61 €**					
2025 provisional inflation rate	**0,8%**					
2025 final minimum benefits	**603,40 €**					
2025 extraordinary adjustment of minimum benefits	**2,2%**					
2025 extraordinary minimum benefits per month	**616,67 €**					
For pensions above minimum benefits (*)			**2025 Equalisation levels*:**			
2024 adjustment up to 4 times the minimum benefits = 100% di 0,8% =		**0,80**	da	1,00 €	a	2.394,44 €
adjustment up to 4 times from 5 the minimum " = 90% di 0,8% =		**0,72**	da	2.394,45 €	a	2.993,04 €
adjustment over 5 times the minimum " = 75% di 0,8% =		**0,60**	da	2.993,05 €	a	qualsiasi
*For the pensions above the maximum threshold, but in any case lower than this limit with the addition of the automatic adjustment for the previous band, the adjustment is granted up to this increased cap.						

Table A4 shows the many types of pension adjustments adopted by different governments from 1996, when the Dini reform came into effect, until 2025; interestingly, all governments across the board have ignored the composition of pensions into income and contribution-based shares, granting a revaluation to both, while the contribution-based share should always be 100$ adjusted to inflation, precisely because of the calculation method.

Table A.5 shows the minimum and welfare benefits per month from 2014 to 2025. It is important to bear in mind that all the amounts above the ordinary minimum benefits are applicable only until the end of 2024; then a new law is needed to determine the amounts for 2025, which may also be reduced.

Table A4 - The adjustement of pensions to inflation from 1996 to 2025

Government/Class/ Pension amount	Law	1996 Prodi	1997-1998 Prodi - D'Alema	1999 - June 2001 Amato	June 2001 - May 2006 Berlusconi	May 2006 - May 2008 Prodi	May 2008 - November 2011 Berlusconi	2011	November 2011 - April 2013 Monti	April 2013 - February 2014 Letta
Reference rules Act no	l. n. 388/2000		L. 449/97 - 448/98	L. 449/97 - 448/98	L. 388/2000 che richiama L. 448/98		L. 247/2007 e D.L. 81/2008	L. 388/2000	D.L. 201/2011	
Up to 2 times the minimum benefits (TM) (1)	100%	100%	100%	100%	100%		100%	100%	100%	
From 2 to 3 times the minimum benefits	100%	90%	90%	90%	100%		100%	100%	100%	
From 3 to 4 times the minimum benefits	90%	75%	75%	75%	90%		100%	90%	0% (4) 40%	
From 4 to 5 times the minimum benefits	90%	75%	75%	75%	90%		100%	90%	0% (4) 20%	
From 5 to 6 times the minimum benefits	75%	75%	75% (2)	30%	75%		75%	75%	0% (4) 10%	
From 6 to 8 times the minimum benefits	75%	75%	75% (2)	30%	75%		75%	75%	0%	
From 8 to 9 times the minimum benefits	75%	75%	75% (2)	0%	75% (3)		75%	75%	0%	
From 9 to 10 times the minimum benefits	75%	75%	75% (2)	0%	75% (3)		75%	75%	0%	
Over 10 times the minimum benefits	75%	75%	75% (2)	100%	75% (3)		75%	75%	0%	
% inflation		3,90%	1997 1,70% 1998 2,00%	1999 1,70% 2000 2,50% 2001 2,80%			2010 1,5%	2,80%	2013 1,2%	

Governi/ Classe/ importo pensione	2014	February 2014 - Dicember 2016 Renzi	2016	Dicember 2016 - June 2018 Gentiloni	June 2018 - Semptember 2019 Conte	Semptember 2019 - Febraury 2021 Conte Bis	Febraury 2021 - October 2022 Draghi (5)	October 2022 - Meloni (6)		
Riferimento normativo	L. 147/2013	L. 147/2013 e L. 208/2015	D.L. 65/2015 in L. 109/2015	L. 147/2013 e L. 208/2015	L. 145/2018	L. 160/2019	L. 160/2019 (art.34 L.448/1998)	L.197/2022	L.213/2023	Art. 1 L. 160/2019 art. 69
Up to 2 times the minimum benefits (TM) (1)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
From 2 to 3 times the minimum benefits	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
From 3 to 4 times the minimum benefits	90%	8%	20%	95%	97%	100%	100%	100%	100%	100%
From 4 to 5 times the minimum benefits	75%	4%	10%	75%	77%	77%	90%	85%	85%	90%
From 5 to 6 times the minimum benefits	50%	2%	5%	50%	52%	52%	75%	53%	53%	75%
From 6 to 8 times the minimum benefits	17,84 fisso	0%	0%	45%	47%	47%	75%	47%	47%	75%
From 8 to 9 times the minimum benefits	17,84 fisso	0%	0%	45%	45%	45%	75%	37%	37%	75%
From 9 to 10 times the minimum benefits	17,84 fisso	0%	0%	45%	40%	40%	75%	37%	37%	75%
Over 10 times the minimum benefits	17,84 fisso	0%	0%	45%	40%	40%	75%	32%	22%	75%
% inflation	0,20%	0,10%	-0,10%	2017 1,2% 2018 1,1%	2019 0,5%	2020 0,0% 2021 1,9 %	2022 8,1%	2023 5,7%	2024 1,5%	2025 0,8%

(1) TM means mean minimum benefits that in 2020-2021 amounted to about 515.58 euros before taxes per 13 months, and to 525.38 euros before taxes for 13 months in 2022, to 567.94 euros in 2023, to 598.61 in 2024 and to 604.59 euros in 2025.

(2) Under Art. 59 of Act no. 449/97, for fiscal reason, the adjustment of benefits above 5 times the minimum benefits was brought to zero in 1998

(3) Under Art. 1, par. 19 of Act no. 247/2007 (Damiano Law), the adjustment of benefits above 8 times the minimum benefits was brought to zero

(4) Following the Constitutional Court's ruling, with the so-called Poletti Decree (Act no. 65/2015), these 3 amount classes had an adjustment of 40% between 3 and 4 times the minimum benefits, 20% from 4 up to 5 times the minimum benefits and 10% between 5 and times the minimum benefits; which was increased by 20% for the 2014/2015 period and by 50% from 2016 onwards, in addition to the 2014 increase under Act no. 147, which will be paid as of August 2015August 2015.

(5) Art. 1, par. 478 of Act no. 160/2019 (2020 Budget Law) reads: "As of January 1, 2022, the automatic adjustment of pensions shall be applied according to the mechanism envisaged under Art. 34, par. 1 of Act no. 448 of December 23, 1998.

(6) According to Article 1, par. 309-310 of the 2023 Budget Law no. 197/2022, for the2023-2024 two-year period, the revaluation of pensions is applied, according to Article 34, par. 1 of Act no.448/98, on the basis of the amounts indicated in the table. The minimum benefits were increased in addition to the 7.3% provisional index for 2022 (final index equal to 8.1%, applied to all benefits, but with a decalage over 4 times the minimum benefits by a further 1.5% and then again up to 600 euros for the over 75s. For 2024 Law Decree no.145 of 16/10/23 raised the 2022 equalisation index to 8.1%, bringing forward the payment of equalisation adjustments for all pension benefits from January 2024 to December 2023; then the 2024 Budget Law cancelled all further increases of the minimum benefits compared to the base revaluation and lowered the last pension equalisation level from 32% to 22%. For 2025, the draft Budget Law envisages the reinstatement of the original mechanism provided for under Act no. 388 of 2000.

(7) For 2025, the draft Budget Law reinstates the mechanism provided for under Art 24 of Act no. 448 of December 23, 1998.

Table A.5 – Amounts of welfare benefits

Benefit	2014	2015	2016 - 17	2018 (1)	2019 (1)	2020 (1)	2021 (1)	2022 (2)	2023 (3)	2024 (3)	2025 (4)
Ordinary minimum benefits	500,88	501,89	501,89	507,42	513,01	515,58	515,58	525,38	**567,94**	**598,61**	**603,40**
Minimum benefits for 75 years-old	-	-	-	-	-	-	-	-	576,46	614,77	**616,67**
Minimum benefits for subjects above 75 years of age	-	-	-	-	-	-	-	-	604,29		
Ordinary social allowance	447,17	448,52	448,07	453,00	457,99	460,28	460,28	469,03	507,03	534,41	**538,69**
Ordinary social pension	368,52	369,26	369,26	373,33	377,44	379,33	379,33	386,54	417,85	440,42	**464,20**
Additional social allowance	190,15	190,26	190,26	190,86	191,46	191,74	191,74	192,79	197,35	200,64	**204,25**
Former 1-million per month	637,32	638,83	638,83	643,86	649,45	652,02	652,02	661,81	704,38	735,05	**739,83**
Pension for disabled civilians	278,91	279,47	279,47	282,54	285,66	287,09	287,09	295,55	316,25	333,33	**336,00**
Caregivers' allowance	503,03	507,49	512,34-515,43	516,35	517,84	520,29	522,10	524,16	527,17	531,76	**536,01**
14th month (per year) (5)	-	-	-	-	655,00	655,00	655,00	655,00	655,00	655,00	**655,00**
Social card (per year) (6)	-	-	-	-	480,00	480,00	480,00	480,00	480,00	480,00	**480,00**
Citizenship pension (7)	-	-	-	-	492,18	530,75	546,75	550,00	589,60	--	--

(1) The data related to 2018 were adjusted to an inflation rate of 1.1% (MD 20/11/2017). The 2019 figures were adjusted on the basis of the 2018 inflation rate under MEF Decree of November 19, confirmed by the MEF Decree of November 15, 2019 equal to 1.2%. The increase in pension benefits, as of January 1, 2020, was defined by provisionally applying a 0.4% inflation rate for 2019 under the MEF Decree of November 15, 2019, then finally brought up to 0.5% by ISTAT, confirmed by the MEF Decree of November, 16, 2020. The increase in pension benefits, as of January 1, 2021, was defined by applying a final 0.5% inflation rate for 2019, and 0% for 2020

(2) The increase in benefits as of January 1, 2022 was defined by confirming a definitive inflation rate of 0.0% for 2020 and a provisional inflation rate for the first nine months of 2021 of 1.7% (MEF Decree of November 17, 2021). In Circular No. 15 of January 28, 2022, INPS announced that the final percentage change for pension equalisation purposes, calculated by ISTAT, was 1.9%. Law Decree no. 115 of August 9, 2022 (the so-called Aiuti bis), transposed into Act no. 142 of September 21, 2022, established, on an exceptional basis, the possibility to recover 0.2%, 2 months in advance with respect to the ordinary deadline, normally set on January 1 of each year: this percentage is equal to the difference between the estimated inflation for 2021, applied in January 2022 (1.7%), and the actual 2021 inflation (1.9%)

(3) As of January 1, 2023, the increase in benefits, based on the MEF Decree of November 10, 2022, was defined by applying a final rate of 1.9% for 2021 (actually applied as of October 2022) and the provisional index of 7.3% for 2022, to be then adjusted in 2024. The 2023 Budget Law provided for a 100% increase for social pensions/allowances and minimum pensions, further increased by 1.5%, up to 600 euros for pensioners above 75 years of age, and a percent reduction as pensions increase from 5 times the 2022 minimum benefits equal to 525.38 euros (without taking into account the additional increase by 1.5% up to 600 euros for the over 75s)

(4) Under ì Law Decree no. 145 of October 16, 2023, the government decided to bring forward the equalisation payment to December 2023 (normally in January of the following year, i.e. 2024) at the rate of + 8.1% to support households. The 2024 Budget Law reduced the equalisation of pensions 10 times over the minimum benefits from 32% to 22%, while a MEF Decree in mid-November defined the equalisation rate to be provisionally applied in 2024, amounting to 5.4%. Social pensions and allowances will not be increased in 2024 unlike minimum benefits; Paragraph 310 of Act no. 197/2022 and hence Circular no. 35 of 2023 refer only to pension benefits

5) Under the 2025 draft Budget Law, the mechanism provided for under Act no. 160 of 2019 (Draghi Government) is to be reinstated on the basis of the 2023 final equalization index equal to + 5.4% and of the 2024 provisional index of + 0.8% (MEF Decree of November 15, 2024, published in the Official Journal of November 27, 2024). Instead, as to the amount of the minimum benefits, in addition to the above-mentioned figures, the pensions that do not exceed the minimum benefits equal to 603,39 euros will have an extraordinary increase by 2.2% up to 616,67 euros.

(6) Ordinary shopping card of 80 euros every two months. (7) The amount is related to the income, to the number of family members and to the house rental or loan contract; the figure in the table is the average for 2021, equal to 546 euros per month, ranging from a minimum of 445 euros for single families to a maximum of 698 for households with four family members. The average for 2022 is equal to 550 euros and to 589 for 2023. The 2023 Budget Law provided for substantial corrective measures, almost bringing the benefit to zero. ne.

Focus no. 3 - Evolution of contribution rates

Since 1960, contribution rates have been consistently increased (see Table A6); the Inter-Ministerial Decree of February 21, 1996, in line with Art. 3, paragraph 23 of Act no. 335 / 1995 (Dini reform), raised the contribution rate for the fund for employed workers to **32%** (27.57 + 4.43) and simultaneously reduced the rates due for Tbc (0.14%), maternity allowances (0.57%) and family allowances (3.72%). The employers who had not applied (for various reasons) the 4.43% increase of the FPLD rate by January 1, 1996, were allowed to comply with 0.50% incremental instalments every two years as of January1, 1997 up to 32.7%, plus 0. 70% for former GESCAL (public housing financing). The 2007 Budget Law (Article 27, Act no. 30/1997) definitively raised the rate of FPLD to 33%. Later, many other provisions were introduced to change the contribution rates for artisans, retailers and temporary workers.

As can be seen in ***Tables A6 and A 7***, all the Governments in power in the last ***70 years*** have opted to raise contribution rates to keep the pension system in balance; this was the correct option until 1987 for employed workers and for the self-employed until 2007, but the subsequent increases, especially those provided for under the 1995 Dini law, indeed contributed to sustaining replacement rates following the introduction of the contribution-based calculation method but also weighed on the cost of labour to the detriment of Italy's competitiveness, which collapsed when the frequent currency devaluations came to a halt with the introduction of the euro. The Monti-Fornero law has further increased the rates for the self-employed.

Private-sector employed workers: the 2024 contribution rate for pension purposes remains set at 33% of the taxable salary, of which 23.81% is paid by employers and 9.19% by employees (10.19% for the salary level exceeding 4,585,000 euros, equal to an annual amount of 55,008.00 euros: INPS circular no. 2/2024, point 5: for workers who had more than 18 years of contribution seniority as of December 31,1995 (under the ***income-based or mixed system***) the rate is calculated on the entire salary (RAL). For workers without contribution seniority as of December 31, 1995, registered as of January 1, 1996 in mandatory pension funds (under the ***full contribution-based system)***, an annual ceiling on the contribution and pension base was established. This ceiling, fixed at 132 million lire for 1996, was adjusted every year on the basis of the ISTAT consumer price index for blue- and white-collar households (the limit for 2024 was 119,650.00 euros). Beyond this income limit, no contributions are due and the pension benefits are therefore capped at the maximum contribution limit. In 2023 and 2024, a contribution relief was granted for incomes up to 35,000 euros, which was then transformed for 2025 into a tax measure (see in the comments to the Budget Laws).
For Companies with private employees, the rates are referred to IVS (Invalidity, Old Age and Survivors) pensions calculated on the gross salary, again subject to certain statutory minimum taxable earnings, to be paid by the employee and the employer. The total rate is generally 33% (see ***Chapter 4***). The contribution is different in the following funds:

- Fund for IPOST workers (32.65%);
- Aviation fund (depending on the contribution period and of whether its members are registered in a complementary pension funds: 38%, 37.70%, 40.82%);
- Fund for entertainment and show-business workers (only for dancers, terpsichoreans, choreographers and assistant choreographers enrolled after December 31, 1995: 35.70%).

Contributions to finance welfare insurance benefits (sickness, maternity, etc.), as well as other social security benefits are different depending on the production sector where the company operates:
- Unemployment contribution (for fixed-term contracts +1.40%): ***1.61%***;
- Contribution for sickness allowance (variable amount according to the sector): ***2.22%/3.21%***;
- Maternity contribution (it varies by industry): ***0.24%*** to ***0.46%***;
- Contribution for family allowance: 2.48 % (0.68 % reduced);
- Contribution for termination of employment guarantee fund: ***0.20%***, only if managed within the company;
- Contribution for the ordinary redundancy fund (short discontinuation of production activities): ***1.70%/4.70%***;
- Contribution for the extraordinary redundancy fund (crisis and restructuring): ***0.90 %***;
- Contribution to the solidarity funds or to the supplementary wage fund: ***0.45 %*** to ***0.65 %***.

Public-sector employed workers: the 2024 the rate envisaged for the fund for public-sector employed workers (CTPS) has been again set at 33% of the taxable salary, of which 24.80% to be paid by the State and 8.80% to be paid by the employees (9.80% for the monthly salary level exceeding 4,585.00 euros, equal to an annual amount of 55,085.00 euros) (***Tables A7.1 and A7.2***). The 2024 rate for the fund for local authorities' employed workers (CPDL), the pension fund for teachers (CPI), the pension fund for judicial officers (CPUG) and the pension fund for health-care workers equally remains set at 32.65% of the taxable salary, of which 23.80% is borne by the public administration and 8.85% by the employees (9.85% for the monthly salary level exceeding 4,585.00 euros, equal to an annual amount of 55,085.00 euros). The limits of the brackets and the ceilings apply only to those who registered in these funds before January 1, 1996, or with contributions periods at that date; conversely, pursuant to Article 2, par. 18, of Act no. 335 of August. 8, 1995, for workers without contribution seniority by December 31, 1995, registered with these funds as of January 1, 1996, or later, the annual ceiling is equal to 119,650 euros for 2024. Above this income limit, no contributions have to be paid and the pension benefits is then **capped at the contribution ceiling.**

The ***other minor contributions*** for members of public-sector pension funds are: Termination of service (TFS) when the work relationship with the State is terminated; instead, the workers hired with a long-term contract after December 31, 2000 are governed by the termination of employment rules. The workers entitled to TFS who join a complementary pension scheme automatically switch to the TFR system. The TFS system entails the payment of a contribution as follows: a) for central government state employees, the rate is 9.60% of their salary: 7.10 % borne by the institution and 2.50 % borne by the employee; b) for employees of local governments, the contribution is 6.10 % of their salary: 3.60 % borne by the institution and 2.50 % borne by the employee. On the other hand, for the termination of employment benefits, the employer sets aside the entire share equal to 9.60% for State employees and 6.10% for employees registered with other funds. For the fund for credit and social benefits, the contribution is 0.35% and must be paid by the employee is calculated on the basis of his or her pensionable salary, subject to a ceiling. The National Pension Fund for Employees of Public Law Entities (ENPDEP) provides for employed workers of public law entities with the exception of state administrations, provinces, municipalities and public welfare and charitable institutions. The contribution, calculated on 80 % of salary is equal to 0.12 %, of which 0.093 % is borne by the employer and 0.027 % is borne by the employee. The National Fund for School Workers (ENAM) provides for state school employed workers who are required to pay 1 % in relation to 80 % of their gross salary.

Artisans and retailers: The Monti-Fornero reform provided for a progressive increase in the contribution rate by 0.45%, starting from 2013 up to 24% in 2018, plus an additional 0.62% for maternity as a result of the provisions of Article 49, c.1, of Act no. 488 of December 23, 1999. For employed workers under the age of 21, the 2012 rate was lower than the ordinary rate and increased annually by 0.45% until it reached 24.00%, thus aligning with that of employers. In 2024, the artisans who joined the scheme before 1996 paid a contribution rate of 24% out of their business income up to 55,008.00 and of 25.00% on their business income between 55,008.00 and 91,680.00 euros, the maximum taxable amount for 2024. For the ***retailers*** registered with the scheme before 1996, the contribution rate rose by 0.48%[6], in 2024 to finance the rationalization of the commercial network (to

[6] It was a 0.09% contribution established by Art. 5, par. 2, of Legislative Decree no. 207 of March 28, 1996, then extended until 2018 and made permanent as of 2019 by Art.1, par. 284, of Act no. 145 of December 30, 2018, as a compensation to compensate for shutting down the f business. Art.1, par. 380, of Act no. 178 of December 30, 2020, (2021 Budget Law), increased, as of January 1, 2022, this compensation rate by 0.48% for the subjects who had not yet fulfilled the old-age pension requirements, of which: 0.46% allocated to the Fund for the rationalization of the retail network referred to in

promote the so-called shop scrapping); that is, they had to pay 24.48% out of their income up to 55,008.00 euros and 25.48% on the share between 55,008.00 and 91,680.00 euros. On the contrary, for artisans and retailers without contribution seniority on December 31, 1995, who registered with a fund as of January 1, 1996 or later, the annual ceiling, that cannot be subdivided into months, was equal to 119,680 euros in 2024. As a result, the artisans, under a pure contribution-based method, had to pay a rate of 24% on their business income up to 55,008.00 euros and of 25% on the share between 55,008.00 and 119,650.00 euros (64,642.00 euros). Similarly, the workers who joined the fund for retailers after December, 31 1996 had to pay a rate of 24.48% on their business income up to 55,008.00 euros and of 25.48% on the share of their income between 55,008.00 and 119,650.00 euros. In 2024, the ***minimum taxable income to calculate the contribution rate was equal*** **18,415.00 euros**, so the minimum contribution (including the maternity portion) to be paid by artisans was 4,427.04 euros, while the minimum contribution for retailers was 4,515.43 euros (see INPS Circular no. 33/2024).

Self-employed farmers, i.e. Farmers, Tenant Farmers and Sharecroppers (CDCM) and Professional Agricultural Entrepreneurs – their companies are classified in four conventional income brackets as per "Table D," annexed to Act no.233/1990, remodelled since July 1, 1997 and converted to euros since 2002. Each farm is included every year in the ***conventional income level related to land cultivation and/or animal husbandry***. The conventional income for each level is determined by multiplying the average daily conventional income (RMGC) ***established on an annual basis*** by decree of the Ministry of Labour on the average daily salary of farm workers, by the number of days indicated in "Table D," corresponding to the income level in which the farm is included. For 2021, Rmgc = 59.66 euros; for 2022 = 60.26; for 2023 = 61.98; for 2024 = 63.03. The contribution due is defined by multiplying Rmgc by the number of days indicated in the aforementioned "Table D," corresponding to the income level in which the company is placed, and applying to the result the financing rate, which has been **24.0%** as of 2018 for all the income levels without distinction of location and age (above/below 21 years of age). In order to identify the areas subject to the reliefs for the categories of , vis-à-vis the categories of **farmers, tenant Farmers and sharecroppers (CDCM) and professional agricultural entrepreneurs** (**IAP**), reference should be made to Article 9 of Presidential Decree no. 601 of September 29, 1973, for mountainous areas, and Article 15 of Act no. 984 of December 27, 1977, for disadvantaged agricultural areas. The following contributions are also due for 2024: the annual contribution to cover the cost of maternity benefits (7.49 euros for each unit); the contribution for insurance against accidents at work and occupational diseases to be paid by farmers and sharecroppers (IAPs are exempted) amounts to 768.50 euros (normal areas) and to 532.18 euros (mountainous and disadvantaged areas). Self-employed agricultural workers over 65 years of age, who have already retired under the income-based or mixed system with other INPS funds, , can apply for a 50% reduction in contributions.

Atypical workers (temporary workers or with similar occupations and partners in organizations), exclusively registred with the Separate Scheme, who are not members of other comopulsory pension funds and who have not yer retired pay a contribution consisting of **33%** of

Art.5, par.1, of Legislative Decree no. 207/1996, and 0.02% allocated to the fund for contribution and pension benefits of retail operators.

their pension computation, of 0.50% for maternity protection, family unit allowances and sickness, of 0.22% for the additional rate, of 0.50% pursuant to Art. 7 of the Ministerial Decree of July 12, 2007 in implementation of the provisions of paragraph 791, sole article, of Act no. 296/2006 and, finally, of 1.31% under paragraph 223 of Article 1 of Act no. 234 of December 30, 2021, which supplemented Article 15 of Legislative Decree No. 22, on DIS-COLL, introducing paragraph 15-quinquies, which ensisaged the obligation to pay a contribution against unemployment "equal to that due for NASpI. The subjects involved are directors, auditors or auditor of companies, associations and of other entities with or without legal personality (see Article 50, par. 1, letter c-bis, of Presidential Decree no. 917 of December 22, 1986), even if they are not recipients of the benefits; temporary workers; PhD, grant and scholarship beneficiaries. The individuals who do not have to pay the Dis-Coll contribution, the overall rate is reduced to 33.72% (board or commission participants, local government administrators, door-to-door salespersons, self-employed workers with temporary assignments, business associates from 2004 to 2015, specialty trainees).

For **professionals (self-employed) VAT-registered professionals who are members of the separate scheme, who are not registered in any other compulsory fund and who have not yet retired,** the contributionrate is composed of **25%** of the pension computation and of **0.72%** (0.50% for maternity and 0.22% for DIS-COLL unemployment). In addition, Art. 1, c.398, of Act no. 178 of December 30, 2020, provided for the increase of the rate under Art. 59, c.16, of Act no. 449/1997, equal to 0.26% for 2021 and equal to 0.51% for 2022 and 2023. The contribution is designed to finance the charges borne by INPS for the extraordinary income and operating continuity allowance (the so-called ISCRO). Thus, in addition to the 25.00% contribution rate for IVS pensions, and to the additional contribution of 0.72% established by Art.59, par.16, of Act no. 449/1997 (maternity protection, family allowances, hospitalization, sickness and parental leave) and Article 7 of Ministerial Decree of July 12, 2007, implementating par.791, sole article, of Act no. 296/2006, there is the "ISCRO" contribution of 0.26% for 2021 and of 0.51% for 2022 and 2023. As of 2024, there is an additional rate of 0.35% under paragraph 154 of Article 1 of Act no. 213 of December 30, 2023, which provided for an increase in the rate referred to in Article 59, par. 16, of Act no. 449/1997, for the subjects indicated in paragraph 143, to finance the extraordinary income and operating continuity allowance (the so-called ISCRO). The contribution is applied on self-employment income under Article 53(1) of TUIR. The rule replaces what was indicated for the years 2022 and 2023 by Article 1, par. 398 of Act no. 178 of December 30, 2020, to finance the charges resulting from the application of paragraph 386 of the same Article 1, which envisaged the payment of for ISCRO by INPS on an experimental basis.

Finally for **atypical workers (with temporary contracts or similar occupations) and VAT-registered professionals who are already members of a compulsory pension fund and who have already retired,** the contribution is equal to 24.00% pursuant to art.1 of Act no. 147 of December 27, 2013, (2014 StabilityLaw); par. 491 amended what had already been provided under the combined provisions of Art.2, par.57 of Act no. 92 of June 28, 2012, , and Art. 46-bis, par.1, lett. g), of Law Decree no. 83 of June 22, 2012, transposed and amended by Act no. 134 of August 7, 2012. The contribution must be paid by the worker (one-third) and by the employer (two-thirds). In contrast, professionals are required to pay the whole contribution.

Table A.6 – Historical series of IVS contribution rates and of per capita contributions

Years	Historical series of remuneration/income						Average annual per capita data		
	F.P.L.D. (a)		Artisans (a)		Retailers (b)		F.P.L.D. (d)	Artigiani (e)	Commercianti (e)
	Total	to be paid by the worker	Fixed annual contribution (euros)	Annual contribution (%)	Fixed annual contribution (euros)	Annual contribution (%)			
1960	14,41%	4,75%	4,02						
1961	14,41%	4,75%	4,02						
1962	16,42%	5,42%	4,02						
1963	19,10%	6,32%	4,02						
1964	18,80%	6,17%	4,02						
1965	18,58%	5,95%	4,02						
1966	18,56%	5,95%	7,71		7,71				
1967	18,10%	6,30%	7,71		7,71				
1968	19,67%	6,55%	7,71		7,71				
1969	20,56%	6,85%	7,71		7,71				
1970	20,56%	6,85%	7,71		7,71				
1971	18,91%	6,30%	7,71		7,71				
1972	19,01%	6,30%	7,71		7,71				
1973	19,01%	6,30%	7,71		7,71				
1974	19,95%	6,30%	15,77		15,77				
1975	20,77%	6,72%	37,46		37,46				
1976	23,31%	7,15%	45,14		45,14				
1977	23,31%	7,15%	51,48		51,48				
1978	23,31%	7,15%	61,52		61,52				
1979	23,31%	7,15%	149,99		148,19				
1980	23,90%	7,15%	223,49		221,68				
1981	24,01%	7,15%	328,06		326,77				
1982	24,17%	7,15%	310,73	4,00%	308,92	4,20%	6.462	3.588	4.072
1983	24,51%	7,15%	392,48	4,00%	390,67	4,20%	7.535	3.974	4.499
1984	24,51%	7,15%	442,86	4,00%	441,05	4,20%	8.622	4.249	4.796
1985	24,51%	7,15%	487,86	4,00%	486,05	4,20%	9.548	4.792	5.297
1986	24,51%	7,15%	617,16	4,00%	615,35	4,20%	10.166	5.857	6.531
1987	24,51%	7,15%	648,21	4,00%	646,40	4,20%	11.044	6.267	6.785
1988	24,51%	7,15%	672,93	4,00%	673,54	4,20%	11.824	6.718	6.973
1989	25,92%	7,29%	701,75	4,00%	699,94	4,20%	12.630	7.346	7.350
1990	25,92%	7,29%		12,00%		12,00%	13.622	9.241	8.566
1991	26,09%	7,46%		12,75%		12,75%	14.947	10.196	10.020
1992	26,49%	7,86%		13,50%		13,50%	16.041	11.961	11.579
1993	26,97%	8,34%		14,29%		14,29%	16.706	12.840	12.482
1994	26,97%	8,34%		15,00%		15,00%	17.330	13.503	14.024
1995	27,16%	8,40%		15,00%		15,00%	18.007	14.290	14.242
1996	32,70%	8,89%		15,00%		15,09%	18.718	15.445	15.315
1997	32,70%	8,89%		15,00%		15,39%	19.185	15.547	15.146
1998	32,70%	8,89%		15,80%		16,19%	19.758	16.237	16.166
1999	32,70%	8,89%		16,00%		16,39%	20.323	17.122	17.551
2000	32,70%	8,89%		16,20%		16,59%	21.147	17.853	17.956
2001	32,70%	8,89%		16,40%		16,79%	21.760	17.509	16.218
2002	32,70%	8,89%		16,60%		16,99%	22.327	17.964	17.979
2003	32,70%	8,89%		16,80%		17,19%	22.910	18.191	18.048
2004	32,70%	8,89%		17,00%		17,39%	23.807	18.405	18.603
2005	32,70%	8,89%		17,20%		17,59%	24.536	18.804	19.251
2006	32,70%	8,89%		17,40%		17,79%	25.401	19.590	19.526
2007	33,00%	9,19%		19,50%		19,59%	26.221	20.766	20.190
2008	33,00%	9,19%		20,00%		20,09%	27.255	20.861	20.248
2009	33,00%	9,19%		20,00%		20,09%	28.040	20.895	20.558
2010	33,00%	9,19%		20,00%		20,09%	29.090	19.593	19.935
2011	33,00%			20,00%		20,09%			
2012	33,00%			21,30%		21,39%			
2013	33,00%			21,75%		21,84%			
2014	33,00%			22,20%		22,29%			
2015	33,00%			22,65%		22,84%			
2016	33,00%			23,10%		23,29%			
2017	33,00%			23,55%		23,74%			
2018	33,00%			24,00%		24,09%			
2019	33,00%			24,00%		24,09%			
2020	33,00%			24,00%		24,09%			

Note: as of 2021, the historical series of these rates with the share to be paid by the worker and the share to be paid by the employer, follow up in Table A7.(a) The average rates per year are calculated considering the monthly additions, (b) the Fund for retailers started operating in 1996. (c) For 1990, the rate is the one which came into effect on July 1st. The average rates per year are reported for 1991, 1992 and 1993. d) Source: processing of industrial data taken from the "National Accounting Directory" for the 1960/1969 period and from the "General Report of the economic situation of the country" for the 1970-1999 period. As of the year 2000, the data provided have been directly processed on the basis of the ISTAT Data Warehouse findings related to industry. (e) The figures of the income historical series are estimated on the basis of the data contained in the Report.

The rate of the members of the Fund for retailers includes an additional charge equal to 0.09% (up to 2018), allocated to the so-called Fund for the scrapping of shops (art. 5, Law Decree no. 207/1996) for the subjects who closed their business (and returned their permit), granting them the INPS minimum pension for a maximum of three years. ** Between parentheses: the rate due by members of a pension fund or pensioners. The subjects with a VAT number had a reduced rate equal to 25.57% from October 1, 1995 to December 31, 1995.

Table A.7.1 - Contribution rates and ceilings in 2021 and 2022

Subjects	Contribution rate in 2021	Contribution rate in 2022
Private-sector employees		
Contribution to be paid by the employee	9.19% up to €47,379; over 10.19%	9.19% up to €47,379; over 10.19%
Contribution to be paid by employer	23.81%; **total contribution 33%**.	23.81%; **total contribution 33%**.
Cassa Pension.Dipend.Stato-CTPS		
Contribution to be paid by the employee	8.80% up to €47,379; over 9.8%	8.80% up to €47,379; over 9.8%
Contribution to be paid by the employer	24.2%; **total contribution 33%**	24.2%; **total contribution 33%**
CPDL; CPI; CPUG; CPS (1)		
Contribution to be paid by the worker	8.85 percent up to 47,379 euros; over 9.85 percent	8.85 percent up to 47,379 euros; over 9.85 percent
Contribution to be paid by employer	23.8%; **total contribution 32.65%**	23.8%; **total contribution 32.65%**
Artisans	**24.62%** up to 47,379 euros	**24.62%** up to 48,279 euros
	25.62% from 47,379 to 78,965 euros	25.62% from 48,279 to 80,465 euros
Retailers	**24.71%** up to 47,379 euros	**25.19%** up to 48,279 euros
	25.71% from 47,379 to 78,965 euros	26.19% from 48,279 to 80,465 euros
	Average daily income = 59.66 euros	**Average daily income = €60.26**
Self-employed farmers, i.e. Farmers, Tenant Farmers and Sharecroppers (CDCM) and Professional Agricultural Entrepreneurs	CD/C/M IAP gg. Contribution rate	CD/C/M IAP gg. Contribution rate
	F1 3.115,74/2.347,24 156 24%	F1 3.139,76/2.371,26 156 24%
	F2 3.860,30/3.091,80 208 "	F2 3.891,81/3.123,31 208 "
	F3 4.604,85/3.836,35 260 "	F3 4.643,85/3.875,33 260 "
	F4 5.349,41/4.580,91 312 "	F4 5.395,90/4.627,40 312 "
Atypical workers (temporary workers or with similar occupations and partners in organizations), exclusively registred with the Separate Scheme, who are not members of other comopulsory pension funds and who have not yet retired	**35.03%** within the ceiling of €103,055	**35.03%** within the ceiling of €105,014
Professionals (self-employed) VAT-registered professionals who are members of the separate scheme, who are not registered in any other compulsory fund and who have not yet retired,	**25.98%** within the ceiling of €103,055	**26.23%** within the ceiling of €105,014
Atypical workers (with temporary contracts or similar occupations) and VAT-registered professionals who are already members of a compulsory pension fund and who have already retired	**24.00%** within the ceiling of €103,055	**24.00%** within the ceiling of €105,014

Table A.7.2 - Contribution rates and ceilings in 2023 and 2024

Subjects	Contribution rate in 2023	Contribution rate in 2024
Private-sector employed workers		
Contribution paid by the employee	9.19% up to €52,190; over 10.19%	9.19% up to €55,008; over 10.19%
Contribution paid by the employer	23.81%; **total contribution 33%**.	23.81%; **total contribution 33%**.
CTPS		
Contribution paid by employee	8.80% up to €52,190; over 9.8%	8.80% up to 55,008 €; over 9.80%
Contribution paid by employer	24.2%; **total contribution 33%**	24.2%; **total contribution 33%**
CPDL; CPI; CPUG; CPS (1)		
Contribution paid by the worker	8.85% up to €52,190; over 9.85%	8.85% up to €55,008; over 9.85%
Contribution paid by the employer	23.8%; **total contribution 32.65%**	23.8%; **total contribution 32.65%**
Artisans	**24.62%** up to 52,190 euros	**24.62%** up to 55,008 euros
	25.62% 52,190 to €86,983	25.62% from 55,008 to 91,680 euros
Retailers	**25.19%** up to 52,190 euros	**25.19%** up to 55,008 euros
	26.19% from 52,190 to 86,983 euros	26.19% from 55,008 to 91,680 euros
	Average daily income = €61.98	**Average daily income = € 63.03**
Self-employed farmers, i.e. Farmers, Tenant Farmers and Sharecroppers (CDCM) and Professional Agricultural Entrepreneurs	CD/C/M IAP days Contribution rate	CD/C/M IAP days Contribution rate
	F1 3.204,16/2.435,66 156 24%	F1 3.260,20/2.491,70 156 24%
	F2 3.977,67/3.209,17 208 "	F2 4.047,19/3.278,69 208 "
	F3 4.751,18/3.982,68 260 "	F3 4.834,17/4.065,67 260 "
	F4 5.524,69/4.756,19 312 "	F4 5.621,16/4.852,66 312 "
Atypical workers (temporary workers or with similar occupations and partners in organizations, exclusively registred with the Separate Scheme who are not members of other comopulsory pension funds and wo have not yer retired	**35.03%** within the ceiling of €113,520	**35.03%** within the ceiling of €119,650
Professionals (self-employed) VAT-registered professionals who are members of the separate scheme, who are not registered in any other compulsory fund and who have not yet retired	**26.23%** within the ceiling of €113,520	**26.07%** within the ceiling of €119,650
Atypical workers (with temporary contracts or similar occupations) and VAT-registered professionals who are already members of a compulsory pension fund and who have already retired	**24.00%** within the ceiling of €113,520	**24.00%** within the ceiling of €119,650
1) CPDL pension fund for workers of local governments; CPI pension fund for teachers; CPUG pension fund for judicial officials; CPS pension fund for health care workers		

Focus no. 4 - Contribution-based calculation method and the use of coefficients

The calculation of the pension on the basis of the contribution method, i.e. the transformation of the contribution amount into an annuity, is done through the use of the ***transformation coefficients*** introduced by Act no. 335/1995 (the so-called Dini Act). These coefficients came into force on January 1, 1996 and should have been revised and updated following the trend of life expectancy calculated by ISTAT every 10 years; and so, the first revision should have taken place in 2006, but, although calculated by the Nusvap and made available to the Government, they were applied only in 2010 under Act no. 247/2007, Article 1, par. 14, which also provided for their adjustment every three years until 2018 and then every two years as of 2019.

The Ministerial Decree of June 22, 2015 determined again the coefficients to be used from 2016 to 2018 to calculate the pensions; compared to the figures used in the 2013-2015 three-year period, the new coefficients went down from a minimum of 1.35% to a maximum of 2.50% depending on the retirement age. Subsequently, the Ministerial Decree of June 15, 2018 determined once again the coefficients to be used but not every three years, as had been the case since 2010, but every two years, that is in 2019 and 2020. Compared to the three-year period between 2016 and 2018, the new coefficients provided for a reduction, depending on the retirement age, ranging from a minimum of 1.08% to a maximum of 1.90%, and by as much as 2.12% for workers who retired at 71 years of age (see ***Table A8***). The Ministerial Decree of 2018 was the first to present a statistically calculated autonomous coefficient for subjects who retired above 70 years of age, whereas in previous three-year periods, the transformation coefficient for the age above 70 was that for the maximum age of 70. The coefficients for 2023/24 were to be announced around May-June 202, but the publication of the Ministerial Decree was postponed to December 1, 2022. In recent years, thanks in part to improved living conditions and to medical advances, life expectancy has been steadily increasing. As a result, the transformation coefficients have decreased, since they have to be applied to increasingly longer periods of time from retirement to the death of the But in 2023, this trend came to a halt, and the the transformation coefficients resumed their growth due to the negative effects of the Covid-19 pandemic on the life expectancy of Italians which became shorter for the first time since these coefficients have been applied. Therefore, the Decree of December 1, 2022 certified that for the 2023-2024 two-year period, the transformation coefficients were expected to be would be higher than those for the 2021-2022 period. The increase is reduced from 0.084% for retirements at 57 years of age, with the coefficient going from 4.186% in 2021/22 to 4.270% in 2023/24, and up to 0.18% for retirements at the age of 70, with the coefficient going from 6.215% in 2021/22 to 6.395% in 2023/24. As already mentioned, this mechanism applies to those who retire with the contribution-based system and to those who retire under the mixed system, i.e.: (a) workers who paid their contributions as of January 1, 1996 (contribution-based calculation system); (b) workers who paid their contributions as of December 31, 1995, and whose benefits are calculated with the contribution system only for the seniority accrued after January 1, 2012 (if they have at least 18 years of contributions as of December 31, 1995) or as of January 1 1996 (mixed calculation); (c) workers who opt for the contribution-based calculation system, for example, working women who choose to retire earlier through the Women's Option.

How it works: According to the 1995 Dini Reform, the amount of the pension in the contribution-based system is closely linked to the contributions paid throughout the whole working life and no longer to the final salary as was the case with the income-based system, and to the retirement age; the later the retirement, the higher the pension, and vice versa, also because the coefficients are linked to life expectancy at the time of retirement; so, in order to have the same replacement rate, it is necessary to postpone retirement. A typical example (***table A8***): in order to obtain the same coefficient envisaged under the original Dini Law at 65 years of age, in the three-year period from 2016 to 2018, it was necessary to work for another 4 years, up to the age of 69; however, since life expectancy has been extended by more than 5 years, the period of retirement is 5 years longer; instead, in the two-year period from 2019 to 2020, the same coefficient could be obtained between 69 and 70 years of age, so, the working life had to be extended by about 4-5 years longer more with respect to the Dini Law provisions. The contributions paid are adjusted to a rate equal to the five-year average of nominal GDP, so, the more Italy grows, the higher the benefits. There is another fundamental difference between the contribution-based system and the income-based system: the former features a contribution-pension ceiling beyond which contributions are no longer due and the pension is calculated up to this ceiling, annually revalued on the basis of the ISTAT consumer price index; the ceiling was **113,520** ***euros,*** in 2022 (for the calculation formula see Exhibit no. 3 in the Report).

Table A.8- Coefficients for the transformation of the pool of benefits into annuities

Age at retirement	**1996-2009** Table A of Act no. 335/1995,	**2010-2012** Exhibit 2, Table A of Act no. 247/2007	% reduction vs. previous coefficients	**2013-2015** Interministerial Decree of May 15, 2012,	% reduction vs. previous coefficients	**2016-2018** Interministerial Decree of June 22, 2015	% reduction vs. previous coefficients	**2019-2020** Interministerial decree of May 15 2018	% reduction vs. previous coefficients	**2021-2022** Interministerial decree of June 1, 2020	% reduction vs. previous coefficients	**2023-2024** Directorial Decree of December 1, 2022	**% reduction vs. previous coefficients**	**2025-2026** Directorial Decree of November 20, 2024	% reduction vs. previous coefficients	% variation vs. previous coefficients 1996/2009
57	4,720	4,419	*-6,38%*	4,304	*-2,60%*	4,246	*-1,35%*	4,200	*-1,08%*	4,186	*-0,33%*	4,270	*2,01%*	4,204	*-1,55%*	**-10,93%**
58	4,860	4,538	*-6,63%*	4,416	*-2,69%*	4,354	*-1,40%*	4,304	*-1,15%*	4,289	*-0,35%*	4,378	*2,08%*	4,308	*-1,60%*	**-11,36%**
59	5,006	4,664	*-6,83%*	4,535	*-2,77%*	4,468	*-1,48%*	4,414	*-1,21%*	4,399	*-0,34%*	4,493	*2,14%*	4,419	*-1,65%*	**-11,73%**
60	5,163	4,798	*-7,07%*	4,661	*-2,86%*	4,589	*-1,54%*	4,532	*-1,24%*	4,515	*-0,38%*	4,615	*2,21%*	4,536	*-1,71%*	**-12,14%**
61	5,334	4,940	*-7,39%*	4,796	*-2,91%*	4,719	*-1,61%*	4,657	*-1,31%*	4,639	*-0,39%*	4,744	*2,26%*	4,661	*-1,75%*	**-12,62%**
62	5,514	5,093	*-7,64%*	4,940	*-3,00%*	4,856	*-1,70%*	4,790	*-1,36%*	4,770	*-0,42%*	4,882	*2,35%*	4,795	*-1,78%*	**-13,04%**
63	5,706	5,257	*-7,87%*	5,094	*-3,10%*	5,002	*-1,81%*	4,932	*-1,40%*	4,910	*-0,45%*	5,028	*2,40%*	4,936	*-1,83%*	**-13,49%**
64	5,911	5,432	*-8,10%*	5,259	*-3,18%*	5,159	*-1,90%*	5,083	*-1,47%*	5,060	*-0,45%*	5,184	*2,45%*	5,088	*-1,85%*	**-13,92%**
65	6,136	5,620	*-8,41%*	5,435	*-3,29%*	5,326	*-2,01%*	5,245	*-1,52%*	5,220	*-0,48%*	5,352	*2,53%*	5,250	*-1,91%*	**-14,44%**
66	6,136	5,620		5,624		5,506	*-2,10%*	5,419	*-1,58%*	5,391	*-0,52%*	5,531	*2,60%*	5,423	*-1,95%*	**-11,62%**
67	6,136	5,620		5,826		5,700	*-2,16%*	5,604	*-1,68%*	5,575	*-0,52%*	5,723	*2,65%*	5,608	*-2,01%*	**-8,60%**
68	6,136	5,620		6,046		5,910	*-2,25%*	5,804	*-1,79%*	5,772	*-0,55%*	5,931	*2,75%*	5,808	*-2,07%*	**-5,35%**
69	6,136	5,620		6,283		6,135	*-2,36%*	6,021	*-1,86%*	5,985	*-0,60%*	6,154	*2,82%*	6,024	*-2,11%*	**-1,83%**
70	6,136	5,620		6,541		6,378	*-2,49%*	6,257	*-1,90%*	6,215	*-0,67%*	6,395	*2,90%*	6,258	*-2,14%*	**1,99%**
71	6,136	5,620		6,541		6,378		6,513	*2,12%*	6,466	*-0,72%*	6,655	*2,92%*	6,510	*-2,18%*	**6,10%**

Coefficients are expressed as %; for example, supposing that (through the payment of contributions with an annual adjustment to the GDP five-year average), finally a worker ends up with 350,000 euros' worth of contributions (30,000 euros' worth on annual average remuneration for an employed worker), and that he or she decides to retire at 64 years of age in 2024, in other words 350,000 euros x 5.184% = 18,144 euros per year before taxes; in order to calculate the gross pension per year, it will simply suffice to multiply the final amount by the coefficient in the table related to 2024 and by 64 years of age; if this worker decides to retire at 67 with the same amount (actually by continuing to work also in these three years, the amount would be higher), and the gross pension per year would be equal to: 350,000 euros x 5.608% = 19,628 euros per year.

Età	**1996 - 2009** (Tabella A della Legge n.335/1995)		**2010 - 2012** (Allegto 2, Tabella A della Legge n. 247/2007)		**2013 - 2015** (Decreto Interministeriale 15 maggio 2012)		**2016 - 2018** (Decreto Interministeriale 22 giugno 2015)		**2019 - 2020** (Decreto Interministeriale 15 maggio 2018)		**2021-2022** (Decreto Interministeriale 1 giugno 2020)		**2023-2024** (Decreto Direttoriale 1 dicembre 2022)		**2025-2026** (Decreto Direttoriale 20 novembre 2024)		**Età**
	Coeffic. trasform.	**Divisori**	**Coeffic. trasform.**	**Divisori**	**Coeffic. trasform.**	**Divisori**	**Coeffic. trasform.**	**Divisori**	**Coeffic. trasform.**	**Divisori**	**Coeffic. trasform.**	**Divisori**	**Coeffic. trasform.**	**Divisori**	**Coeffic. trasform.**	**Divisori**	
57	4,720%	21,186	4,419%	22,630	4,304%	23,234	4,246%	23,550	4,200%	23,812	4,186%	23,892	4,270%	23,419	4,204%	23,789	57
58	4,860%	20,576	4,538%	22,036	4,416%	22,645	4,354%	22,969	4,304%	23,236	4,289%	23,314	4,378%	22,839	4,308%	23,213	58
59	5,006%	19,976	4,664%	21,441	4,535%	22,051	4,468%	22,382	4,414%	22,654	4,399%	22,734	4,493%	22,256	4,419%	22,631	59
60	5,163%	19,369	4,798%	20,842	4,661%	21,455	4,589%	21,789	4,532%	22,067	4,515%	22,149	4,615%	21,669	4,536%	22,044	60
61	5,334%	18,748	4,940%	20,243	4,796%	20,851	4,719%	21,192	4,657%	21,475	4,639%	21,558	4,744%	21,079	4,661%	21,453	61
62	5,514%	18,136	5,093%	19,635	4,940%	20,243	4,856%	20,593	4,790%	20,878	4,770%	20,965	4,882%	20,485	4,795%	20,857	62
63	5,706%	17,525	5,257%	19,022	5,094%	19,631	5,002%	19,991	4,932%	20,276	4,910%	20,366	5,028%	19,888	4,936%	20,258	63
64	5,911%	16,918	5,432%	18,409	5,259%	19,015	5,159%	19,385	5,083%	19,672	5,060%	19,763	5,184%	19,289	5,088%	19,656	64
65	6,136%	16,297	5,620%	17,794	5,435%	18,399	5,326%	18,777	5,245%	19,064	5,220%	19,157	5,352%	18,686	5,250%	19,049	65
66					5,624%	17,781	5,506%	18,163	5,419%	18,455	5,391%	18,549	5,531%	18,079	5,423%	18,441	66
67					5,826%	17,164	5,700%	17,544	5,604%	17,844	5,575%	17,938	5,723%	17,472	5,608%	17,831	67
68					6,046%	16,540	5,910%	16,922	5,804%	17,231	5,772%	17,324	5,931%	16,861	5,808%	17,218	68
69					6,283%	15,916	6,135%	16,301	6,021%	16,609	5,985%	16,707	6,154%	16,251	6,024%	16,600	69
70					6,541%	15,288	6,378%	15,678	6,257%	15,982	6,215%	16,090	6,395%	15,637	6,258%	15,980	70
71									6,513%	15,353	6,466%	15,465	6,655%	15,025	6,510%	15,360	71

Table A.9 - Beneficiaries and charges related to the 9 safeguard measures by December 31, 2023

Safeguard measures and reference legislation	**Total Accepted**	**Total number of the so-called esodati**	**Certified charges (millions of euros)**
I Safeguard measure – Certification applications law 135/2012	64,364	66,000	5,107,00
II Safeguard measure – Certification applications law 135/2012	19,741	35,000	1,840,30
III Safeguard measure - Certification applications law 228/2012	7,186	16,130	312,7
IV Safeguard measure - Certification applications law 124/2013	3,427	5,000	214,7
V Safeguard measure - Certification applications law 147/2013	3,527	17,000	192,9
VI Safeguard measure - Certification applications law 147/2014	16,500	32,100	784,2
VII Safeguard measure - Certification applications law 208/2015	13,071	26,300	1,006,00
VIII Safeguard measure - Certification applications law 232/2016	13,074	30,700	912,9
IX Safeguard measure (*)	1,575	2,400	406
GRAND TOTAL	143,303	230,630	10,776,70

(*) The ninth safeguard was provided for under the 2021 Budget Law (Act no. 178 of December 30, 2020).

The planned allocation is about 35 million for 2021 and slightly less for 2022, with an additional 27 million for 2023 and 20 until 2026.

Appendix no. 2 - Definition of pension expenditure in this Report and other definitions

There are several definitions of ***pension expenditure*** produced by a variety of institutions. Each of them provides specific information but is also conditioned, in some cases, by the availability of the data. What follows is a list of the currently used definitions and the explanation of the differences of the various ***expenditure aggregates***.

A) Istat Statistics[7]

Benefits included in the aggregate

IVS pensions: disability, old age and survivors' pensions paid out when workers reach their statutory retirement age and contribution requirements (direct disability, old age and seniority pensions). In the event of death of the active worker or pensioner, these benefits may be paid to survivors (indirect pensions).

Indemnity pensions: pensions for accidents at work and occupational diseases and veterans' pensions including gold medal allowances. The characteristic of these pensions is that they compensate workers for an impairment, depending on the level of the impairment, or for death (in which case the benefits are paid to their survivors) resulting from an event occurring while working. The entitlement and amount of the benefits are not related to the years of contribution, but they depend on their injury and their salary.

Welfare pensions: benefits consisting of veterans' pensions, pensions for visually and hearing impaired and disabled civilians, and social pensions or allowances to citizens over 65 years of age, with no or insufficient income. The main aim of these pensions is to guarantee a minimum income to persons unable to obtain it because of congenital or supervening impairments or simply because of old age. In any case, these benefits not linked to any contribution system. This aggregate also includes caregivers' allowances (which, however, are not pensions) designed to support subjects who are not self-sufficient in their age-related daily life.

Honorary pensions: life allowances to veterans awarded with the Order of Vittorio Veneto and with a War Medal and Cross. In any case, these pensions are not linked to any contribution system.

Pensions paid by Private Institutions: these do not include capital benefits, as they do not fall within the definition of 'pension'[8].

Figures reported: the number of outstanding pensions on December 31 of each year and the amount of expenditure expressed as the sum of the amounts of pension benefits in December, multiplied by the number of months for which the benefits are paid (so-called 'expenditure at the end of the year'). The monthly amount on December 31 includes: the basic amount, the increase linked to the cost-of-living index and to wage trends, the share of family allowances and any other benefits and arrears

[7] The data analysed come from the INPS administrative archive - (Central Pension Registry), which features the data on the pension benefits paid by all Italian social security institutions, both public and private. The data processed by ISTAT from the year 2004 onwards are disaggregated by type of fund and are different from those published in previous years, since they were processed according to a different classification that is more closely in line with the criteria dictated by SEC.

[8] Periodic and continuous cash benefits individually paid by public administrations and public and private organizations.

B) Aggregate "Pensions and annuities" shown in the analysis of **Social Protection Accounts by type of benefit**[9]

Benefits included in the aggregate

The ***item*** "***Pensions and annuities***" includes IVS pensions, net of capital benefits, and accident annuities (INAIL, ex-IPSEMA, so-called tables for military conscripts, etc.). Among IVS benefits, it includes provisional pensions paid to military personnel directly by the State, and pensions paid by Constitutional Bodies and Regions (in particular the Sicily Region) to their former employees. It does not include veterans'pensions, welfare pensions (social s pensions and allowances and pensions and allowances to disabled civilians) and honorary pensions.

Figures reported: expenditure as the sum of instalments actually paid net of family allowances, of recovered benefits and proceeds from the aggregation ban.

C) Eurostat - Pension Expenditure

Benefits included in the aggregate

This aggregate is largely equivalent to that of the ISTAT Statistical definition, except for caregivers' allowances paid to disabled civilians.

Old age and survivors' functions; (sometimes improperly used as a pension expenditure indicator): Benefits included in the aggregate

This aggregate is often considered in international comparative analyses and it includes the sum of benefits that Eurostat classifies in terms of old-age and survivors' functions. The old age function includes not only direct IVS pension expenditure (excluding disability pensions below the statutory retirement age and the share of early retirements classified in the unemployment function) but also: the termination of employment benefits paid every year by private and public employers, limited to the share ascribed to the old-age function (these benefits are not pensions but capital benefits not necessarily related to the old-age function but rather to the termination of employment[10]), some expenses for services provided to protect the old-age function, and supplementary pensions provided by private pension funds. The survivors' function includes not only indirect IVS pensions, but also indirect veterans' pensions and indirect accident pensions.

Figures reported: expenditure as the sum of the instalments (or benefits) actually paid, net of family allowances, recovered benefits and proceeds from the aggregation ban.

Old age, survivors and disability functions; (sometimes misused as an indicator of pension expenditure): Benefits included in the aggregate

This aggregate is often considered in international comparative analyses and consists of the sum of benefits that Eurostat classifies in terms of old -age, survivors' and the disability functions. The old age function includes not only direct IVS pension expenditure (excluding disability pensions below the statutory retirement age and the share of early retirements classified in the 'unemployment' function, as indicated above), but also: the termination of employment benefits paid every year by private and public employers, limited to the share ascribed to the old-age function (these benefits are not pensions but capital benefits not necessarily related to the old-age function but rather to the termination of employment as already mentioned above), some expenses for services provided to

[9] This aggregate is indicated separately both with reference to the funds as a whole and with reference to public institutions only: here we examine the latter.

[10] In the private sector, for example, the average time spent in the same company can be estimated at around 7-8 years. Overall, also considering the public sector, this figure with respect to GDP is about 1.3%.

protect the old-age function, and supplementary pensions provided by private pension funds[11]. The survivors' function includes not only indirect IVS pensions but also indirect veterans' pensions and indirect accident pensions. The disability function includes IVS disability and inability pensions below the statutory retirement age, but also accident annuities, benefits for disabled civilians (including caregivers'allowances).

Figures reported: expenditure as the sum of the instalments (or benefits) actually paid, net of family allowances, recovered benefits and proceeds from the aggregation ban.

D) The definition in this Report is identical to that used in the Reports up to 2012 (analysis of 2009-2010) **by the Pension Expenditure Evaluation Unit (NVSP)** [12]**:**

Benefits included in the aggregate

This Report analyses the structural and financial elements of the mandatory IVS pension system. The definition of pension expenditure includes the provisional pensions paid to military personnel directly by the State, but not those paid by Constitutional Bodies and Regions (in particular the Sicily Region) to their former employees. It also includes the capital benefits provided by some INPS special funds, such as Enpam and Enasarco.

Figures reported: expenditure as the sum of the instalments (or benefits) actually paid, net of family allowances, recovered benefits and proceeds from the aggregation ban. Pension expenditure is indicated before the share borne by the State budget (GIAS and the State contribution to the fund for public-sector employed workers within former INPDAP) and also net of this share.

E) Department of the General Accounting Office (RGS)

Benefits included in the aggregate

The short- and medium/long-term projections of the ratio of pension expenditure to GDP prepared by the State General Accounting office adopt a definition of pension expenditure that includes IVS pensions, net of capital benefits, paid by public institutions (therefore including the expenditure on provisional pensions paid to military personnel directly by the State, by Constitutional Bodies and by Regions - in particular the Sicily Region - to their former employees) and social pensions (social allowances since '95). The latter component has been added because it is directly related to the population ageing. The same aggregate is adopted in the accounting forecasts of the PA published annually in the official public finance documents, with the breakdown of 'social benefits' into 'pension expenditure and 'expenditure on other social benefits'.

Figures reported: expenditure as the sum of the instalments (or benefits) actually paid, net of family allowances, recovered benefits and proceeds from the aggregation ban.

[11] The *survivors* and *disability* functions too include shares of pensions provided by private organizations.

[12] Extract from the 1998 Report of Nucleo di Valutazione della spesa previdenza (Pension expenditure evaluation unit): "The data collected and analysed refer to the 1989-97 period and to all the compulsory IVS funds. There is a total of 37 funds, belonging to 19 different entities, some of which were created during the period under review (e.g. INPDAP), while others (INPS Transport Fund and Customs Agents Fund) were abolished. This evaluation unit did not include in its monitoring of social security expenditure, that is in its survey: *indemnity, welfare and honorary pensions, in particular, the social pensions provided by INPS, those for the hearing and visually impaired subjects and for disabled civilians granted by the Ministry of the Interior, pensions for accidents at work granted by INAIL, ENPAIA and IPSEMA, and veterans'pensions granted by the Treasury*.

Anni	ISTAT STATISTICA Le prestazioni pensionistiche	Pensioni e rendite - Istituzioni pubbliche - Istat Conti di protezione sociale - Analisi per prestazioni	EUROSTAT			NVSP/Itinerari Previdenziali*		RGS
			EUROSTAT - Pension expenditure	Funzioni *old age* e *survivors*	Funzioni old *age, survivors* e *disability*	al lordo della quota assistenziale	al netto della quota a carico del bilancio dello stato	
1999	14,1%	13,5%	14,2%	15,0%	16,3%	13,1%	10,9%	13,3%
2000	14,0%	13,2%	13,8%	14,7%	15,9%	12,7%	10,6%	12,9%
2001	13,9%	13,1%	13,7%	14,5%	15,7%	12,7%	10,6%	12,9%
2002	14,0%	13,3%	14,0%	14,6%	16,0%	12,8%	10,7%	13,1%
2003	14,1%	13,4%	14,0%	14,9%	16,3%	12,9%	10,8%	13,2%
2004	14,3%	13,4%	14,0%	14,8%	16,2%	12,9%	10,9%	13,2%
2005	14,4%	13,5%	14,1%	14,9%	16,2%	13,0%	11,0%	13,3%
2006	14,4%	13,4%	14,0%	15,0%	16,3%	13,0%	11,0%	13,3%
2007	14,4%	13,4%	13,9%	14,4%	15,8%	13,0%	11,0%	13,3%
2008	14,7%	13,7%	14,3%	14,9%	16,3%	13,3%	11,3%	13,6%
2009	16,1%	14,8%	15,4%	15,9%	17,5%	14,3%	12,2%	14,7%
2010	16,0%	14,8%	15,4%	16,2%	17,7%	14,4%	12,3%	14,7%
2011	16,1%	14,9%	15,4%	16,1%	17,6%	14,4%	12,4%	14,8%
2012	16,6%	15,4%	16,0%	16,5%	18,2%	15,0%	13,0%	15,3%
2013	16,9%	15,9%	16,5%	16,9%	18,6%	15,4%	13,3%	15,8%
2014	17,0%	15,8%	16,4%	16,7%	18,4%	15,3%	13,3%	15,8%
2015	16,9%	15,7%	16,4%	16,8%	18,4%	15,3%	13,2%	15,6%
2016	16,7%	15,4%	16,0%	16,4%	18,0%	15,0%	12,9%	15,4%
2017	16,5%	15,2%	15,8%	16,3%	17,8%	14,8%	12,7%	15,2%
2018	16,6%	15,2%	15,8%	16,3%	17,9%	14,8%	12,7%	15,2%
2019	16,7%	15,3%	15,9%	16,5%	18,1%	14,9%	12,8%	15,3%
Nota: dati aggiornati a marzo 2022. * I dati dal 2011 al 2019 fanno riferimento al Rapporto su "Il bilancio del sistema previdenziale italiano" che ha ereditato la definizione e la metodica di calcolo utilizzati dal NVSP fino al 2010.								

Years, ISTAT Statistics: pension benefits, ISTAT Social Security Accounts: Analysis by benefit, Net of welfare benefits, Net of the State contribution; Note: data updated to March 2022; * The data from 2011 to 2019 refer to the Report on the Italian pension system which inherited the definition and the calculation method used by NVSP until 2010.

Appendix 3 – *Calculation formula with the contribution-based method*

$$TC_x = \frac{1}{\Delta_x}$$

$$\Delta_x = \frac{\sum_{s=m,f} a_{x,s}^{v(t)} + A_{x,s}^{v(t)}}{2} - k$$

Current average value of a direct pension[i]:

$$a_{x,s}^{v(t)} = \sum_{t=0}^{w-x} \frac{l_{x+t,s}}{l_{x,s}} \left(\frac{1+r}{1+\sigma}\right)^{-t}$$

Current average value of a survivors' pension:

$$A_{x,s}^{v(t)} = \sum_{t=0}^{w-x} \frac{l_{x+t,s}}{l_{x,s}} q_{x+t,s} \left(\frac{1+r}{1+\sigma}\right)^{-t} \Theta_{x+t,s}\, \eta \delta_s \sum_{\tau=1}^{w-x-t+\varepsilon_s} \frac{l^{ved}_{x+t+\tau-\varepsilon_s,s}}{l^{ved}_{x+t+1-\varepsilon_s,s}} \left(\frac{1+r}{1+\sigma}\right)^{-\tau}$$

dove:

$TC =$ transformation coefficient

$\Delta =$ divisor

$s =$ gender (m=men, f=women)

$\frac{l_{x+t,s}}{l_{x,s}} =$ probability to survive between age x and age $x+t$

$x =$ retirement age

$w =$ maximum age

$q_{x+t,s} =$ probability to die between the age $x+t$ and the age $x+t+1$

$\Theta_{x+t,s} =$ probability to leave the family for a subject aged $x+t$

$l^{ved}_{x+t,s} =$ probability for the survivor to be eliminated due to death or a new marriage

$k =$ correction to account for the ways in which pensions are provided (1 month in advance, 2 months in advance, 1 year in advance and so on and so forth)

$\varepsilon_s =$ difference between the age of the deceased and that of the spouse

$\eta =$ survivors' rate

$\delta_s =$ percentage reduction of the survivors' rate due to income requirements

$r =$ internal rate of return

$\sigma =$ percentage adjustment

$\left(\frac{1+r}{1+\sigma} - 1\right) =$ discount rate

It is interesting to see that $r = \sigma$ e $k = 0.5$, $a_{x,s}^{v(t)} - k$ coincides with the pensioner's life expectancy at the retirement ag. Moreover, it indicates the number of annual pension instalments received by the pensioner.