

Gender budget 2017 – Summary and main results

In the Italian context, where gender gaps are wide and usually not in favor of women, a pilot gender budget was implemented with reference to the 2016 State budget in order to assess the different impact of budgetary policies on men and women in terms of money, services, time and unpaid work (article 38-septies of Law 196 of 2009). The methodology and actors involved were established through a decree of the President of the Council of Ministers, acting in concert with the Minister of Economy and Finance, issued on 16 June 2017. The decree states the exercise should be carried out on final accounts, the analyses are aimed at both the expenditure and the revenue side and statistical indicators should be used to highlight the existing gender gaps.

Following the first pilot on the 2016 State final accounts, it was deemed appropriate to replicate the activities also for reference year 2017 in order to allow for the examination of a more complete set of indicators on gender gaps in areas fundamental to the community and to carry out a more precise census of the relevant expenditures and of the activities carried out by each administration in a gender perspective.

The task was undertaken by:

- highlighting gender gaps in the economy and society;
- analyzing gender gaps among public employees for the central State administration and Presidency of the Council of Ministers;
- reporting provisions and laws introduced in 2017 to promote equal opportunities or act on well-known gender inequalities;
- studying the impact of the main tax policies and specific tax reliefs;
- reclassifying of the expenditures of the State budget 2017;
- collecting information on the actions undertaken in 2017 by each administration to reduce gender inequalities.

The gender budget based on the State final accounts is affected by the fact that not all policies entail a burden on the State budget (e.g. regulatory measures or those entirely under the responsibility of other levels of government) or find a complete account (e.g. transfers to other public administrations or extra-budgetary funds). The same holds for the revenue side, since not all policies are represented in the State budget (some tax advantages correspond to a specific chapter/article of the State budget on the revenue side and are compensated on the expenditure side, while others cannot be distinguished from the overall income taxes).

This occurs for several public interventions aimed at reducing gender inequalities (e.g. rules on "pink quotas", expenditure for childcare services managed by municipalities, personal income tax exemptions related brain gain policies or tax credits for domestic help, and extra-budgetary funds – such as expenditure related to European Structural Funds and the Guarantee Fund for small and medium-sized enterprises – women's business section).

The full version of the report to Parliament on the 2017 gender budget is available on the State's General Accounting Department website (<http://www.rgs.mef.gov.it/VERSIONE-I/Attivit--i/Rendiconto/Bilancio-di-genere/>). It is completed by an appendix on legislation (appendix I) reviewing

The gender budget pilot project applied to the State Final Accounts.

the provisions for the reduction of gender inequalities enacted in Italy; by an appendix with each administration's replies to questionnaires on personnel and sectoral policies in gender perspective (appendix II); and by a statistical appendix (appendix III) available in a computer-processable format and containing indicators for monitoring gender gaps. Some highlights of the results are also disseminated through the Open budget App (<http://bilancioaperto.mef.gov.it/landing.html>).

Gender inequalities are scrutinized by several international organizations (such as the United Nations, the World Economic Forum, the European Institute for Gender Equality, the European Economic Forum) which adopt sets of indicators to report disparities and provide guidance on the efforts to be made to reduce inequalities. Among other composite indicators, the EU Gender Equality Index shows that the progress in terms of the reduction of inequalities over the last decade has been rather modest. Among the 28 EU countries, Italy has in 26th position in 2005 and reached 14th in 2015.

Drawing from the international literature, this gender budget report monitors a set of indicators measuring different features and behaviors of men and women in the economy and society. The indicators are classified according to areas of public policy:

- **the labour market:** although decreasing, the gender gap continues to penalize women in the labour market. The female employment rate in Italy is 48.9 percent against the 62.5 percent EU average and a growing share of women would be willing to work more than they do. Particularly in the South, where women's non-participation rate was to 43.4 percent in 2017, on the increase compared to 41.5 percent recorded in 2008 and against a 30.1 percent for men in 2017. Compared to those who are childless only 75 percent of the women with preschool children work; overeducated women account for a quarter of the total of those employed and are a growing figure; part-time and low-pay work characterize and contribute to the gender pay gap; involuntary part-time work concerns about one woman in two (although this rate is worse for men, involving about three men out of four). Close to one in ten men workers has a low-pay job and this holds also for a slightly higher proportion of women (11.9 percent for women and 8.8 percent for men in 2016). The labour market is affected by strong vertical segmentation (women focus on employee work and are concentrated in the services sectors, such as trade, health and education).
- **work-life balance:** in Italy, men dealing with daily care chores are about 29 percent, against the 31 percent EU average; the figure for women is 34.1 percent in Italy versus 37.5 percent in the EU. Men on leave for childcare reasons are increasing, although the demand continues to be lower than that of women. In 2017, in the private sector, about 57 thousand fathers benefited from parental leave against 261 thousand mothers. The percentage of children in nursery schools or other childcare services is decreasing (it dropped from 11.8 per cent in 2010 to 11.6 percent in 2015 for nurseries and from 2.3 percent in 2008 to 1 percent in 2015 for other services). As concerns the "childhood bonus" policy, i.e. vouchers to families for

Gender gaps in the economy and society

the purchase of baby-sitting services or contributions to cope with the paying for childcare services, there has been a significant increase in the applications for vouchers. More than 300 businesses have benefited from the recent incentives related to introducing work-life balance measures in second-level bargaining agreements, most of which are medium-sized enterprises and the service sector.

- **the protection of work, social welfare and assistance:** women in all age groups are at greater risk of poverty than men and the correction made by social transfers does not affect much the existing disparities. Older and single women with dependent children are particularly at risk. In terms of absolute poverty, measured on consumption basis, the gender gap appears to be less pronounced and the worse conditions concern mostly young people. Women's pensions are 37 percent lower than those of men in Italy, in line with the EU average. The average annual gross pension income of Italian women is about 7 thousand euro less than men's, in the age range between 60 and 79. Moreover, the share of women who perceive less than one thousand euros per month is more than twice the share of men. About 26,500 women joined the early pre-retirement scheme called "woman's option" in 2016-2017.
- **education and interventions against gender stereotypes:** dropping out of school and training is a predominantly male phenomenon and it involves more than one out of five boys in the South. In fact, in 2017, 16.6 percent of males aged 18 to 24 and 11.2 per cent of females, in Italy, had at most the middle school certificate, was not in possession of professional qualifications and did not attend school or training activities. Considering the "neet", young people neither in employment nor in education and training between 15 and 34 years, regardless of the degree of study acquired, females perform worse. In 2017, 29.4 percent of young women, compared to 21.7 percent of men of the same age, did not work or study. Gender gaps also exist among young graduates in the so-called STEM disciplines (scientific, technical and mathematical disciplines); in fact, the percentage of male graduates is higher and increasing compared to that of female graduates. The employment rate following education (employment rate of young people with secondary education or young people with tertiary education who completed highest educational attainment no longer than three years), which is higher for men than for women and the gap it is more consistent when you have lower educational qualifications. As concerns competence and skills, girls are better at reading but they lag behind in mathematics and science: in 2015 about 25 percent of the 15-year-olds boys in school and about 18 percent of the 15-year-old girls did not reach a minimum level of reading skills, while these percentages are 26 for girls and 21 for boys in mathematics and 25 for girls and 21 for boys in science. Young men graduating in scientific, technical and mathematical subjects increase faster than young women. With regard to financial skills, adult women are weaker than men and in Italy and unlike other countries, there is a strong gender gap among the younger

generations to the detriment of women (15-year-old male students achieve higher scores than women by 11 points). Participation lifelong education is scarce in Italy, for both men and women, although slightly greater for the latter. Daily use of PC and the Internet are more frequent for men than for women and they are used in different ways and for different motivations.

- **participation in economic, political and administrative decision-making processes:** as a result of specific legislation (the Golfo-Mosca law) a greater number of women are members of listed company boards, but there are still few with executive positions. At the end of 2017, the post of managing director was entrusted to only 18 women (7.9 percent of all listed companies). The number of women who occupy the position of Chairman of the Board of Directors is slightly more and equal to 23. The role of women in the Italian Parliament is slowly but steadily growing. The presence of women also increases in the Government, although it remains limited to the social sectors, health and education. Women's representation has significantly increased in the last European elections and positive results are also recorded for the councils and governments of regions and municipalities.
- **contrasting gender violence:** gender violence is a rather stable phenomenon. It affects about one third of Italian women and the severity of the offences has worsened over time. In 2016 almost three-quarters of women murders was perpetrated by partners, former partners or family members of the victim. The hardest-hit women are foreign, disabled, separated or divorced and young. There are cultural stereotypes and intergenerational transmission affecting this kind of violence. In Italy violence against women appears slightly less frequent than in the EU average. About one woman out of fifteen who is employed or seeking for a job suffered sexual-based harassment during recruitment. Women's awareness of the offences is growing and there are signs of improvement in the duration of investigations and trials thanks to recent regulatory interventions in this field. Specific measures include compensation for workers who are victims of violence, anti-violence centers and shelter houses and a National Action Plan against sexual and gender violence.
- **health, lifestyle and safety:** while life expectancy is greater for women than men, on average men have greater life expectancy in good health conditions than women. Risky behavior such as alcohol, smoking, obesity, and the risk of road accidents mainly affect men, while a sedentary lifestyle, underweight and domestic accidents mainly hit females. More attention has developed over the years for screening programs with an increase mainly of women participation.

The gender budget report contains a series of contributions related to the gender impact assessment of selected public policies: the Golfo-Mosca law, the “childhood bonus” and the role of companies on wage differentials.

In Europe the public sector represents one of the main vehicles for access of

Female

<p>women to labour market and the female share among the public servants is often higher than that of men. Generally, women employed in the public sector are more educated than men in the same sector and women working in the private sector. The public sector is more attractive for women than the private sector for many reasons which may include: more opportunities for work-life balance, protection and pay uniformity, a wage advantage for women when compared to the private sector, as well as gender stereotypes in the labour market that penalize women in the private sector. In any case, in both the public and private sectors there is a strong horizontal and vertical segregation. The strong concentration of women in teaching is, for example, a sign of horizontal segregation, while vertical segregation is reflected in the poor female presence in top management positions.</p>	<p>employment in the public sector.</p>
<p>The staff composition of the Presidency of the Council of Ministers and Ministries is slowly evolving, towards a stronger segregation in some predominantly female sectors, while in others women remain under-represented, although still on the rise. In addition to statistics on qualification and education levels, several other indicators by gender are monitored, such as those on part-time, on the average days for different types of absences and for professional training, on the amount of overtime work and on the types of retirements.</p> <p>After repeated recruitment blocks, the newly employed are predominately women in several sectors. Overall gender composition of employees is, however, mainly the effect of a different incidence of male and female retirements. The former are numerically superior as a result of the strong presence of men among the oldest cohorts in public administrations.</p> <p>In addition to achieving the age limit, there are further types of retirements such those due to the early attainment of pension requirements or the existence of disability conditions. Between 2008 and 2016, retirements with pension entitlements not based on age-limit occurred in all sectors, in a rather variable way, with a relatively higher incidence between firefighters and police bodies (which represent about 40 per cent of yearly retirements). Early retirements are relevant also in the school sector, where, a percentage between 36 and 63 percent of employees, depending on the year, retires with pension entitlements not linked to the age-limit. Basically, in the State central, starting from 2009 and even more from the 2015, early retirements with pension entitlements are more widespread among women. This could be a sign that, indeed, women anticipate their retirement more often than men, thanks to derogating measures (if necessary to devote themselves to family care or assistance to elderly parents who are not self-sufficient) or that those who can benefit from early retirements are concentrated in specifically female sectors, such as teaching.</p> <p>Overtime work is not uniform across public administrations and it is applicable only in some sectors (for example, not in school, judiciary, prefectural career). Where applicable, there are obvious gender differences, in terms of annual overtime pay. Salary slips for the period 2013-2017 show that men who perform excess hours perceive on average more overtime pay than women. The average overtime pay is greater within the penitentiary career (where women working overtime outnumber men, but they do a smaller amount excess hours). The Police, Firefighters, Ministerial staff and</p>	<p>Gender gaps among State central government employees.</p>

the Military follow in terms of the amount of overtime work (and in these cases men outperform women, being these sectors predominantly male). The gender gap between the average overtime pay tends to decrease between 2013 and 2017 for the Military, Ministries and Police, while the trend for the other sectors does appear linear. More specifically as regards Ministerial staff, the average annual amount of overtime paid in 2017 to men employees is always higher the amount paid to women, with the exception of the Ministry of Cultural Heritage and Activities and Tourism where, in comparison with other administrations, little overtime is carried out and it is more evenly distributed between men and women.

There were more **gender culture training initiatives** in 2017 than those recorded in the previous year. Despite an increase in the number of employees involved for both genders, women participants are more than man. Among the administrations that report specific training initiatives, the Presidency of the Council of Ministers and the Ministry of Economy and Finance stick out. The Ministry of Labour and Social Policies, the Ministry of Justice (for the Penitentiary Administration), the Ministry of Foreign Affairs and International Cooperation, the Ministry of the Interior (State Police) and the Ministry of Defense (Air Force and Carabinieri) follow.

According to the information provided by each administration, net of school employees, the share of the new mothers who opt for part-time (employees whose children were born in the two years preceding the reference year) grows over the three-year period 2015-2017. The largest number of new mothers in part-time concerns the ministerial staff of the Ministry of Education, University and research. Instead, the share of new mothers in part-time at the Presidency of the Council of Ministers, the Ministry of Economic Development, the Ministry of Justice and the Ministry of Agriculture, Food and Forestry policies have decreased.

Specific family care measures allow employees to be absent for a limited amount time in the event of the birth of a child, such as **compulsory maternity leave, paternity leave to replace maternity, or parental leave**. In 2015 the number of days of compulsory maternity leave in the State central administrations and the Presidency of the Council of Ministers amounted to about 120 thousand, while in 2017 they fell to about 110 thousand. Paternity granted in lieu of maternity leave slightly increased (from 2838 days in 2015 to about 2951 days in 2017). The overall number of days of parental leave enjoyed by staff has decreased over the years, as well as the number of employees involved. In 2015 about 172 thousand days of parental leave taken by fathers were reported against about 81 thousand by mothers, while in 2017 the figures are respectively 142 thousand for fathers and 58 thousand for mothers. Although the number of days of leave used by fathers is greater than mothers, there are more women involved than men, except in administrations characterized by a strong male composition. Indeed, women leave for a considerably higher average number of days than men. Ministries characterized by a higher gender gap in 2017 are the Ministry of Infrastructure and Transport, the Ministry of Economic Development and the Ministry of Education, University and Research.

In last few years legislative activity has concerned mainly maternity and work-life balance and introduced pilot measures on a yearly basis. Measures

Legislation aimed at reducing

<p>aiming at promoting equal opportunities in 2017 basically protract some of those experimented in the previous years or makes them permanent. The 2017 Budget Law included, for example, an extension of the compulsory paternity leave and vouchers for the purchase of baby-sitting services or contributions to households for childcare services. New interventions focused on flexibility at the workplace in the private sector and in the public sector to improve work-life balance. National guidelines for health care services and hospitals have been enacted to provide indications on assistance and health care for women victims of violence. To ensure gender representation in public institutions, the reform of the Electoral Law (law 165/2017) provided that candidates in multi-seat districts must be presented, in each list, in alternate order by gender. Moreover, on the whole of the candidacies presented by the lists and the coalitions of lists in single-seat districts and in the multi-seat districts as leaders, neither of the two genders can be represented, at national level for the Chamber of Deputies and at regional level for the Senate, to a greater extent at 60 percent. At European level, 2017 was a year of activity on gender equality policies. The European Parliament proposed a directive still under Member States' exam on both parental leaves and flexible forms of work for parents. In the appendix to this report (Appendix I) a detailed and up-to-date review of gender policy legislation is provided. Each provision is identified by year of approval and implementation and classified on the basis of public policy areas, type of measure and type of effect on the State budget.</p>	<p>gender inequalities enacted in 2017.</p>
<p>Since the '70s and '80s, most EU countries have abolished tax systems that explicitly differentiate between men and women and have opted for a regime on an individual basis at progressive rates, with deductions for households. However, this solution does not exclude indirect effects on gender, especially in view of the unequal primary distribution of incomes between women and men. Taxes applied to personal income constitute almost half of overall tax revenues (in 2016 in Italy they represent 49.1percent of total taxation, in line with the EU-28 figure). The share of taxes based on wealth remains limited and increases have been driven mainly by taxation on real estate. The share of taxes on capital has declined, caused by fairly moderate proportional rates in most Member States, while value added tax has gained greater relevance. Personal income taxes can impact directly or indirectly on gender disparities, through the choice of the tax unit, the structure of rates and their combination with possible forms of tax relief schemes. The combinations adopted in European tax systems determine a different implicit marginal incentive of entering in the labour market for inactive or low-wage workers. This can be measured in terms of share of the gross wage earned, in the event of the entry in the labour market or of perceiving an income increase, which would be subtracted in the form of direct taxes (income tax and social contributions) and missed transfers (due, for example, to the fact that some social transfers depend on the total income). More specifically, the inactivity trap measures the short-term financial incentive for a inactive person (not entitled to receive unemployment benefits but eligible for income-tested social assistance) to move from inactivity and social assistance to employment. Similarly, the low wage trap measures the financial incentive to</p>	<p>State budget revenue in 2017 according to a gender perspective</p>

increase a low-wage, for example by working longer hours.

In both cases, the trap is represented in terms of the percentage of penalty on the additional gross income that would be applied as a result of the choice to enter or improve participation to the labour market. Simulations carried out by the European Commission estimate the inactivity or low-wage traps (i.e. for second earners at 67 per cent of the average wage) taking into account the tax regimes of the different countries. In the case of a couple with two children, in the EU-28 the inactivity trap stands at 35.7 percent of the additional gross wage. For the second earner who decides to enter the labour market, the reduction applied to gross income would be slightly lower the one applied to some already in work and wanted to increase her/his salary by 1 percent or up to 33 percent. The European average values are considerably lower than those estimated for Italy, where the entry into the labour market for the inactive spouse leads to a withdrawal of 40.7 percent of gross income. Second low-income earners who want to increase their salary by 1 percent are even more penalized, with the additional levy reaching 42.1 percent, or those intending to improve by 33 percent, would suffer a penalty of 55.1 percent on additional gross income. In the case of a childless couple, the average inactivity trap in the EU-28 tends to fall, at 31 percent; the low wage trap remains, however, at the levels of a couple with two children (about 37 percent if you want to increase your salary by 1 percent and 38.7 percent if you want to increase it up to 33 percent). For Italy there is a similar reduction of the inactivity trap, which decreases to 34.4 percent. Albeit slightly, the low wage trap also decreases (to 41 percent in case you want to increase the salary of 1 percent and 52.7 percent if you want to increase it up to 33 percent), thus highlighting a disadvantage for low-income couples with two children compared to other countries.

The final revenue of the State budget in 2017 was about 583 billion euros, of which approximately 491 billion are taxes (in terms of amounts due). Income taxes account for more than 33 percent of the final revenue and 39 percent of the tax revenues. Thanks to the Finance Department's micro simulation tax-benefit model the impact of the different income tax rates on gender was estimated by revenue class, to understand the effectiveness of the redistributive effect on the income of men and women. Considering the number of taxpayers in the deciles of equivalent income, the different sex earners are basically equi-distributed, with a slight "U" tendency for men, which are slightly more numerous at the two extremes of the distribution. The average income of women represents 59.5 percent of that of men and this significant differentiation between genders is recorded both at the overall level and in each class of equivalent income: within the same decile the average income of women ranks between 50 percent and 70 percent of men's. Finally, by analyzing the incidence of the direct income tax in the various tenths, it can be noticed that progressive taxation on such different incomes leads to a lower levy (i.e. a lower average rate) for women, with the only and significant exception of taxpayers belonging to the first decile, for whom the exclusion of employees and lower-income contributors from the so-called "80 euro monthly bonus" could result in a lesser compensatory role than the bonus itself. In addition, there is a relatively greater female share in employee work, where women are 44.6 percent of the total against 40

The impact of tax policies and facilitations aimed at promoting gender equality.

percent in coordinated collaboration and 36.8 percent in self-employment. Similarly, women tend to be more concentrated than men in pension incomes, substantially due to their longer life expectancy. The current income tax system remains substantially neutral with respect to gender in terms of redistribution, although it acts in a less effective manner than in other countries on inactivity and low income of the second earners. In summary, the system recognizes, however, indirectly, a more favourable treatment for families in which both components work. Indeed, with the same family income, a couple of workers register a lower tax burden than a couple where income is perceived by a single person.

Some subsidized tax regimes, such as those linked to the so-called **brain gain** and the **simplified tax regime** for self-employment and entrepreneurship, attract men and women to a different degree. Based on the latest data available (tax year 2016), 4,825 people benefited from the “brain gain”, 40 percent of which are females. The average income declared by the “returned brains” is equal to 102,689 euro, a much higher level than the average income declared by Italian taxpayers overall, confirming that this measure has actually managed to bring back to Italy particularly skilled workers. The average income declared by the women, although less than that declared by men (76,858 euros against 119,614 euros) is still much higher than the average Italian income. Consequently, the measure, without the direct purpose of affecting gender differences, seems to have given proportionally higher benefits to women.

The **advantage scheme**, replaced by the **flat-rate scheme** in 2016, applies to taxpayers whose income comes from self-employment or business and have specific characteristics. Female taxpayers who in 2016 benefited from subsidized schemes accounted for more than 42 per cent of the total. This percentage is greater than the percentage of women in other types of taxed income (ordinary and simplified accounting and self-employment income). Observing their average income, women in the subsidized schemes declare amounts closer to those of the men than they do in the ordinary income tax regime: The women declare 91 percent of the income men do in the flat-rate scheme and 90 percent in advantage scheme against 88 percent in corporate income in ordinary accounting, 76 percent in business income in simplified accounting and 73 percent for self-employment income.

Tax relief measure directly aimed at minimizing gender differences are mainly related work-life balance issues, through tax exemptions and allowances. The exemptions concerning expenditure for family care attendants and the allowances concerning contributions to domestic and family service employees are mainly used by women, both in terms of frequency and amount. On the contrary, the exemptions for nurseries are mainly used by men.

Reporting the State’s budget expenditure according to a gender perspective involves their “reclassification” according to the following categories:

- **“neutral”** expenditures with no effect on gender;
- **“sensitive”** expenditures relating to measures which have a different impact on men and women;
- expenditures **“aimed at reducing gender inequalities”**, relating to measures directly attributable to, or aimed at, reducing gender

State budget expenditures in 2017 according to the following categories: neutral, sensitive and aimed at

inequalities or promoting equal opportunities.

The reclassification is carried out by each administration, through the direct knowledge of the activities carried out.

With the exclusion of expenditure for each budget's program employees, total commitments in 2017 were about 772.2 billion euro. No direct or indirect impact on gender inequalities was identified for about 80 percent of these commitments (equal to 617.8 billion); about 19.7 percent (152.3 billion) is acknowledged as sensitive to gender while about 0.3 percent (about 2.1 billion) is considered linked measures intended to reduce gender inequalities. These shares hold also in terms of final appropriations on accrual and cash basis, and payments.

For reference year 2017, 71 budgetary line items concern expenditure totally or partially intended to reduce gender inequalities. Compared to the reclassification carried out for reference year 2016, the share of expenditure allocated in whole or in part to reduce gender inequalities has increased. This increase is largely due to a more detailed examination by administrations of their expenditures.

Starting from the year 2017, the reclassification could also take into account the information coming from the breakdown of budget programs into "actions". The actions contributed to the gender impact assessment of certain line items, such as those relating to intermediate consumption, for which there are no underlying legislative authorizations indicating a specific purpose.

More than 99 percent of the expenditure (in terms of commitments) which is directed to the reduction of gender gaps concerns sectoral policies and belongs to clearly identified missions and programs in the Ministries' budgets. In particular, they are concentrated in three missions: "Social rights, solidarity and family support" (1.3 billion in terms of commitments and 1.2 billion of payments); "Italy in Europe and in the world" (200 million for commitments and payments); "Pensions" (600 million commitments and payments).

The remaining 0.5 per cent is linked to work-life balance measures for public employees, including expenditure for nurseries or training towards a gender culture. These expenditures are usually attributed to the mission "General administration services" of the various ministries or, in the case of the Ministries of Defense and Justice, they are placed under the sectoral missions "Defense and national security" and "Justice".

Most of the expenditure of the State budget aimed at reducing gender gaps concerns current transfers to public administrations (approximately 92 and 90 percent in terms, respectively, of commitments and payments). Acquisitions of financial assets (about 6-8 percent) and intermediate consumption (about 1 percent) follow, whereas compensation of employees, fixed investments and current transfers to households and social institutions, to companies and abroad correspond altogether to one percent of the resources that have a gender purpose. The public administrations to which the resources are transferred are mainly the national social security institute; the Italian Agency for cohesion and development; the Presidency of the Council of Ministers; and local authorities.

Gender-sensitive expenditure mainly relates to the budget mission

reducing gender inequalities.

"Pensions" (representing about 60 percent of the gender-sensitive commitments), "Social rights, solidarity and family support" (20 percent); "Labour market policies" (7 percent); "Competitiveness and Business development" (6 percent). The remainder is distributed over a plurality of missions, each of which represents only a small fraction of this type of expenditure. In this case, current transfers to other public administrations again represent the majority of gender-sensitive expenditure (123.7 billion, equal to 81 per cent of the total). Alongside there are expenses related to other forms of expenditure for employees that are not part of the actions that identify expenditure for the staff of the budget programs, as they mainly relate to State contribution to public employees' pension schemes (10,8 billions) and, to a lesser extent, to benefits like social assistance programs or clothing and uniforms. Gender-sensitive expenditures also include current transfers to private households and social institutions (about 11.7 billion, equal to 8 percent) and other categories of expenditure which, overall, represent about 2.6 million euro (about 2 percent of the gender-sensitive expenditures). For the mission "Pensions" retirement and welfare treatments which are intended directly for individuals are deemed to have a differentiated impact on men and women and, therefore, considered sensitive to gender. In particular, this holds for the "Compulsory and complementary pension plan, social insurance" program of the Ministry of Labour and Social policies (more than 79.7 billion commitments and around 74.6 billion payments) which mainly concerns the State support to the social security and facilitation and exemption schemes, which are mainly reserved to encourage hiring in private sector and employment in disadvantaged territories. The same program also includes resources to compensate for early retirement of certain categories of workers, including the "woman option". The latter, although dedicated to women, was not acknowledged as a measure to reduce gender inequalities and needs further understanding. Within the mission "Social rights, solidarity and family support" the most significant proportion of gender-sensitive expenditure (about 29.8 billion commitments) is represented by the program "Welfare transfers to institutions, social welfare expenditure, planning, monitoring and evaluation of social policies and active inclusion"(about 29.6 billion commitments) of which almost 19 billion are related to the monetary transfers to the disabled, the blind and the deaf and dumb and about 5.5 billion are instead destined for social checks and pensions.

The only mission that is completely gender neutral is the "Public debt", which includes programs relating to the reimbursement of the government debt, made of financial liabilities and interest and the costs of the debt services. Other budget missions characterized by a substantial gender neutrality are "State transfers to autonomous local authorities"; "Research and innovation"; "Home and urban planning" and "Territorial development and cohesion" (they are neutral for more than 99 percent of their total expenditure, both in terms of commitments and payments).

For all administrations, with the exception of the Ministry of Labour and Social policies, gender-neutral expenditures are the most important share of resources, while expenditure to reduce gender disparities almost always represents a small share of the amount committed and paid (less than 2

<p>percent). The administrations that manage the major share of resources to reduce gender disparities are the Ministry of Labour and Social policies (1.87 billion, or 87 per cent of the total resources committed with a gender purpose); the Ministry of Economy and Finance (190 million, equal to 9 percent of expenditure with a gender purpose); and the Ministry of Foreign Affairs and International Cooperation (for a value corresponding to 2 percent of the total).</p>	
<p>In this gender budget report, expenditure for each budget's program employees is considered separately as production factor of State policies. The total expenditure of the shares referred to as "expenditure for the program staff" (together with the chapters relating to category 1 and 3 of the "Political address" program for which such action is not highlighted in the budget) accounts to about 81.9 billion commitments (81.8 billion of payments) in 2017. These expenditures were allocated to the three gender reclassification codes, proportionally to the share of the expenditure of the program which can be considered neutral, sensitive or aiming at reducing gender inequalities. An exception is the expenditure on school staff and the programs "First cycle education", "Second cycle education" and "Art and musical institutions" which are always classified as sensitive because they contribute to the provision of the education service.</p> <p>Based on this approach, 0.2 billion of expenditures for budget program employees (equal to 0.26 percent of the total, in terms of commitments) hold a specific gender purpose; those related to gender neutral activities absorb 32.7 billion euros (about 40 per cent), while most staff expenses, 49 billion euros (around 60 per cent of the total), can be associated with activities classified as gender sensitive.</p>	<p>Expenditures for employees of budget programs.</p>
<p>Each Ministry and the Presidency of the Council of Ministers has been requested to provide information on specific life-work balance initiatives implemented during the year. In 2017 most administrations offered services such as nurseries and summer camps and/or after school services to employees' children. Other ways of favoring work-life balance, such as teleworking, conciliation vouchers and flexible forms of work, were active only in some administrations.</p> <p>Nurseries are particularly appreciated by employees of the Ministry of Defense, which records 2716 men and 279 women benefiting from this measure for their children in 2017. It is mainly fathers enrolling their children in nurseries in the administrations with a mainly male composition of the staff and mothers in the other case, such as in the case of the Ministry of Health (34 women and 9 men in 2017). However, for the Police, characterized by a strong male composition, women are more likely to request this service (1914 women and 914 men in 2017).</p> <p>The work-life balance initiatives include summer camps and, in some cases, foreign stays for employees' children. In addition, the Ministry of Economy and Finance reports an experimental after school project, launched in 2017. The administrations reporting these services do not always provide data on their actual use. In the case of the Ministry of Economic Development, there was an increase in applications for both female and male users compared to 2015 (30 women and 18 men in 2017 against 15 women and 10 men in 2015) while for the Ministry of Foreign Affairs and International Cooperation, in</p>	<p>Actions related to personnel policies.</p>

2017, the applicants are mostly men (47 men and 25 women in 2017 against 22 men and 55 women in 2015). The Ministry of Economy and Finance confirmed a **voucher** system for departmental employees in 2017, which can be used to cover family care expenses for needy families. It is mainly women applying for them.

In 2017, **smart working**, recently introduced in the regulation on flexibility in times and places of work, was tested by 41 women and 16 men among officials and by 5 women and 3 men among executives of the Presidency of the Council of Ministers. In the case of the Ministry of Economy and Finance, adherence to the smart work project saw the participation of 13 women and 29 men among the executives and 117 women and 59 men among officials. Both administrations have monitored the smart-working experience both from the point of view of the employee and the employer. Data collected seem to point out to an increase in personal satisfaction and motivation of the employees, and a qualitative and quantitative improvement of the work performed according to the employer. In the other Ministries, in 2017 internal regulations necessary to carry out similar experiments were prepared or issued.

The use of **telework** has been indicated as one of the possible life-work balance measures in 2017 by the Ministry of Economic Development and the Ministry of Health, with the addition (as compared to 2016) of the Ministry of Infrastructure and Transport. However, teleworking seems a rather exceptional measure and, apart from the Ministry of Economic Development (199 women and 85 men in 2017), very few employees benefit from it (20 women and 13 men for the Ministry of Health and 10 women and 2 men for infrastructure and transport).

An additional initiative concerns flexible organizational methods granted to employees. This is the case of the Ministry of Agricultural, Food and Forestry Policies which, in order to deal with particular personal situations, provides for flexibility in employees work starting time (wider than other administrations).

Each administration was also asked to report on specific interventions carried out in their respective areas of competence aimed at reducing gender inequalities or gender-sensitive. Among the **actions aimed to reduce gender inequalities**, the main innovations in 2017 reported by the **Presidency of the Council of Ministers** are: the project "In the summer you learn STEM" or the organization of summer camps in science, mathematics, information technology and coding; the establishment of the award for the best master's and doctoral thesis on combating violence against women and the implementation of training and information programs in schools for children and families to raise awareness of gender equality; the promotion at national level of the "Family Audit" standard, a quality certification instrument in terms of reconciliation and company welfare; a public announcement for the financing of projects aimed at preventing and combating violence against women; a further public notice for the assignment of a service aimed at the preparation of specific guidelines for the early recognition of victims of female genital mutilation or other harmful practices from countries at risk. The Presidency of the Council of Ministers, among initiatives already started in 2016, also carries out a more accurate

Actions related to sectoral policies.

monitoring for specific interventions, for example: the integration of the Special Section “Presidency of the Council of Ministers - Equal Opportunities Department” of the Central Guarantee Fund for small and medium-sized enterprises; the E.L.E.N.A. “Experimenting flexible Labor tools for Enterprises by eNgaging men And women” aimed at enhancing the tools that favor work-life balance; the toll-free number 800.901.010 for the prevention and protection of equal treatment and non-discrimination against vulnerable persons; the number of public utilities 1522 to provide an initial response to the needs of victims of gender-based violence and stalking; the toll-free number 800.290.290 for victims of sexual exploitation and illegal economy.

The **Ministry of Economic Development** reports, in 2017, measures to support and incentive for the birth and growth of innovative start-ups; incentives for self-employment are also provided in the form of subsidized loans (zero-rate) and measures to support the creation and development of small and medium-sized women's businesses.

The **Ministry of Labor and Social Policies** presents new measures to support mothers returning to work, for example through as baby sitting vouchers; moreover, as in 2016, there also are activities related to “Equal Opportunities Councilors” whose main role is to guarantee respect of norms against discrimination and promote equal opportunities at the workplace.

In continuity with 2016, measures for the protection of motherhood for detained mothers and for the protection of jailed minors were adopted by the **Ministry of Justice**.

The **Ministry of Education, University and Research** promoted new initiatives in schools to raise awareness among young people on all forms of violence and intolerance at school. In addition, funds were made to the public universities, to encourage female enrollment in scientific degree courses.

The **Ministry of Agricultural, Food and Forestry Policies** implemented measures for training and enhancing female entrepreneurship, especially in rural areas.

As in 2016, the **Ministry of Health** promoted a national day focused on health prevention in the various phases of women's life. Particular attention was also paid to victims of female genital mutilation through reconstructive interventions and specific training for health professionals involved in providing assistance to the victims. A new intervention started in 2017 is aimed at identifying the new HIV late presenter diagnoses, in order to check whether women are accessing HIV / AIDS prevention services.

Among the **gender sensitive interventions** the following can be highlighted: for the **Presidency of the Council of Ministers**, studies on how to combat pedophilia and child pornography and to prevent sexual abuse and exploitation of children and the “114” emergency public service, allowing everyone to report situations of danger or inconvenience to minors.

The **Ministry of Labour and Social Policies** mentions facilitations for employee contribution rates in specific sectors of the economy and worker categories and measures to combat poverty.

The **Ministry of Justice** reports a solidarity fund to protect the separated spouse in a state of need and, in line with 2016, projects to promoted paid work and recreational activities for prison detainees.

<p>Initiatives aimed at stimulating the production of innovative business ideas in the tourism sector and at increasing the number of start-ups, are carried out and considered gender-sensitive by the Ministry of Cultural Heritage and Activities and Tourism.</p> <p>The Ministry of Health, in continuity with projects reported in 2016, promoted communication campaigns in order to inform the population and especially young people, on harmful behaviors such as smoking, alcohol, wrong nutrition and diseases and has established specific days to promote specific such as the “Alcohol Prevention day 2017” or the World AIDS Day.</p>	
<p>Gender mainstreaming in policies financed by European funds is a widely addressed issue. For the 2014-2020 Structural Funds programming cycle, promoting equality between men and women and non-discrimination across all programs is a key value. Some specific initiatives are financed through the OPN Governance and institutional Capacity managed by the Agency for territorial cohesion, which established a Strategic Committee in 2017 to address gender issues. The initiatives promoted through the OPN Governance include the project on “Smart work for the future of PA” and the project on “Evaluative methods and tools for gender mainstreaming”, managed by the for Equal Opportunities Department. Moreover, the project “Strengthening policies to contrast gender discrimination at the workplace in cohesion policy” is under way.</p> <p>In the context of cooperation and development initiatives promoted by the Ministry of Foreign Affairs and International cooperation, several projects aimed at promoting gender equality have been implemented in third countries; many of these initiatives are implemented by the Agency for Cooperation and Development and others through international organizations. The most frequent issues dealt with include economic and social empowerment of women, contrasting gender violence and protecting women’s rights, food security and women entrepreneurship in rural areas, developing basic collective services and, in particular, the access of women to health and education. In 2017, the projects managed directly by the Ministry of Foreign Affairs and International Cooperation account for about 447 thousand euro while specific initiatives for the reduction of gender disparities implemented by the Agency for Cooperation and Development account for approximately 6.3 percent of the resources committed (or 6.1 percent of those paid) by the State budget in favour of the Agency (approximately 32.4 million euro).</p>	<p>Extra-budget expenditure: 2014-2020 European Structural Funds and cooperation and development projects.</p>