

In Search of a Guaranteed Minimum Income: Continuity and Discontinuity in Ensuring Dignified Subsistence Benefits in Italy

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I. Introduction

Italy has a long tradition of neglecting poverty as a central concern of social policy. Responsibility for the poor and destitute was left to charities, if not to family and relatives.¹ Public efforts to provide dignified means of subsistence remained fragmented and inefficient. Under the Constitution of 1948, the State continued to deny responsibility for citizens lacking sufficient financial resources. In practice, social protection largely relied on contributory social security schemes for regular workers, offering only minimal protection to those outside or at the margins of the labour market. The general lack of national minimum income protection (further exacerbated by the notorious weakness of social services at the local level) has been attributed to the ambivalence of the Constitution of 1948 with regard to the protection of social rights, and in particular by its strong emphasis on the protection of workers. While the Constitution enshrined a wide range of social and economic rights, the provision of social assistance and minimum income protection was limited to specific groups deemed “deserving” of State support, namely the elderly and those with reduced capacity for work.

In 2017, after several unsuccessful attempts² and proposals to reform social assistance³, Italy introduced an ambitious measure known as “Inclusion Income” (*Reddito di Inclusione, REI*)⁴, aimed at progressively establishing a universal minimum income following an initial phase of limited coverage. Despite plans to gradually increase benefit amounts, it remained quite

1 An early exception was The *Bourbon Hospice for the Poor* (*Albergo Reale dei Poveri*), also known as *il Reclusorio*. The facility, established in 1751, functioned as a self-sufficient community where the poor and sick could reside, learn trades and engage in work.

2 None of the proposals were successful, partly due to the fragmentation of the public social assistance system, and partly because of a widespread public attitude that attributed poverty to individual failings rather than structural factors.

3 Several Poverty Commissions (1984-2012) produced recommendations on poverty, yet no tangible policy reforms ensued. In the same vein, a comprehensive reform proposal for the Italian welfare state, including the introduction of a “*Reddito Minimo Vitale*” for the most impoverished, put forward by the Commission for the Analysis of the Macroeconomic Compatibility of Social Expenditure in 1997, remained largely confined to paper. For an overview of previous reform attempts, cf. A. Brandolini, ‘Il dibattito sulla povertà in Italia, tra statistica e politica’, in: L. Chies, M.D. Ferrara, E. Podrecca (ed.), *Le dimensioni della povertà. Aspetti economici e giuridici* (Torino 2021), pp. 47-49; C. Saraceno, D. Benassi and E. Morlicchio, *Poverty in Italy: Features and Drivers in a European Perspective* (Policy Press 2020), pp. 43 ff.

4 Legislative Decree No. 147 of 15 September 2017, implementing enabling Act (*legge delega*) No. 33/2017.

modest, with the financial resources allocated to this scheme remaining under 0.15 per cent of the country's gross domestic product (GDP). It was only with the introduction of the "Citizenship Income" (*Reddito di Cittadinanza, RdC*) in April 2019 that public funding on a scale comparable to those in other European countries were allocated, ranging from 0.3 per cent to 0.4 per cent of GDP.

However, only few social benefits in Italy have sparked as much controversy as the Citizenship Income. Its design raised several concerns, particularly the restrictive residence requirements.⁵ Moreover, its implementation was considered ineffective, while the job search requirement was deemed too lenient. Ambivalent public attitudes favoured a narrative that the new scheme encouraged idleness and fraudulent behaviour. Although the 2022 Budget Law had already introduced tighter conditionality features of the instrument,⁶ the Meloni government, which took office in October 2022, abolished the *RdC* altogether. As of 2024, it has been replaced by the far more limited Inclusion Allowance (*Assegno di Inclusione, ADI*).⁷

Survey data on living conditions and household income confirm that poverty remains a structural phenomenon in Italy. In 2023, 22.8 per cent of the population (around 13.4 million people) were at risk of poverty or social exclusion (according to the composite indicator Europe 2030).⁸ This marks a slight improvement from 2022 (24.4 per cent), primarily driven by a reduction in the population at risk of poverty⁹ (which stood at 18.9 per cent in the previous year), combined with a marginal increase in severe material and social deprivation,¹⁰ which rose to 4.7 per cent (approximately 2.8 million individuals) compared to 4.5 per cent in 2022. Southern Italy and the islands continue to exhibit the highest rates of poverty and social

5 They were declared contrary to European law because of indirect discrimination of non-EU citizens, cf. ECJ Judgment of 29 July 2024, C-112/22, C-223/22.

6 Law No. 197/2022 (Budget Law for 2022).

7 The abolition of the *RdC* was announced by the Budget Law for 2023 and implemented by Decree Law (DL) No. 48 of 4 May 2023, converted by Law No. 85 of 3 July 2023, with amendments.

8 Combining the three indicators for relative income poverty, severe material and social deprivation, and very low work intensity.

9 The share of persons with a disposable income below the risk-of-poverty threshold, set at 60 per cent of the national median equivalised disposable income (after social transfers).

10 Presenting at least seven signs of deprivation out of the 13 indicators identified by the new Europe 2030 indicator.

exclusion (39 per cent).¹¹ While the overall risk of poverty and social exclusion declined across most household types, it increased in particular among large households with five or more members. Vulnerability remains high among those who primarily rely on income from pensions and/or social benefits (31.6 per cent) and among individuals in households with at least one foreign national (40.1 per cent).¹²

The Italian Institute for Statistics (ISTAT) measures relative and absolute poverty incidence in a different way, based on household expenditure for a reference basket of goods and services.¹³ In 2023, the incidence of relative household poverty remained stable at 10.6 per cent compared to 2022, with over 2.8 million households living below the poverty threshold. However, the incidence of individual relative poverty rose slightly to 14.5 per cent (up from 14.0 per cent in 2022), affecting nearly 8.5 million individuals.¹⁴ Absolute poverty, based on consumption needs, affected just over 2.2 million households in 2023 (8.4 per cent of total resident households, up from 7.7 per cent in 2021). Nearly 5.7 million individuals were living in absolute poverty (9.7 per cent of the population, up from 9.1 per cent in 2021). The absolute poverty rate was particularly high among households with at least one foreigner (30.4 per cent compared to 6.3 per cent for households composed of Italian nationals only), families with three or more children (21.6 per cent), young people under 18 (13.8 per cent, or 1.29 million individuals in this age group), and families living in rented housing¹⁵ (21.6 per cent compared to 4.7 per cent among homeowners).¹⁶ The surge in extreme poverty among households

11 Cf. ISTAT, *Living Conditions and Household Income*, year 2023. Statistiche report, 7 May 2024.

12 ISTAT, *ibid.*, p. 3.

13 The relative poverty threshold for a two-member household is determined as the average expenditure per person. For absolute poverty thresholds, ISTAT has developed a sophisticated set of indicators, where the thresholds vary according to household size, its composition in terms of age, geographical area and the size of the municipality of residence, ISTAT, *Le statistiche dell'Istat sulla povertà in Italia*, Anno 2023. Statistiche report, 17 October 2024, p. 10 f; A. Cutillo, M. Raitano, I. Siciliani, 'Income-Based and Consumption-Based Measurement of Absolute Poverty: Insights from Italy' *Social Indicators Research* 161 (2022), pp. 689–710. <https://doi.org/10.1007/s11205-020-02386-9>.

14 In 2023, the relative household poverty threshold defined by ISTAT was EUR 1,211 for a two-person household, EUR 1,610 for a three-person household, and up to a maximum of EUR 2,906 for a seven-person household. Cf. ISTAT (n 13), p. 7.

15 In Italy, 18.1 per cent of households are rented homes, while 72.8 per cent are homeowners; the remainder reside under usufruct or free use arrangements.

16 For details on absolute poverty rates, cf. ISTAT (n 13).

whose reference person is an employee is particularly alarming: the incidence reached 9.1 per cent in 2023 (up from 7.7 per cent in 2021), despite the increase in employment recorded in 2023.¹⁷

II. Overview

1. Normative Background

a) Constitutional Law Framework

The Italian Constitution does not explicitly establish a duty for the State to guarantee minimum income protection for citizens and residents. It highlights fundamental principles, declaring that the “Republic is founded on labour” (Art. 1), that the State is responsible for removing any economic and social obstacles which, by limiting the freedom and equality of citizens, prevent the full development of the natural person (Art. 3, para. 2), and that the State must uphold the right of all citizens to work, promoting the necessary services to ensure this right is effectively realised (Art. 4). “Human dignity” is closely linked to the principle of equality as “equal social dignity” (Art. 3, para. 1), and to the right of workers to remuneration which is to ensure them and their families “a free and dignified existence” (Art. 36, para. 1). This reflects a strongly labour-centred (*ergo-centric*) imprint of the Constitution and a constitutional promise to effectively implement the right to work for all.

Art. 38 (paras. 1 and 2) of the Constitution recognises the rights to social assistance and social security. Its interpretation is contested among legal scholars, particularly whether a claim to general minimum income protection as *ius existentiae* derives from the provision’s para. 1 or para. 2.

Pursuant to Art. 38, para. 1, “Every citizen unable to work and lacking the necessary means of subsistence shall have the right to maintenance and social support.”¹⁸ This wording seems to limit the right to public income

17 Cf. Caritas Italiana, ‘La povertà in Italia, Report statistico nazionale 2024’ (2024) < https://archivio.caritas.it/materiali/Rapporti_poverta/report_statistico_2024.pdf > accessed 22.1.2025, p. 34, where it is also noted that nearly half of all families living in absolute poverty (47 per cent) do not face a “lack of work” issue, as the head of the household is reported to be employed.

18 Ogni cittadino inabile al lavoro e sprovvisto dei mezzi necessari per vivere ha diritto al mantenimento e all’assistenza sociale.

support to individuals who, on the one hand, do not possess the necessary means of subsistence and are incapacitated for work, on the other, either due to old age or a physical disability. The constitutional text does not recognise a general social right to income support based exclusively on lack of sufficient means of subsistence. The Constitution primarily fights poverty through work. Art. 38, para. 2 states that “workers shall have the right to envisaged and assured adequate means for their subsistence needs in the event of an accident, illness, disability, old age and involuntary unemployment”, establishing the constitutional foundation for a higher level of protection for workers, guaranteed primarily—albeit not exclusively—through the social insurance system. The principle of adequacy of benefits is the only explicit requirement imposed on the legislator, with the clear objective of addressing inappropriate benefit levels of post-war social insurance schemes. Still, the criteria for determining adequacy remain unclear. The interpretation of what constitutes adequate means depends on various factors, including availability of public resources. In any case, ensuring an adequate level of support over time requires a mechanism to index benefit amounts, thereby preventing a significant decline in purchasing power.¹⁹

The majority of legal scholars support the compatibility of national minimum income benefits with the Constitution, albeit based on different arguments. Some advocate for an interpretation of Art. 38, para. 1 that goes beyond its literal wording.²⁰ A broader interpretation would allow for the inclusion of individuals who have capacity for work but are unable to sustain themselves because they cannot find work.²¹

As regards the constitutional foundations of a social right to minimum income, some scholars argue that the state has a duty to lift citizens excluded from the labour market out of a condition of “indigence” by guaranteeing access to adequate means of subsistence and drawing on a broader

19 Cf. Corte Cost., sent. No. 497/1988 (declaring the lack of an adjustment regulation for unemployment benefits unconstitutional).

20 In favour of a literal approach, cf. E. Ales, G. Canavesi, D. Casale et al., *Diritto della Sicurezza Sociale* (Giappichelli EDU 2021), pp. 14 ff.; M. Ferraresi, ‘L’Assegno di inclusione tra vincoli costituzionali ed europei in tema di reddito minimo garantito’ *LavoroDirittiEuropa* (2024) 1, pp. 6 ff.

21 C. Tripodina, ‘Reddito di cittadinanza come “risarcimento per mancato procurato lavoro”. Il dovere della Repubblica di garantire il diritto al lavoro o assicurare altrimenti il diritto all’esistenza’ *costituzionalismo.it*, (2015)1, pp. 20 ff.; C. Tripodina, *Il diritto a un’esistenza libera e dignitosa* (Giappichelli 2013); M. Vincieri, ‘Verso la tutela della povertà: l’ipotesi del reddito di inclusione’ *Lav.dir.* (2017), p. 302.

understanding of social security as stipulated in Art. 38, para. 2.²² This argument is reinforced by several fundamental constitutional principles, particularly by the principle of general solidarity (Art. 2), which underpins the right to a free life in dignity.²³ Some scholars justify the need to introduce minimum income provisions by re-interpreting the Constitution in light of European Union law.²⁴ The debate continues about whether the Italian Constitution mandates or merely legitimizes a minimum income scheme, i.e. whether such a scheme is constitutionally an obligation of the legislature or in fact optional.

The Constitutional Court's case law falls short of establishing a social right to an adequate minimum income for citizens living in poverty. The concept of human dignity as a constitutional principle has been acknowledged—albeit to a limited extent—in relation to the right to housing, which is considered an integral component in ensuring the minimum conditions necessary for a life in dignity.²⁵

As regards the content of the right to social assistance, the Constitutional Court stated in 1986 that this right “guarantees citizens the existential minimum or subsistence level necessary to meet the basic needs of daily life—that is, to cover essential dietary needs—as the irreducible core of guar-

22 E.G. M. Persiani, *Diritto della previdenza sociale* (CEDAM 2009), pp. 14 ff.; M. Cinelli, *Diritto della previdenza sociale* (Giappichelli 2022), p. 4; P. Bozzao, ‘Reddito base e cittadinanza attiva nei nuovi scenari del welfare’ *Riv.giur.lav* (2014)2, p. 333; F. Ravelli, *Il reddito minimo* (Giappichelli 2018), p. 83.

23 On the fundamental principles of dignity, equality and solidarity (Art. 2, 3 and 4, combined with Art. 38 of the Constitution) requiring the State to create conditions guaranteeing *ius existantiae* (understood as the right to a free life in dignity), cf. F. Ravelli (n 22), pp. 90 ff.; P. Bozzao, ‘Quale e quanto intervento pubblico nel contrasto alla povertà? Rileggendo Claudio Franchini’ *RDSS* (2022), pp. 127 ff., 138; P. Bozzao, ‘Reddito di cittadinanza e laboriosità’ *Giornale di diritto del lavoro e di relazioni industriali* 165 (2020)1, pp. 1 ff.; S. Caffio, *Povertà, reddito e occupazione* (ADAPT Labour Studies 2023), pp. 9 f.

24 G. Bronzini, ‘Il reddito minimo garantito e la riforma degli ammortizzatori sociali’ *WP C.S.D.L.E. “Massimo d’Antona”*.IT 270 (2015).

25 Corte Cost. No. 217/1988 (concerning access to social housing) stated that “creating the minimum conditions of a welfare state, helping to guarantee a fundamental social right such as the right to housing for as many citizens as possible, helping to ensure that every person's life reflects the universal image of human dignity every day and in every respect, are tasks that the State cannot evade under any circumstances”. See C. Domenicali, ‘Quale garanzia per il diritto all’abitazione? Il caso dell’edilizia popolare’, in: A. Morrone, *Il diritto costituzionale nella giurisprudenza* (9th ed. Wolters Kluwer 2022), p. 209.

antees due to those who are fully incapacitated for work”.²⁶ The national legislator has a similar responsibility of ensuring access to benefits deemed indispensable for alleviating situations of *extreme* need, in particular in relation to food. The State also has the duty to define both the qualitative and quantitative components of such benefits to uphold the irreducible core of this fundamental social right.²⁷ In practice, however, decisions that recognize a constitutional right to minimum income protection have been limited in scope: Constitutional Court rulings have either defined the content of this right in terms of mere subsistence levels, addressed very specific situations, including cases of severe disability,²⁸ or specific State responsibilities, including custodial sentences with domestic detention.²⁹

Both constitutional guarantees—the right to social security and the right to social assistance—are linked to the State’s obligation to maintain budgetary equilibrium (Art. 81) and the principle of sound administration (Art. 97). These provisions could potentially weaken the enforceability of social rights due to budgetary constraints.³⁰ Only under exceptional circumstances can the right to income support from the State take precedence over budgetary constraints.³¹

26 Corte Cost. No. 31/1986 (on minimum pension guarantees). In its early decision, the Court held that the term “adequate means of subsistence” should not be limited to basic subsistence or social assistance levels, but must also ensure the fulfillment of needs related to workers’ standard of living, in addition to dietary needs.

27 Corte Cost. No. 10/2010 on the Social Card, ex Art. 81 (29 ff.) of d.l. n. 112/2008, based on the fundamental principles of Art. 2 and 3, para. 2; Art. 38 and Art. 117, para. 2 (m) Constitution. Cf. F. Pizzolato, ‘La “social card” all’esame della Corte costituzionale’ Riv.dir.sic.soc. (2010), pp. 349 ff.

28 Corte Cost. No. 152/2020 addressed the adequacy of benefits provided to individuals with disabilities aged 18 to 59, who are fully incapacitated for work, affirming their right to minimum subsistence.

29 Corte Cost. No. 137/2021. The Court found a provision unconstitutional that revokes social assistance benefits as an ancillary penalty of individuals convicted of crimes, who are serving alternative measures to prison detention. The Court held that such revocation, based on the legislator’s notion of “unworthiness”, undermines the constitutional foundations of the right to social assistance. It emphasised that withdrawing essential benefits could jeopardise the convicted person’s ability to live in dignity, thereby violating his or her right to “minimum vitale”.

30 Art. 81 Cost., as amended in 2012, establishes the duty to maintain financial equilibrium, forming the constitutional basis for the financing of the social security system. For the Constitutional Court’s position on the relationship between Art. 81 Cost. and the social security system, cf. Judgments No. 12/2018 and No. 20/2018; No. 88/2014.

31 C. Cost. No. 152/2020. Even in the case of benefits based on social insurance schemes, constitutional case law has emphasised that the definition of “adequate” benefits is

Guaranteeing the right to a minimum income is further complicated by the division of competences between the State and the Regions (and the Autonomous Provinces), a division that was reinforced by the 2001 constitutional reform. Accordingly, the State retains exclusive competence over social security, while healthcare falls under the shared competence between the State and the Regions. Social assistance and social services are the exclusive responsibility of the Regions, except in cases where such services are defined as “essential levels of benefits” (*livelli essenziali di prestazioni*, *LEPs*). The State is responsible for ensuring their uniform provision across the national territory and for financing them through national public resources.³² Since no general, comprehensive definition of these essential standards had been adopted until the end of 2021,³³ highly diverse social assistance schemes (including minimum income benefits) developed not only at local and regional levels, but at state level as well.³⁴

b) International Law Standards

Although Italian constitutional law does not provide a strong foundation for holding the State responsible for guaranteeing adequate minimum income benefits, this obligation could instead derive from international and European human rights instruments, particularly the European Social Charter (ESC) and the EU Charter of Fundamental Rights.

left to the discretion of the legislator. A rare exception was the historic ruling of the Constitutional Court No. 497/1988, which found unemployment insurance benefits inadequate due to the absence of an indexation mechanism. For an overview of Constitutional Court Judgments regarding the interaction between Art. 81 Cost. and the social security system, see M. Faioli, ‘Beyond the Formal Principle of Intergenerational Sustainability in the Italian Social Security System’, in: E. Kasagi (ed.), *Solidarity Across Generations* (Springer 2020), pp. 59 ff.

32 The Constitutional Court clarified that the LEPs indicate the constitutionally required threshold of expenditure necessary to provide social benefits of a fundamental nature, as well as the non-reducible core of minimum guarantees to ensure the effectiveness of these rights (Judgment No. 220/2021).

33 For social assistance, Article 1, para. 159 of Law No. 234/2021 (Budget Law for 2022) defines the Essential Levels of Social Benefits (*LEPS*) as “the interventions, services, activities and integrated benefits that the Republic ensures and which have universal character throughout the national territory, with the aim of guaranteeing quality of life, equal opportunities, non-discrimination, and the prevention, elimination or reduction of conditions of disadvantage and vulnerability”.

34 See below, sect. II.2.

Italy has ratified the European Social Charter of 1961, its additional protocols as well as the revised Charter of 1996, and is one of 16 European states that has ratified the 1995 Protocol on Collective Complaints. Italy is also among the few states that has accepted all provisions of Part II of the ESC, with the exception of one.³⁵ The European Committee of Social Rights has repeatedly stated that Italy fails to comply with the Charter provisions on the protection of the right to social security (in particular, Art. 12, para. 4), the right to social assistance (Art. 13, para. 1), the right of the elderly to social protection (Art. 23), and the right to protection against poverty and social exclusion (Art. 30). The level of social assistance was found to be insufficient, with gaps in coverage for persons in need (Art. 13, para. 1), i.e. the level of contributory and non-contributory old-age pensions was deemed inadequate to guarantee a dignified existence for elderly persons (Art. 23 RESC).³⁶ The social rights enshrined in the European Social Charter can serve as an intermediary parameter for judges when assessing the constitutionality of laws pursuant to Art. 117, para. 1 of the Italian Constitution. Although the Constitutional Court of Italy has acknowledged this possibility, it has rejected the obligation of national judges to follow the interpretations of Charter provisions issued by the European Committee on Social Rights, with some rare exceptions that are not applicable to minimum benefits.³⁷

c) Evolution of the Legislative Framework

While social protection under the post-war Constitution was predominantly based on contributory social security schemes for regular workers, the level of social protection remained inadequate for those who were not—or only marginally—participating in the labour market.

The shift in minimum income protection started in the 1990s during a period of prolonged economic recession, with the first experimental minimum income scheme, the *Reddito Minimo di Inserimento* (RMI) of 1998,

35 The only provision that has been rejected is Art. 25, which protects workers' rights in terms of their claims in the event of insolvency of their employer.

36 For details, see G. Palmisano, *L'Europa dei diritti sociali. Significato, valore e prospettive della Carta sociale europea* (Il Mulino 2022), pp. 275, 280-283.

37 The exception only applies to decisions of the ECSR in collective complaint procedures involving Art. 24 of the ESC (protection against dismissal).

initially implemented in 39 municipalities and later extended to a total of 306 municipalities (1999–2007).³⁸ Although the Framework Law on Social Services (No. 328/2000)³⁹ provided for the extension of the RMI to the entire national territory, the project was discontinued in 2002. In 2008, a national anti-poverty instrument known as the “Social Card” (*Carta Acquisti*) was introduced. Based on extended legislative powers, several regions launched their own social assistance programmes, especially following the international financial crisis in 2008. Regional minimum income schemes adopted various names and displayed significant heterogeneity in terms of benefit amounts, eligibility criteria, obligations of the beneficiaries and duration of benefits.⁴⁰

With the economic crisis persisting beyond 2010, a new era of social policy reform began: unemployment protection was gradually expanded, and a limited minimum income scheme called “Support for Active Inclusion” (*Sostegno per l’inclusione attiva, SIA*) was proposed in 2013 to address extreme poverty. The establishment of the National Fund against Poverty by the Budget Law for 2016 and the introduction of a new scheme known as “Inclusion Income” (*Reddito di inclusione, REI*)⁴¹ in 2017 marked a turning point, although REI was never fully implemented. In April 2019, the REI scheme was replaced by the new “Citizenship Income” (*RdC*), which extended coverage and provided higher benefit amounts, with the allocation of public resources for *RdC* being three times higher than under the *REI* scheme.

During the COVID-19 pandemic (2020–2022), Italy adopted a series of temporary ad hoc measures, including special flat-rate allowances to

38 In the absence of a national minimum income scheme, several municipalities introduced minimum income benefits, e.g. Turin in 1978, Ancona in 1982, Bari in 1983, Milan in 1989, cf. C. Saraceno, D. Benassi, E. Morlicchio (n 3), p. 123.

39 Law No. 328/2000 introduced an “integrated system of social interventions and services”, which included social services and financial benefits aimed at eliminating and overcoming situations of indigence and hardship, as defined in Art. 128 of D.lgs. No. 112/1998.

40 For example, *Reddito di Solidarietà* in Emilia Romagna; *Reddito di Dignità* in Apulia; *Reddito di Inclusione Sociale* in Sardinia; *Reddito Minimo di Cittadinanza* in Molise; *Reddito di Garanzia*, later absorbed into the *Assegno Unico Provinciale* of the Autonomous Province of Trento. For details of these schemes and other complementary regional measures, cf. M. Matarese, ‘Le misure regionali di reddito minimo’, in: M. Ferraresi, *Reddito di inclusione e reddito di cittadinanza. Il contrasto alla povertà tra diritto e politica* (Giappichelli 2018), pp. 51, 62 ff., F. Ravelli, *Il Reddito Minimo. Tra universalismo e selettività delle tutele*, (Giappichelli 2018), pp. 150 ff.

41 Legislative Decree No. 147 of 15 September 2017, implementing enabling Act (*legge delega*) No. 33/2017.

ensure a minimum income for several professional groups, as well as a novel “Emergency Income” (*Reddito di emergenza*)⁴² for low-income households without access to *RdC* benefits or other forms of minimum income support. None of these emergency measures were transformed into a permanent component of minimum income protection.

Despite some efforts to improve minimum income protection for households unable to support themselves in the period 2018–2023, Italy experienced a significant setback in minimum income protection in 2023. The newly elected government discontinued the Citizenship Income and introduced the Inclusion Allowance (*Assegno di inclusione, ADI*) as a new minimum income benefit starting in 2024, accompanied by a new Training and Work Benefit (*SFL*) in September 2023.⁴³ Estimated annual costs for both cash benefits range between EUR 6.8 billion and EUR 6.6 billion, significantly lower than the nearly EUR 9 billion that were allocated to the *RdC* scheme.⁴⁴ This major policy shift has led to a resumption of regional minimum income programmes.⁴⁵ The abolition of the Citizenship Income has again left Italy without a universal minimum income scheme. The recent reform introduced another categorical protection scheme for selected households in addition to the already existing ones, but has reduced the target group of beneficiaries, and now excludes a significant number of former beneficiaries from minimum income protection.⁴⁶ New eligibility criteria for the *ADI* scheme are expected to decrease average benefit amounts by 11 per cent (around

42 Cf. DL 34/2020, converted by Law No. 77/2020; extended by DL 137/2020, 149/2020, 154/2020 and 157/20, converted by Law No. 176/2020; in 2021 by DL 41/2021; DL 73/2021. The monthly amount varied between EUR 400 and maximum EUR 804.

43 The new “Support for Training and Work” (*Supporto per la formazione ed il lavoro, SFL*) scheme does not constitute a minimum income benefit: it is an instrument to promote the integration of individuals, who are deemed to have capacity for work, into the labour market. For details, see below sec. II.2.a) aa) (for *ADI*) and 2.b) cc) (for *SFL*).

44 EUR 5.8 billion annually for *ADI* and EUR 1.3 for *SFL* compared to EUR 8.8 billion annually for the *RdC* (only cash benefits), see G. Bovini, E. Dicarolo, A. Tomasi, ‘La revisione delle misure di contrasto alla povertà in Italia’, in: Banca d’Italia (ed.), *Questioni di Economia e Finanza* (Occasional Papers) No. 820/2023, p. 6; Senato della Repubblica, XIX legislatura, Servizio del Bilancio, Nota di lettura No. 53, «A.S. 685: “Conversione in legge del decreto-legge 4 maggio 2023, n. 48, recante misure urgenti per l’inclusione sociale e l’accesso al mondo del lavoro”», May 2023, pp. 5, 25, 38, 41.

45 For example, the Region of Apulia relaunched the “*Reddito di Dignità*” scheme of 2016; Sardinia accelerated the implementation of its “*Reddito di Inclusione Sociale*”; Campania and Sicily have envisaged similar proposals.

46 G. Bronzini, ‘La controriforma dell’assegno di inclusione: dalla protezione di diritto al welfare caritatevole’ RGL, *Giurisprudenza online*, Newsletter 1 (2024).

EUR 12,300 annually), with reductions of up to EUR 4,000 per year for households in the poorest decile.⁴⁷ The recent shift towards stricter workfare conditions, combined with more rigid eligibility criteria for who is considered ‘deserving’ of support as well as an increased emphasis on reliance on family, intentionally excludes individuals in need who are deemed capable of supporting themselves through labour market participation, thereby withdrawing adequate State protection from them.

2. Social Benefits

a) Main Minimum Income Benefits

aa) Inclusion Allowance

Inclusion allowance⁴⁸ is defined as a “national measure to fight poverty, ‘fragility’ and social exclusion of weak groups through social inclusion, training, employment and active labour policies”.⁴⁹ The scheme is limited

47 G. Bovini, E. Dicarlo, A. Tomasi (n 44).

48 The benefit scheme is regulated in Art. 1 - 11 of the “Labour Decree”, DL No. 48/2023, of 5 May 2023 (*Misure urgenti per l’inclusione sociale e l’accesso al mondo del lavoro*), converted into Law No. 85 of 3 July 2023, with amendments; for implementation details, see Decree of the Ministry of Labour and Social Policies, D.M. No. 154 of 13 December 2023 (“Assegno di inclusione”), INPS, Circular No. 105 of 16 December 2023, and Decree of the Ministry of Labour and Social Policies, D.M. No. 160 of 29 December 2023. For initial commentaries, cf. M. Ferraresi, ‘L’Assegno di inclusione tra vincoli costituzionali ed europei in tema di reddito minimo garantito’ *LavoroDirittiEuropa* (2024) 1; F. De Michiel, ‘Le misure di contrasto alla povertà nel c.d. decreto lavoro (commento agli artt. 1-13, d.l. 4 maggio 2023, n. 48, conv. con modif. dalla l. 3 luglio 2023, n. 85)’ *LavoroDirittiEuropa* (2024) 1; S. Caffio (n 23), pp. 192 ff.; G. Bronzini (n 46); M. Ricci, ‘Dal reddito di cittadinanza all’assegno di inclusione tra poche luci e molte ombre’ *ArgDirLav* (2023) 6, pp. 1105 ff.; H. Caroli Casavola, ‘Il congedo del reddito di cittadinanza e il passaggio al Welfare condizionale’ *Giornale Dir. Amm.* (2023) 5, pp. 603 ff.; M. M. Cellini, ‘Assegno di inclusione e isee’ *Il Lavoro nella Giurisprudenza* (2023) 10, pp. 877 ff.; A. Di Filippo, ‘Assegno di inclusione, la nuova frontiera per il contrasto alla povertà e alla esclusione sociale’ *Azienditalia* (2023) 10, pp. 1205 ff.; E. Dagnino, C. Garofalo, G. Picco et al. (eds.) *Commentario al d.l. 4 maggio 2023 n. 48 c.d. “decreto lavoro”, convertito con modificazioni in l. 3 luglio 2023, n. 85* (Adapt Labour Studies 2023); P. Tridico, ‘La riforma del Reddito di cittadinanza e del Decreto dignità. Criticità e conseguenze’ *LavoroDirittiEuropa* (2023) 3.

49 “Misura nazionale di contrasto alla povertà, alla fragilità e all’esclusione sociale delle fasce deboli attraverso percorsi di inserimento sociale, nonché di formazione, di

to households with certain “fragile members”: at least one household member must either be under the age of 18; over the age of 60; have a disability; or “in serious bio-psycho-social distress” (*in grave disagio bio-psico-sociale*) and enrolled in a care and assistance programme duly certified by the public administration.⁵⁰

To qualify for the inclusion allowance, applicants must meet specific criteria. Italian citizenship is one such requirement; EU citizens must hold either the right of residence or be permanent residents, while third-country nationals must possess a long-term EU residence permit⁵¹ or international protection status.⁵² The applicant must have resided in Italy for at least five years⁵³, with the last two years being continuous. A new requirement for households with children under the age of 18 is that the children must be attending school regularly.⁵⁴

Furthermore, entitlement to the inclusion allowance is conditional upon the applicant’s honesty and integrity: access is denied to those who are

lavoro e di politica attiva del lavoro”, Art. 1, para. 1 DL 48/2023. The term “*fasce deboli*” refers to persons who need or ‘deserve’ special protection and support.

- 50 The new category of beneficiaries was introduced by the conversion Law No. 85/2023, explicitly including victims of gender-based violence. The eligibility criteria are defined in Art. 3, para. 5 of the Decree of the Ministry of Labour and Social Policies No. 154 of 13 December 2024. These include individuals in the care of mental health facilities; those under the charge of disability or addiction facilities; individuals receiving assistance as victims of gender-based violence or human trafficking; persons under the supervision of the Offices for External Penal Execution, including those admitted to alternative measures to detention, or former prisoners released within the past year who remain under the care of the State; individuals identified as particularly vulnerable and placed in reception facilities or emergency housing programmes; homeless persons under the charge of support services; young adults between the ages of 18 and 21, who live outside their family home based on a provision from the judicial authorities placing them in residential communities or alternative foster care, and who are under the supervision of social or healthcare services.
- 51 The Constitutional Court confirmed the constitutional legitimacy of this requirement, cf. sent. No. 19/2022, with a critical note by F. De Michiel, ‘Il reddito di cittadinanza alla prova della Corte costituzionale: una sentenza prevedibile in tema di accesso al beneficio da parte degli stranieri extra-UE’ *Dir. Rel. Ind.* 32 (2022) 3, pp. 856 ff.
- 52 Political asylum or subsidiary protection pursuant to Legislative Decree No. 251 of 19 November 2007.
- 53 The residency requirement for the abolished citizenship income was ten years. ADI beneficiaries lose entitlement after two continuous months of absence from Italian territory, or after a total of four months of absence over an 18-month period.
- 54 Art. 2, para. 3-*bis* DL 48/2023.

subject to certain measures under criminal law, including preventive measures.⁵⁵ Households with a member who is subject to activation obligations and who has been unemployed for 12 months following voluntary resignation, are also excluded from access to the benefit.⁵⁶ This exclusion is not limited to the individual who resigned, but to his or her entire household.

The economic requirements for benefit eligibility are based on a combination of several criteria: the applicant's household must possess a valid ISEE (Equivalent Economic Situation Indicator)⁵⁷ value that does not exceed EUR 9,360; the household's annual income must be below EUR 6,000, multiplied by the corresponding parameter of the ADI equivalence scale.⁵⁸ This threshold increases to EUR 7,560 per year, if the household consists exclusively of persons aged 67 or older, or of persons of this age group and other family members all with a severe disability or who are not self-sufficient. The annual family income threshold is in that case increased by EUR 2,000 for each additional household member, up to a maximum of EUR 10,000 for the entire household, with an additional increment for each minor beyond the second child.⁵⁹ The same thresholds apply to movable assets.⁶⁰ In addition, the total value of real estate assets may not exceed EUR 30,000. No member of the household may be the owner or have full availability of certain high-value movable goods.⁶¹

55 This preclusion exists regardless of the severity of the criminal offence committed.

56 Art. 2, para. 3 DL 48/2023. Exceptions are possible, e.g. in case of resignation with just cause.

57 ISEE (*Indicatore della situazione economica equivalente*) is a tool used to assess household income and assets for eligibility to social subsidies and support for different household sizes, regulated in DPCM No. 159/2013. The general ISEE value is based on the household's total income, plus 20 per cent of all movable and immovable assets, divided by the applicable parameter of the scale of equivalence.

58 A benefit-specific equivalence scale is applied to determine both the household income threshold for accessing the ADI benefit and the benefit amount, as defined in Art. 2, para. 4 of DL 48/2023. The coefficients used are less generous than those applied in the calculation of the ISEE. See below, sec. III.2.b).

59 Further increases apply to each minor beyond the second one, and for each household member with a disability.

60 Additional increases to the upper capital threshold are provided for household members with a disability, with further increases for members with a severe disability or requiring long-term care.

61 Motor vehicles with an engine capacity exceeding 1600 cc. or with a displacement over 250 cc., if registered for the first time within the 36 months preceding the application; no household member may possess such a vehicle or have full availability of yachts and pleasure boats, or aircraft of any kind.

The standard monthly allowance is set at maximum EUR 500 for a single-person household (or EUR 630, if the person is at least 67 or severely disabled).⁶² The second component consists of a monthly supplement for rental costs, amounting to a maximum of EUR 280 (and up to EUR 150 for households composed exclusively of elderly and/or severely disabled persons).⁶³ The benefit amount is calculated by multiplying the “standard” amount by a scale of equivalence with specific coefficients that reflect the household’s composition and account for various forms of “fragility” or disability among the household members.⁶⁴

In general, household members aged 18–59 years are only included in the scale of equivalence if they qualify as either caregivers, as persons with a disability or suffer from a severe distress as defined by law. The duration of the allowance is limited to 18 months, with the possibility of renewal for an additional 12 months following a one-month break.⁶⁵ The benefit can only be used to purchase food, pharmaceutical and para-pharmaceutical products from (physical) retail channels within Italy, and to pay rent and utility bills. Monthly cash withdrawals are restricted to EUR 100 per adult.

The allowance can be combined with unemployment insurance benefits and various social assistance benefits that are not counted as income. It is, moreover, fully compatible with the universal child benefit (*assegno unico universale*).⁶⁶

Conditionality measures aimed at encouraging recipients to enter the labour market have been tightened, primarily through a sanctions regime. Eligibility for the benefit now depends on participation in an activation project designed to promote social and labour market inclusion.⁶⁷ The

62 Art. 3, para. 1 DL 48/2023. The maximum annual subsistence benefit is EUR 6,000 (or EUR 7,560) to be multiplied by the scale of equivalence. The minimum annual amount is EUR 480 (EUR 40 per month).

63 Art. 3, para. 1 DL 48/2023, the annual amounts of the supplement for rental costs are maximum EUR 3,360 or EUR 1,800. The scale of equivalence is not applied to this supplement.

64 Subject to an upper limit.

65 There is no limitation to the number of renewals, but the benefit is always suspended for one month after a 12-month period has ended.

66 For the interaction rules, cf. Art. 2, para. 2, litt. b) n. 2; and para. 7 of DL 48/2023; Art. 2, para. 7, litt. a of DL 48/2023.

67 Exemptions from the activation requirement apply to employed persons, people attending a regular course of studies, household members aged 60 or older, those with a reduced capacity for work of more than 45 per cent (Law No. 68/1999), individuals with an oncological disease, those with care duties (for children under

central instrument is the “Personalized Social and Professional Inclusion” initiative, coordinated by local social services. Beneficiaries are required to register on the multifunctional digital platform (Information System for Social and Labour Inclusion, SIISL),⁶⁸ and sign two agreements, namely the Digital Activation Agreement⁶⁹ and the “Personalised Service Agreement”.⁷⁰

Beneficiaries aged 18 to 59 who are subject to activation measures may be required to participate in public utility projects (PUC)⁷¹, which are organised by local authorities and third sector entities. Those between the ages of 18 and 29 who have not completed mandatory schooling are required to enrol in adult education programmes.⁷² Strict conditionalities apply to the job offers beneficiaries must accept (Art. 9 DL 48/2023).⁷³ Non-compliance with any of the activation obligations will result in forfeiture of the benefit in full, while non-compliance with cooperation duties leads to temporary

the age of three, or for at least three children, or for a severely disabled or not self-sufficient family member), and individuals participating in special programmes to escape gender-based violence.

68 Established at the Ministry of Labour and Social Policies and implemented by INPS, Art. 5 DL 48/2023. The Information System aims to facilitate beneficiaries’ engagement in independent job searches and skills enhancement, and serves as a tool for analysis, monitoring, evaluation and control of the Inclusion Allowance.

69 The agreement authorises the transmission of data to the public employment services (*Centri per l’impiego*) and to other bodies involved in activities to promote labour market integration, Art. 4 DL 48/2023.

70 *Patto di attivazione digitale* (PAD), Art. 4 DL 48/2023. Benefit entitlement starts in the month following the signing of the Digital Activation Agreement.

71 Art. 6, para. 5-*bis* of DL 48/2023; Ministerial Decree No. 156 of 15 December 2023. Such projects can be carried out in the cultural, social and environmental spheres, the organisation of training activities or the maintenance and restoration of common areas. Participation in such projects may not entail any kind of subordinate, para-subordinate or self-employed activity.

72 Art. 3, para. 11 DL 48/2023 and Art. 1, para. 316 Law No. 197/2022 (Budget Law for 2023).

73 Including open-ended employment relationships anywhere within the national territory (except for parents of children under the age of 14); full-time or part-time employment relationships equal to at least 60 per cent full-time working hours; remuneration may not be lower than the minimum wages established by the collective agreements referred to in Legislative Decree No. 81 of 15 June 2015; fixed-term employment contracts, including temporary agency work, if the workplace is located within 80 km of the individual’s residence (or can be reached in no more than 120 minutes by public transport).

suspension⁷⁴ of benefit payments. The sanctions regime also includes imprisonment to prevent fraudulent behaviour.⁷⁵

bb) Minimum Income Benefits for the Elderly

Italy guarantees a set of minimum income benefits through separate schemes that target different categories of senior citizens. Coverage and entitlement criteria primarily depend on the individual's former employment history.

A supplement to contributory pensions which fell below the minimum pension level was introduced in 1952 (*pensione integrata al minimo*).⁷⁶ The benefit aimed at reducing poverty among former workers (largely women) with discontinuous and often irregular work histories. The 1995 pension reform abolished this minimum pension supplement for new entrants to the labour market as of January 1996. Pensioners who entered employment before 1996 (and are subject to the pre-reform pension calculation rules) remain entitled to the guaranteed (contributory) minimum pensions. This supplement is subject to a dual means test, which comprises an assessment of both the individual's and the couple's income if married.⁷⁷ Beneficiaries are guaranteed an amount of maximum EUR 615 per month, paid in 13 instalments in 2024.⁷⁸ The income thresholds for eligibility to the benefit are set at twice the minimum pension for pensioners who live in a sin-

74 For example, violation of a child's compulsory school attendance.

75 For example, in case of false declarations with the intent to obtain the cash benefit; or omission of required information. Prison sentences are two to six years in the former, one to three years in the latter case. Detention of more than a year results in forfeiture of the benefit.

76 Law No. 218/1952; Law No. 638/1983. In 1981, the amount of the minimum pension level was set at 30 per cent of the average *de facto* contractual minimum wage for industrial workers, Art. 22 Law No. 119/1981.

77 Beneficiaries with a personal annual income of less than or equal to EUR 7,782, and if married, with a marital income of less than or equal to EUR 23,246 received the maximum amount in 2024. If these thresholds are exceeded, pensioners received a progressively decreasing benefit. Entitlement to the benefit is lost if personal income lies above EUR 15,563 or marital income above EUR 31,128 annually in 2024. Higher income limits apply if pension payments started in or before 1994.

78 INPS, Circular Letter No. 1 of 2 January 2024. The Budget Law for 2023 allowed for an additional re-adjustment amounting to up to EUR 16, added to the benefit amount resulting from ordinary re-adjustment (EUR 599).

gle-person household, and four times the minimum pension amount for married pensioners.⁷⁹

The 1995 pension reform replaced the traditional supplement to low contributions-based pensions by two distinct forms of benefits: on the one hand, partial compensation is provided through special pension increases for pensioners with a lengthy insurance period (so-called 14th instalment), which is subject to a personal means test.⁸⁰ On the other hand, the 1995 reform also introduced a non-contributory social allowance for senior citizens with little or no income. In 2024, eligibility for this old-age social allowance (*assegno sociale*)⁸¹ required the beneficiary to be at least 67 years old (subject to adjustments for changes in life expectancy) and guarantees a minimum income of EUR 534 per month, paid in 13 instalments (EUR 6,947.33 annually) for elderly persons without sufficient means.⁸² In addition to either Italian or EU citizenship, eligibility for this benefit requires legal residence in Italy of at least 10 years.⁸³ Third-country nationals must possess a long-term residence permit.⁸⁴ The old-age social allowance is subject to a stringent dual means test,⁸⁵ which not only considers the applicant's pension income but also most other sources of income, including income exempt from IRPEF income tax and maintenance payments. The

79 Art. 6 Law No. 638/1983; Art. 4 Legislative Decree No. 503/1992; Art. 2, para. 14 Law 335/1995.

80 “*Quattordicesima*” introduced by Art. 5, paras. 1-4 DL 81/2007, converted by Law No. 127 of 3 August 2007. After coverage extension by Law No. 232/2016 (Budget Law for 2017), the benefit is paid to pensioners aged 64 and older, amounts are differentiated depending on the beneficiary's income bracket, i.e. up to 1.5 times or up to 2 times the minimum contributory pension. Benefits vary according to the duration of the insurance period and personal income thresholds; in 2022, the average benefit amounted to EUR 484 annually.

81 Art. 3, paras. 6 and 7, of Pension Reform Law No. 335/1995; Art. 38, para. 1 of Law No. 448/2001.

82 If the benefit recipient is admitted to an institution and the costs are covered by the State or public bodies, the benefit is reduced. If the costs are borne entirely by the State, the reduction is 50 per cent.

83 The extensive residence clause has applied since 2009, pursuant to Art. 20, para. 10 of Law No. 133/2008.

84 The legitimacy of the requirement for possession of a long-term residence permit was confirmed in Constitutional Court ruling No. 50/2019. By the Decision of 30 April 2024, the Constitutional Court submitted to the EU Court of Justice the question of compatibility with EU law of the rule that prevents holders of a single work permit from applying for the old-age social allowance.

85 The personal annual income threshold for the full benefit in 2024 was EUR 7,115.29 for single-person households, rising to EUR 14,897.22 for married couples.

benefit cannot be denied on the grounds that the applicant's hardship is self-inflicted or the result of a voluntary lifestyle choice.⁸⁶ Both the benefit amount and income thresholds for eligibility to the minimum contributory pension and to the old-age social allowance are adjusted annually to reflect changes in the cost of living. No limit to the duration of the benefits applies, but payment of the social allowance is suspended if the recipient resides outside Italy for more than 29 consecutive days, and entitlement is permanently revoked if the recipient's stay abroad exceeds one year.

In addition to the minimum contributory pension and the old-age social allowance, age-related benefit increases (*maggiorazione sociale*) may be provided, subject to strict means-testing criteria.⁸⁷ The traditional increments are fixed flat-rate amounts and depend on a dual means test, with the income thresholds adjusted annually for inflation. Starting at age 70, all recipients of a contributory pension or of the old-age social allowance can apply for the so-called "increment to the million", which is also subject to a dual means test in the case of applicants who are married.⁸⁸ The respective amounts are determined by law, and vary depending on type of benefit subject to the increment. The provisions guarantee a minimum income that is based on the level of the INPS minimum pension, which is increased by a fixed amount set in 2008. Both the components defining the guaranteed minimum income and the corresponding income thresholds are adjusted to changes in the cost of living.⁸⁹ Under certain conditions, the age requirement of 70 years for recipients of a contributory pension may be reduced by up to 5 years.⁹⁰ Additionally, pensioners receiving a

86 Cass.civ. Sez. lavoro, sent. No. 7235/2023; Cass. No. 23305/2022; Cass. No. 24954/2021.

87 "*Maggiorazione sociale*", e.g. Art. 1 of Law No. 544/1988, modified by Art. 69, para. 3 of Law No. 388/2000; Art. 38 of Law No. 448/2001, modified by Art. 5, para. 5 of Law No. 127/2007. Coverage is excluded for self-employed workers who are exclusively insured under the special scheme for atypical workers (*gestione separata*) created by the 1995 pension reform. The benefit increases (paid in 13 instalments) amount to EUR 25.83 per month as of the age of 60, and to EUR 82.64 per month as of the age of 65.

88 The increase was introduced as "*incremento al milione*", Art. 38 of Law No. 448/2001, to guarantee a minimum pension of 1 million lire at that time.

89 For recipients of a contributory INPS old-age pension, the monthly increment is not adjusted for inflation, but remains fixed at EUR 136.44, which is reduced to EUR 124 for INPS pensioners entitled to the so-called 14th pension instalment. Recipients of the old-age allowance are granted an increment that guarantees a minimum income level of up to EUR 735 in 2024.

90 Reductions of 1 year for every 5 years of insurance contributions.

contributory pension equal to or below the minimum pension amount may be eligible, under income tax law, to a small increase to the 13th monthly instalment, provided they are unable to claim tax deductions due to their low pension.⁹¹

cc) Minimum Income Benefits for Persons with Disabilities

Special minimum income schemes are available for individuals with a severely reduced capacity for work (of 74-99 per cent) or a full incapacity for work (100 per cent) and who are not or only insufficiently covered by the statutory pension insurance system.⁹² Entitlement to this benefit is conditional on Italian citizenship and residence in Italy, while foreign nationals must possess a residence permit for work or a residence permit for at least one year.⁹³ The general (non-contributory) minimum income benefit for “disabled civilians” (*invalidi civili*) aged 18 to 67 years amounted to maximum EUR 333.33 per month in 2024 (13 instalments). It is only subject to the personal means test.⁹⁴ The benefit and income threshold are adjusted annually in line with inflation. Upon reaching the age of 67, the benefit is automatically converted into the old-age social allowance for senior citizens (*assegno sociale*). This conversion does not affect the applicable income threshold, provided the status of invalidity was officially recognised before the beneficiary reached statutory retirement age.

91 The benefit was introduced by Art. 70, para 7 of Law No. 388/2000. The total annual amount (EUR 155 in 2023) is subject to a dual means test (1.5 times the contributory minimum pension for a pensioner living in a single-member household; three times the minimum pension, if the pensioner is married). The ‘no tax’ amount for pensioners has been set at EUR 8,500 annually since 2022.

92 Law No. 118/1971 (*Nuove norme in favore dei mutilati ed invalidi civili*). For details see M. Persiani and M. d’Onghia, *Fondamenti di diritto della previdenza sociale* (3rd ed. Giappichelli 2019), pp. 342 ff. Distinct minimum income schemes continue to exist for the blind. Special benefits to cope with impairments or the loss of self-sufficiency fall outside the scope of this chapter.

93 According to the Constitutional Court’s case law, benefit schemes for persons with disabilities do not have to be in possession of a qualified long-term residence permit: Corte Cost. No. 11/2009; No. 40/2013 (*pensione di inabilità*); No. 187/2010 (*assegno mensile*).

94 The income threshold is EUR 5,725 per year in case of partial invalidity, which is a criterion for eligibility to the allowance called *assegno mensile*, and EUR 19,461 in case of full incapacity for work, which is required for eligibility to the *pensione di inabilità*.

Since 2002, recipients of the pension for disabled civilians aged 60 and older have been entitled to the special “increment to the million”, initially established for individuals aged 70 and above.⁹⁵ In 2020, the Constitutional Court⁹⁶ ruled that this increment must extend to all disabled civilians aged 18-59 years who are fully incapacitated for work.⁹⁷ Hence, civilian invalids and beneficiaries of the contributory invalidity pension who meet the necessary requirements are now entitled to an increased minimum income of up to EUR 735 per month in 2024 (with 13 instalments).

dd) Ordinary “Social Card”

In 2008, the legislator introduced the first electronic “Social Card” (*carta acquisti ordinaria*) as a tool for the most impoverished to meet their most basic needs, such as food, energy and healthcare.⁹⁸ The benefit, amounting to EUR 80 every two months requires inscription in the municipal register (*anagrafe municipale*); non-EU citizens must possess a long-term EU residence permit.⁹⁹ Eligibility is limited to households with children under the age of three and to senior citizens aged 65 or older, and is subject to strict economic criteria linked to assets,¹⁰⁰ income and the ISEE. While the ISEE threshold and income limits are adjusted annually for inflation,¹⁰¹ the bene-

95 Unlike the “basic” benefit, the increase is subject to both personal and couple-based income thresholds. The annual couple-based income threshold for eligibility to an increase of EUR 402 is set at EUR 16,503 (2024).

96 Corte Cost., sent. No. 152/2020. This case was one of the rare instances in which the Court corrected the legislator by extending the personal scope of minimum social protection.

97 Art. 15 of DL 104/2020. The increase also applies to contributory invalidity pensions under Law No. 222/1984.

98 Art. 81, paras. 29-32 of DL 112/2008, converted into Law No. 133/2008 (with amendments). For the dispute on legislative competences, see Corte Cost., sent. No. 10/2010.

99 Initially, coverage was limited to Italian citizens only. Law No. 147 of 27 December 2013 extended the personal scope to EU citizens and third-country nationals in possession of a long-term residence permit.

100 Beneficiaries may be owners of only one residence and only one motor vehicle; account holder (individually or together with their spouse) of only one electricity and gas utility bill, and have less than EUR 15,000 in savings.

101 The 2024 ISEE threshold and the annual personal income threshold was EUR 8,053 for senior citizens aged 65-69 (increased to EUR 10,737 for those aged 70 and above).

fit amount remains fixed. The Card can be used in affiliated commercial establishments to purchase food, pharmaceutical and para-pharmaceutical products, and to pay utility (electricity and gas) bills.¹⁰²

b) Additional Benefits

aa) Universal Child Benefit

In 2022, Italy introduced a new family allowance for dependent children, designed to significantly expand both child benefits and coverage.¹⁰³ The new single and universal child benefit applies to all dependent minor children (starting from the seventh month of pregnancy) until they reach adulthood. Under specific conditions, coverage is extended up to the child's 21st birthday.¹⁰⁴ Only parents with Italian or EU citizenship who have resided in Italy for at least two years are eligible for this benefit.¹⁰⁵ In addition to the residence requirement, third-country nationals must possess an open-ended permanent residence permit or have an employment contract of at least six months.

The amount of benefit depends on the household's financial situation, as assessed through the ISEE indicator, as well as on the number and age of dependent and/or disabled children. For families with an ISEE below EUR 15,000, the maximum monthly amount in 2022 was EUR 175 per child (reduced to 85 EUR for adult children under the age of 21).¹⁰⁶ For higher ISEE levels, the benefit amount gradually decreases, reaching a minimum of 50 EUR per child for households with an ISEE level of EUR 40,000 or more. Flat-rate supplements are provided for each dependent child beyond

102 Social Card holders are entitled to reimbursement for milk and nappy expenses, Law No. 9/2009.

103 See Legislative Decree No. 230 of 29 December 2021, implementing enabling Act (*legge delega*) No. 46/2021.

104 The age-related extension also applies to children registered as unemployed at a job centre who are actively searching for a job; or if they are volunteering for the social services (*servizio civile universale*).

105 On 25 July 2024, the EU Commission decided to refer Italy to the Court of Justice of the European Union for the restrictions on access to the child allowance benefit for foreign workers.

106 Art. 4 Legislative Decree No. 230/2021 and subsequent modifications. Due to adjustments to inflation, the 2024 amounts correspond to a maximum of EUR 199 for one child under the age of 18, and EUR 97 for each dependent child aged 18-20.

the second child¹⁰⁷ and in case of early motherhood. The Budget Law for 2023¹⁰⁸ introduced additional increases for children during their first year of life, and for children aged 1-3 years that are raised in large families with three or more dependent children. Additional supplements are provided to large households with four or more children and for families in which both parents are employed.¹⁰⁹

Both the monthly benefit amounts and the ISEE thresholds are adjusted annually in line with changes in the cost of living.¹¹⁰

bb) Support for Housing Costs and Essential Services

According to Art. 47, para. 2 of the Constitution, the Republic is entrusted with the task of “promoting access to housing”, including through social support measures. In practice, national social legislation has paid little, if any, attention to such support. Home ownership is traditionally widespread, and measures to facilitate access to home ownership for particular categories of individuals or families with a low income have typically been funded through annual budget laws. On the other hand, “social housing” has steadily declined over time, with social rented housing only accounting for around 5.5 per cent and private rented housing for 16.3 per cent of the national housing stock (2015).¹¹¹

National social legislation does not provide any direct housing benefits to support rental costs for low-income tenants, with the exception of a flat-rate rent subsidy included in the ADI benefit, which has been in effect since January 2024.¹¹² State legislation only offers indirect support for tenants by

107 Art. 4, paras. 3 and 7 of Legislative Decree No. 230/2021.

108 Budget Law for 2023, Law No. 197/2022.

109 Art. 4, paras. 8 and 10 Legislative Decree No. 230/2021. Special supplements are provided for children with disabilities.

110 Art. 4, para. 11 Legislative Decree No. 230/2021. The initial annual threshold of EUR 15,000 for the maximum amounts was raised to EUR 17,090 as of 2024.

111 Housing Europe, *The State of Housing in the EU 2015*, (2015), p. 62. On the different meanings of “social housing” in Italy and its evolution, see N. Caruso, *Policies and Practices in Italian Welfare Housing* (Springer 2017), pp. 23 ff., 40 ff.

112 Regions, autonomous provinces or municipalities can provide direct subsidies to support vulnerable groups at the local level. For example, as of November 2023, the Autonomous Province of Bolzano provides a standard monthly allowance of up to EUR 195 to help cover rent and incidental expenses. Beneficiaries of the minimum pension who are aged 65 or older and live in a single-member household, are

way of a contribution aimed at reducing rent for low-income households.¹¹³ Funding depends on the financial resources allocated through the annual state budget laws.¹¹⁴

Special bonuses were introduced in 2008 to ensure access to essential public services for low-income households, including the electricity and gas bonuses (initially only available for households with an ISEE below EUR 7,500).¹¹⁵ In 2015, a similar measure was introduced to guarantee access to water,¹¹⁶ exempting low-income households (with an ISEE below EUR 8,265 EUR or EUR 20,000 for families with at least four dependent children) from payments for the “minimum amount of water deemed vital for the satisfaction of essential needs”. Another social bonus to reduce the waste tax for low-income households was introduced by the 2020 Budget Law. Since 2018, a reduced fee for telephone and internet access has been available for low-income households. Public transport fare reductions are available in some regions on the basis of varying eligibility conditions.¹¹⁷ The ISEE threshold for energy bonuses was raised to EUR 15,000 in 2023, while the personal scope of application was reduced in 2024.

cc) Income Support for Training and Employment

The income support for training and employment (*supporto per la formazione e il lavoro*, SFL) is a targeted measure that was introduced on 1 September 2023 to promote the employment of persons at risk of social and labour market exclusion. The benefit is granted to those enrolled in

entitled to an increased allowance (up to EUR 240), provided their pension income does not exceed EUR 10,000 and they do not possess any other significant assets beyond their home, cf. Art. 20 of Presidential Decree of the Provincial Government No. 30 of 11 August 2000, as amended.

113 Art. 11 of Law No. 431/1998, as amended. The measure cannot be accessed directly but is granted according to a distinct municipal ranking list, with priority given to tenants whose overall annual income does not exceed twice the minimum pension of INPS, and for whom rent is at least 14 per cent of their income. The municipality is also responsible for determining the access criteria and amount.

114 The budget laws may also provide relief through special tax deductions (e.g. Budget Law for 2024).

115 Interministerial Decree of 28 December 2007 (Bonus electricity); Art. 3 of Law No. 2/2009 (Bonus gas).

116 Law No. 221/2015.

117 For an overview, see M. Raitano, M. Natali et al., *Access to essential services for low-income people. Italy* (European Commission 2020).

training programmes, vocational and reskilling courses, career guidance programmes, job placement services, and other active labour market policies.¹¹⁸ It targets individuals aged 18 to 59 who are deemed to have “capacity for work” (*occupabile*) but do not qualify for the ADI benefit. The residence and economic eligibility criteria are the same as for the ADI benefit, particularly the requirement for a low ISEE below EUR 6,000 (adjusted in line with the scale of equivalence). Applicants must follow the same activation procedures as those required for the ADI benefit, including participation in work activation initiatives.

The modest monthly flat-rate amount of EUR 350 is only provided during periods of participation in a training programme and is limited to maximum 12 monthly payments, i.e. it is not renewable.¹¹⁹ Unlike the ADI benefit scheme, the SFL does not include any housing-related support.

dd) Ad-hoc Measures in Crisis Situations

During periods of increased economic pressure, the Italian State continues to rely on ad-hoc interventions to support families or individuals facing financial hardship.

Under the Budget Law for 2023¹²⁰, the government introduced a new solidarity card (*carta solidale* “*Dedicata a Te*”) for the purchase of basic necessities, as a special one-off benefit to help households cope with the rising cost of living. The benefit, amounting to EUR 460 in 2023 and raised to EUR 500 in 2024, is paid by INPS to households consisting of at least three members with an ISEE below EUR 15,000. The benefit is intended to cover food, fuel and public transport costs. Households already receiving another

118 Art.12 DL 48/2023. For details, see F. Nardelli, ‘Il supporto per la formazione e il lavoro. Prime riflessioni sullo strumento introdotto dal c.d. decreto lavoro’ *Il lavoro nella Giurisprudenza* (2023)10, pp. 884 ff.; L. De Menech, M. Ruggiero ‘Il supporto per la formazione e l’occupazione: un faro per l’inclusione e lo sviluppo professionale in Italia e in Europa’ *LavoroDirittiEuropa* (2024) 1.

119 From 2025, the SFL scheme was slightly improved, with Law No. 207/2024 (Budget Law for 2025) introducing higher income limits, raising the benefit amount up to EUR 500 and extending the maximum duration by an additional 12 months.

120 Art.1, para. 450, of Law No. 197 of 29 December 2022 (Budget Law for 2023), as amended by Art. 2, para. 1 (a) and (b) of Decree-Law No. 131, converted, with amendments, by Law No. 169 of 27 November 2023; Art.1, paras. 2, 3, 4 and 5 of Law No. 213 of 30 December 2023; Interministerial Decree of 4 June 2024; INPS, Message No. 2575/2024.

form of income support are excluded from eligibility. The Budget Law for 2023 also introduced a new experimental measure called “food income” (*reddito alimentare*) aimed at assisting people living in poverty through the distribution of food items and to fight food waste.¹²¹ Eligibility for this programme is limited to households with an ISEE below EUR 15,000.

c) Interaction of Different Benefits

The interaction between traditional and newly introduced minimum income schemes depends on the specific rules governing each scheme. Whether benefits can be combined often hinges on income thresholds and on which types of benefits are included or excluded from the income test defined by each scheme.

In general, the compatibility rules for traditional welfare pensions such as those for senior citizens and for disabled civilians are quite restrictive. Cumulation with other benefits is often not possible, with the exception of family allowances and specific disability-related supplementary benefits or provisions that are not subject to any means testing. However, entitlement to a minimum pension or to a social allowance for elderly or for civilian invalids frequently opens access to additional bonus payments and other benefits (for instance, a bonus for electricity costs and other essential services, a bonus for medical expenses, discounts for public transport, etc). The complexity increases further when considering the combinations between national minimum income measures and financial assistance provided at the local or regional level.

The interaction between minimum income schemes and other welfare benefits becomes even more complex when eligibility depends not only on means testing, but also on meeting the ISEE threshold. This is the case with the ADI scheme which regulates the compatibility of the minimum income benefit with other social benefits and services (Art. 2, para. 7 DL 48/2023), including the new single child benefit (*assegno unico e universale*)¹²², other

121 Budget Law for 2023, Art. 1, para. 434 f.; Ministerial Decree (D.M.) No. 78, 26 May 2023.

122 Legislative Decree No. 230/2021. For the total amount when both benefits are combined, cf. G. Bertoluzza, ‘Contrasto alla povertà: il ruolo delle Caritas nel contesto delle politiche pubbliche in mutamento’, in: Caritas Italiana (ed.), *Tutto da perdere. Rapporto su povertà ed esclusione sociale in Italia* (Palumbi 2023), p. 187.

national or regional anti-poverty measures,¹²³ benefits for involuntary unemployment,¹²⁴ benefits granted in the form of service vouchers in lieu of social services, or cash benefits for conditions related to disability. Social benefits provided in addition to the ADI benefit may entail subsequent eligibility restrictions, given that such benefits are considered an additional income in the subsequent ISEE declaration, if ISEE regulations do not stipulate an exemption. This problem could also arise with respect to the new child allowance.

III. Analysis

1. Defining the Standard for a Dignified Life

Social legislation on minimum income benefits rarely refers explicitly to the guarantee of a life in dignity. This legislative reluctance is evident, for instance, in the minimum income guaranteed by the contributory minimum pension for former workers which should correspond to the constitutional parameter of “adequacy to the needs of life”, yet the precise content of this principle remains subject to debate, given the legislator’s broad discretion to define the minimum level of protection.¹²⁵ The minimum wage cannot serve as a benchmark, as Italy has still not introduced a statutory minimum wage, even though the *Corte di Cassazione* set the “constitutional” minimum wage at EUR 650 per month for full-time employment in 2023.¹²⁶ This amount falls short of guaranteeing freedom from want, and certainly

123 For example, the ordinary Social Card or the Dignity Income (*Reddito di Dignità*) introduced by Regional Law (Apulia) No. 3 of 14 March 2016, revised in 2019 to extend coverage.

124 In particular, the benefits paid under the New Social Insurance for Employment (NASPI), DIS-COLL (unemployment benefit for workers in a coordinated collaboration relationship) and other income support measures are compatible with the ADI. However, the ADI benefit is not compatible with short-time work benefits, the maternity or paternity benefit, or sick leave benefit.

125 P. Bozzao, ‘Sistema pensionistico’, in: *Digesto delle Discipline Privatistiche. Sezione Commerciale*, Aggiornamento IX (UTET 2022), pp. 369-395, 378 ff.

126 Cass. civ., Sez. lav., 2/10/2023, n. 27711; Cass. civ., Sez. lav., 2/10/2023, n. 27713; Cass. civ., Sez. lav., 2/10/2023, n. 27769; Cass. civ., Sez. lav., 10/10/2023, n. 28320; Cass. civ., Sez. lav., 10/10/2023, n. 28321; Cass. civ., Sez. lav., 10/10/2023, n. 28323 affirming the possibility that wages dictated by collective agreements can be disappplied by the judge and replaced with more appropriate amounts.

does not meet the standard of a free life in dignity as enshrined in Art. 36 of the Italian Constitution.¹²⁷

The 2013 bill on the “Institution of the Citizenship Income” envisioned “a system aimed at reducing social exclusion and enhancing each individual’s opportunity for development within modern society”, guaranteeing “a minimum subsistence level” while also “incentivising personal and social growth”. These objectives should be pursued “with respect for the dignity of the individual”.¹²⁸ However, the concept of an adequate minimum level of subsistence to promote the “personal and social growth of the individual” has not been incorporated into the legislative objectives of the 2024 allowance scheme. This is evident in the technical parameters defining the amount and duration of the benefit, as well as in the restrictive access criteria, resulting from the definition of dependent family members and the excessive emphasis on family responsibility. The principles underlying the rules on “suitable work” and activation are closely linked to the workfare approach, in which dignity is assumed to be based on and derived from work. This is perceived as the key criterion for ‘deserving’ public support.

A key parameter for determining whether and to what extent Italian minimum protection schemes can guarantee a decent standard of living is the definition of absolute poverty thresholds developed by ISTAT for statistical purposes.¹²⁹ The ISTAT thresholds serve as an important reference point in Italian social policy debates. The absolute poverty thresholds vary depending on household size¹³⁰, age composition, geographical area and the size of the municipality of residence. The indicator is derived from a fixed basket of goods and services considered essential for a household to achieve a minimally acceptable and decent standard of living. These basic

127 M. Tufo, ‘I working poor in Italia’ RDSS (2020), pp. 185–214.

128 Cf. d.d.l. n. 1148/2013 per l’istituzione del reddito di cittadinanza nonché delega al Governo per l’introduzione del salario mínimo orario” del *Movimento 5 Stelle*, cited by M. Altamiri, ‘Tra assistenza e solidarietà: la liberazione dal bisogno nel recente dibattito politico parlamentare’, in: M. Ferraresi (ed.), *Reddito di inclusione e reddito di cittadinanza. Il contrasto alla povertà tra diritto e politica* (Giappichelli 2018), pp. 114, 116.

129 On the methodological approach to determine absolute poverty, see ISTAT, *Le statistiche dell’Istat sulla povertà in Italia, Anno 2023. Statistiche report* (2024), pp. 10 f; A. Cuttillo, M. Raitano, I. Siciliani, ‘Income-Based and Consumption-Based Measurement of Absolute Poverty: Insights from Italy’ *Social Indicators Research* 161 (2022), pp. 689–710.

130 Calculated using the Carbonaro scale of equivalence (ranging from 0.6 for a single-person household to 2.4 for 7 and more household members), cf. ISTAT (n 129), p. 9.

needs include adequate food, access to housing that fits the size and needs of the household, equipped with heating, basic services, durable goods and household accessories, as well as the minimum necessities in terms of clothing, communication, information technology, mobility, education and healthcare.

This approach results in a wide range of absolute poverty thresholds: for a single adult aged between 30 to 59 years, it can range from EUR 718 (if residing in a small village in Apulia) to EUR 1,217 (if residing in a metropolitan municipality in Lombardy).¹³¹ A second challenge in assessing whether an adequate minimum income is guaranteed lies in the complexity of the various cash and/or in-kind benefits provided at national, regional or local levels.¹³²

2. Level of Benefits and Access to the ADI Scheme

a) Standard Benefit Level Compared to Absolute Poverty Thresholds

The ADI scheme implemented in 2024 maintained the same standard benefit amount for a single-person household (EUR 500 EUR or EUR 630 for those aged 67 or above) as was the case under the RdC scheme from 2019 to 2023. When combined with the rental subsidy of EUR 280 (EUR 150 for beneficiaries aged 67 and above), the maximum monthly amount of EUR 780 recalls the guaranteed minimum income benefit initially proposed by the *Movimento 5 Stelle* in 2013. This early proposal was based on the concept of a “median income” as a benchmark for determining the benefit amount, aiming to guarantee “an income in accordance with household size and the official EU monetary poverty indicator of 6/10 of the median equivalised household income”. In 2013, when the bill was proposed, the median income in Italy was calculated by ISTAT to be approximately EUR 15,000, making the 60 per cent threshold equivalent to

131 According to ISTAT estimations, based on 2022 data from the Household Consumption Expenditure Survey, cf. ISTAT (n 129), p. 11.

132 On the fragmented and intermittent minimum income schemes at various levels, see C. Saraceno, D. Benassi, E. Morlicchio (n 3), pp. 123 ff. Provision is not always guaranteed as a legal entitlement, but may depend on the availability of public funds, or granted for a limited period, as in the case of the “Liberty Income” (*Reddito di Libertà*) of EUR 400 per month, paid to victims of gender-based violence for up to 12 months, cf. DL 34/2020 and DPCM of 17.12.2020, now converted into a structural benefit by the Budget Law for 2024.

EUR 750 per month.¹³³ Thus, a benefit level similar to the relative poverty benchmark proposed in 2013 was reintroduced a decade later under the ADI minimum income scheme to fight poverty. However, when measured against the absolute poverty thresholds calculated by ISTAT for 2022,¹³⁴ the standard basic amount of EUR 500 or EUR 630 per month (provided in 2024) falls short of ensuring a life in dignity, especially in light of the persistent rise in the cost of living.¹³⁵ Even when the rental subsidy is added, an adequate benefit level relative to the absolute poverty threshold is not guaranteed due to the absence of a realistic assessment of actual housing costs. This flat-rate increase does not take household size into account, nor does it provide support for homeowners' mortgage costs. This approach raises serious concerns about the legislator's commitment to guaranteeing an adequate minimum income that supports a life in dignity.

There is no publicly available information explaining the rationale behind the chosen benefit levels or their calculations. It is assumed that the calculations were primarily determined by the need to distribute a predetermined amount of tax revenue across a selected group of potential beneficiaries. In other words, the legislator's approach was driven by a logic of balancing the potential number of recipients with budgetary considerations, prioritizing the reduction of public spending in light of Italy's substantial public debt.¹³⁶ With the introduction of the ADI minimum income scheme, the government opted for a significant reduction in public expenditure compared to the previous RdC scheme. Further evidence of the normative aim to reduce State spending can be found in the technical provisions on the calculation and duration of benefits.

133 M. Altamiri (n 128), p. 116. Other parliamentary initiatives proposed lower minimum income levels, e.g. a monthly amount of EUR 600 as in DDL No. 1683/2013 or 500 EUR in DDL No. 1919/2015 ("Disposizioni per l'introduzione di una misura universale di contrasto alla povertà denominata reddito minimo". When the *Movimento 5 Stelle* joined the coalition government in 2018, the same amount of minimum income as proposed in 2013 (EUR 780) was used for the Citizenship Income adopted in 2019.

134 More recent absolute poverty thresholds for 2024 (updated for inflation rates) have not yet been published.

135 The annual inflation rate was 8.74 per cent in 2022, 5.9 per cent in 2023, cf. Eurostat data.

136 In 2023, Italy's public debt reached 134 per cent of the country's GDP. According to Eurostat, Italy had the highest government deficit of all EU Member States recorded in 2024.

b) Limitations to Benefits due to Calculation and Duration Rules

The ADI benefit is not an individual but a family entitlement, determined by household size. A new mechanism referred to as the scale of equivalence is used to calculate both the benefit amount and the income threshold based on six coefficients.

However, these coefficients are at the discretion of the legislator and do not accurately reflect the actual cost or burden of additional household members, like a genuine scale of equivalence would, such as the one used in the ISEE.¹³⁷ Unlike the ISEE, which applies an open-ended equivalence scale, the ADI coefficient is capped at 2.2, irrespective of family size (2.3 if a household member has a disability or lacks self-sufficiency).¹³⁸ This upper limit restricts the scheme's ability to meet a larger family's essential needs. As such, the instrument cannot be considered a genuine scale of equivalence but rather a simplified scale intended to reflect varying forms of fragility. The ADI equivalence scale excludes able-bodied individuals aged between 18 and 59, who are not caregivers as defined by the scheme¹³⁹, apart from the first household member. While this option appears to align with the legislator's decision to allocate the benefit to households with members of particular fragility, the scale of equivalence does not reflect the actual composition of the family unit, underscoring the legislator's refusal to provide adequate means of subsistence. Moreover, the ADI scale of equivalence paradoxically reduces the weighting of minors in a regressive manner,¹⁴⁰ with a negative impact on large families. Based on these

137 The ISEE scale of equivalence applies the following parameters: 1 for a single-person household, 1.57 for 2 household members, 2.04 for 3 household members, 2.46 for 4 household members, 2.85 for five household members, and an additional 0.35 for any subsequent household members. These parameters are increased for larger households (0.2 for families with 3 children, 0.35 for those with 4 children, 0.5 for households with 5 children; 0.2 for families with children under the age of 18, and which may reach 0.3 under specific conditions. See F. Pesaresi (ed.), *Il nuovo ISEE e i servizi sociali* (Maggioli 2015), p. 44 f.

138 The coefficient cap is slightly higher than under the Citizenship Income scheme.

139 Qualifying caregivers are allocated a coefficient of 0.4, persons with a serious distress a coefficient of 0.3.

140 0.15 for the first and second child under 18, further reduced to 0.10 for any subsequent child, while dependent children aged 18-21 years are excluded. By way of comparison, the modified OECD equivalence scale assigns a coefficient of 1 to the first household member, 0.5 for any additional member aged 14 or older, and 0.3 for each child under the age of 14.

findings, it can be concluded that the calculation mechanism falls short of covering the true costs of each additional household member, and is fraught with numerous paradoxes and inequities.¹⁴¹ Due to contradictory interactions between exclusions and coefficients, the new parameters defining which household members ‘count’ and to what extent, ultimately undermine the provision of adequate minimum income protection for many disadvantaged households.¹⁴²

The provisions governing the duration of ADI benefits also undermine adequate minimum income protection. Benefits are granted for an initial 18-month period, but before they can be renewed for an additional 12 months—and provided the eligibility criteria continue to be met, a one-month suspension period applies, regardless of whether hardship continues to persist. This rule is especially challenging for pensioners and diverges from the generally unlimited duration of minimum income benefits typically available to the elderly or individuals with a disability who are fully incapacitated for work. The suspension of payments reveals that the State does not ensure continuous minimum income protection throughout the entire period of economic hardship.

c) Relevant Family Units and Economic Requirements

The primary reason for exclusion from benefit eligibility under the ADI scheme lies in its new classification criteria, which effectively exclude all households that are not classified as “fragile”. According to some estimates,

141 For instance, a coefficient of 1.7 for a couple with two children, if one of them is under the age of 3, and the other is under the age of 18, will amount to a minimum monthly income of up to EUR 850. If both children are between 3 and 18, the coefficient drops to 1.3, and the monthly income will be EUR 650. If the couple has three children under the age of 18, the coefficient is increased to 1.8, amounting to a monthly income of EUR 900. For a couple with one child over the age of 3 and one adult child, the coefficient reduces to 1.15, and the monthly income is EUR 575.

142 Under the ADI benefit regime, adult family members who are neither severely disabled, over the age of 60, nor have care responsibilities for a child under the age of 3 are fully excluded from the coefficients used to calculate whether the household’s disposable income falls below (and if, to what extent) the threshold for benefit eligibility. On the impact of these rules, see C. Saraceno, ‘Così il nuovo reddito ha punito i più fragili’ *La Stampa* (6 February 2024).

this change in criteria affects over 1/3 of former RdC recipients.¹⁴³ The ADI benefit scheme not only requires a condition of personal “fragility” to be met, but ties eligibility to the benefit to the presence of “fragile” members in the household.¹⁴⁴ The criteria “fragility” echoes earlier welfare schemes related to specific indicators such as age, disability, or the presence of children under the age of three. The ADI scheme introduces additional eligibility criteria based on the presence of household members classified as belonging to the group of severely, non-economically disadvantaged persons. This category was added to mitigate the impact of the new selection criteria that would have significantly reduced the protection of those with a reduced capacity for work.

In addition, a set of other economic and non-economic eligibility criteria may result in the exclusion of both impoverished family units and individuals from adequate minimum income protection. As regards means testing, the income thresholds applicable to households are very low at EUR 6,000 per year (500 EUR per month), with a higher income threshold only applicable if all household members are at least 67 years old (statutory retirement age in 2024). Notably, the income threshold is not higher if the household resides in rented accommodation (notwithstanding entitlement to a rental supplement in case all relevant conditions are met). This exclusion is problematic, as it risks excluding a large number of households in genuine need of support.¹⁴⁵ Asset testing is also more stringent than under the RdC benefit scheme, with a new cap on the home’s value, which is now set at EUR 150,000, as well as an extension of the scope of durable goods¹⁴⁶ that are excluded from the calculation for eligibility for the ADI benefit.

Another factor limiting access to minimum income protection lies in the definition of the relevant family unit, particularly in the case of unmarried and childless single adults who do not live with their parents. If such individuals have no income of their own, they are considered financially dependent on their parents and thus as part of their parents’ household

143 A. Sartori, ‘Misure di inclusione sociale e lavorativa dopo il reddito di cittadinanza. Back to the future or to the past?’ RDSS (2023), p. 741, 751.

144 The Parliamentary Budget Office estimated that these new eligibility criteria would deprive 42 per cent of all families benefitting from the RdC from access to the ADI benefit.

145 Law No. 207/2024 (Budget Law for 2025) introduced higher income limits (including for rental/ housing) which reduced economic access restrictions to the scheme from 2025.

146 Such as recently acquired vehicles above a certain engine capacity.

for the purposes of calculating the ISEE and all other economic eligibility requirements, i.e. even if they have been living in their own household for many years.¹⁴⁷ As a result, the applications of such individuals for the ADI benefit often fail the statutory means test, especially if the applicant's parents receive a pension and are homeowners.

Another factor that has the potential of restricting access to benefits (or reducing their amount) is the narrow definition of individuals who face a "serious disadvantage". While households with such a member are, in principle, eligible for the ADI benefit, access may still be denied due to the additional condition that the individual facing serious disadvantage must be part of a specific social programme. This ties eligibility not to the condition of need itself, but to the availability or the local administration's discretion to establish and provide the required programmes.¹⁴⁸ This condition, set out in the Ministry's guidelines, withdraws protection from households in need if the relevant programme ends or is discontinued due to lack of funding. The narrowly defined term 'caregiver', which is restricted to adults who are caring for a child under the age of three or who have parental responsibilities for at least three children under the age of 18 or for disabled family members or other family members in need of care, may also lead to reductions in the benefit amount: even if caregiving responsibilities continue once the child has reached the age of three, the legally defined eligibility criteria are no longer being met and the individual with the parental responsibilities is therefore no longer considered a 'caregiver' in the household composition.

147 Under these circumstances, the relevant household is defined in accordance with Art. 3, para. 5 of DPCM No. 159/2013, a provision adopted in 2013 to prevent individuals from claiming exemptions from university fees, even if they were in fact being supported by their parents, or to avoid paying municipal real estate tax (*Imposta comunale sugli immobili, ICI*) on a second home. This rule was not applied under the RdC regime, in an effort to promote the autonomy of young people and adults more generally. However, under the ADI scheme, adults of advanced age who are not legally entitled to parental maintenance are classified as "dependent members" of the parental household.

148 G. Bronzini (n 46).

d) Restrictions Related to Sanctions and the Use of Benefits

A lack of protection may also result from the harsh sanction regime governing the ADI scheme, which provides for a suspension or cancellation of ADI benefits. If even just one household member fails to comply with the activation obligations, the entire household forfeits eligibility to the ADI benefit, highlighting the household's collective responsibility for the action of all its members.¹⁴⁹ In this case, a new application can only be submitted six months after the date of revocation.¹⁵⁰ This sanction applies when a household member fails to attend appointments with the social services without a justified reason. Even in the absence of a summons, beneficiaries are required to report to social services within the legally established timeframe. Failure to do so results in a suspension of the benefit, which may, however, be reinstated retroactively. While the temporary suspension of benefits is less severe than a cancellation of access to adequate means of subsistence, it nevertheless reflects the same principle of holding the entire household collectively accountable for the actions of all its individual members.

Compared to recipients of unemployment benefits, ADI beneficiaries are subject to stricter work conditionality, particularly in terms of the definition of "suitable" job offers for those who have capacity for work (Art. 9). They must accept any job offer that provides 1) an employment contract of indefinite duration anywhere within the national territory, without restrictions on distance; 2) a full-time or part-time contract amounting to at least 60 per cent of regular working hours; 3) an employment contract with a remuneration that is not below the minimum levels established by a collective agreement; 4) a fixed-term employment contract (including those offered through a temporary work agency), if the workplace is located within 80 km of the beneficiary's residence or is reachable within 120 minutes by public transport. The first (unjustified) refusal of such a job offer results in the loss of the ADI benefit. This strict conditionality is only attenuated for households with children under the age of 14. In this case, the obligation to accept low-paid jobs anywhere in the country is limited to positions located within 80 km of the place of residence or reachable within 120 minutes by

149 Art. 8, para. 6 DL 48/2023; Decree of the Ministry of Labour, No. 156 of 15/12/2023. Cf. S. Caffio (n 23), p. 232.

150 Art. 8, para. 9 of DL 48/2023.

public transport. Even this reduced condition may conflict with caregiving duties.

The new rules exacerbate the workfare logic not only by increasing mobility demands and extending the maximum commuting time to 120 minutes (up from 100 minutes under the previous rules), but more significantly by failing to define quality criteria, such as the minimum duration of fixed-term employment contracts and the lack of any proportionality between the ADI benefit and the minimum salary offered. Moreover, the beneficiary's "educational and training experiences and previous professional competences" are likely to be sidelined, as they are inevitably subordinated to "the job offers, training courses, projects of public utility, internships and other activation measures available."¹⁵¹

Ultimately, the reform's conditionality requirements fail to take the long-lasting dysfunctions and structural limitations of the employment service system into account. As employment services fall under regional jurisdiction, territorial disparities in terms of efficiency and outcomes continue to persist. The preferred instrument for promoting employment at the national level has been State-funded relief in the level of social insurance contributions by employers instead of providing training and reskilling or upskilling measures. This "institutional" shortfall is most pronounced in regions with high unemployment rates and limited labour demand, namely in regions where support for an adequate minimum income and social inclusion is most urgently needed.

In addition to sanctions for non-compliance with activation requirements,¹⁵² the ADI scheme imposes the (unusual) requirement that beneficiaries must not have been convicted of any criminal offence, including fraudulent declarations or failure to provide required information. Moreover, beneficiaries who have been sentenced to a prison term of at least one year are barred from access to ADI benefits for ten years.¹⁵³ This rule reflects the normative assumption that such individuals are in a self-inflicted situation, which seems to justify the State's refusal to assume responsibility for providing minimum income protection, leaving former prisoners

151 For a critical analysis of conditionality provisions, see F. De Michiel, 'Le misure di contrasto alla povertà nel c.d. decreto lavoro' *LavoroDirittiEuropa* (2024) 1; G. Bronzini (n 46).

152 Art. 8, para. 9 of DL 48/2023: if benefits are withdrawn due to less serious offences, the recipient is not allowed to submit a new application before six months have elapsed.

153 Art. 8, para. 3 of DL 48/2023.

dependent on charity or family support.¹⁵⁴ This denial of State support constitutes a secondary sanction beyond the criminal sentence itself, and is rooted in the notion of “undeservingness”, which stands at odds with the principle of human dignity.

The human dignity of minimum income benefit recipients is not only undermined by inadequate benefit amounts, but also by the modalities linked to the payment of benefits, particularly through public control mechanisms that limit personal autonomy in spending decisions. The ADI scheme prohibits recipients from making online purchases or to purchase goods outside Italy, a restriction that also applies to the ordinary Social Card scheme. Such restrictions are at odds with the principle of financial autonomy as an element of dignity.

The reform signals a re-interpretation of social citizenship grounded in mutual obligations, marked by a strong punitive logic and a tendency to shift responsibility for income security back to family solidarity.¹⁵⁵ The emphasis lies primarily on the objective of preventing opportunistic or fraudulent behaviour and avoiding so-called ‘poverty traps’. However, the risks that arise from shortcomings in employment services, public activation measures,¹⁵⁶ or the lack of decent working conditions are being shifted onto economically disadvantaged individuals and their families. Several patterns of family responsibility are emerging: on the one hand, normative assumptions are holding families accountable for the actions of each household

154 A final conviction of the beneficiary for a non-culpable offence carrying a prison sentence of at least one year, as well as the imposition of a preventive measure by judicial authorities, leads to the automatic and immediate forfeiture of the benefit. The beneficiary is also required to repay any unduly received benefit amounts. The automatic forfeiture applies irrespective of the nature of the offence committed. The ADI benefit is suspended in case of violation of family support obligations (Art. 570 of the Criminal Code) and in case of violation of compliance with a minor’s compulsory school attendance until regular school attendance resumes. On the political abuse of criminal law and exemplary, disproportionate penalties (already stipulated in the RdC regime), cf. G. Picco, ‘L’apparato sanzionatorio nel “Decreto Lavoro” Il lavoro nella Giurisprudenza (2023)8-9, pp. 792 ff.

155 This rationale was already incorporated in the RdC scheme. See the analysis of M. D’Onghia, ‘Il Reddito di Cittadinanza un anno dopo’ Labor. Il lavoro nel diritto (2020)1, pp. 27, 42 ff.

156 On critical elements of Italian employment services, cf. P. Bozzao, ‘Politiche attive per l’occupazione e Centri per l’impiego’, in: P. Curzio (ed.) *Diritto del lavoro contemporaneo. Questioni e tendenze* (Cacucci 2019), p. 171; P. Bozzao, ‘Il reddito di cittadinanza. Un primo bilancio a tre anni dal suo avvio’, in: CNEL (ed.), *XXIV Rapporto mercato del lavoro e contrattazione collettiva* (2022), pp. 243, 251 f.

member and for reconciling activation requirements with caregiving duties for children over the age of three. On the other hand, the system reflects normative assumptions associated with traditional family structures, only recognising caregivers as relevant household members if they are providing care for a child under the age of three, for at least three children, or for other family members classified as ‘fragile’, reflecting traditional family structures as a substitute for comprehensive public support.

3. Minimum Income Levels Guaranteed by “Traditional Schemes”

In comparison to the ADI benefit, traditional minimum income schemes introduced in the previous century offered a more adequate level of protection, particularly for beneficiaries aged 70 and older. The combination of the ‘increment to the million’ and the traditional contributory and non-contributory minimum pensions provide up to EUR 735 per month (2024), which with 13 monthly payments brings income levels close to the absolute poverty threshold. However, younger beneficiaries of contributory pensions and even more so beneficiaries of non-contributory old-age pensions, may not receive an adequate amount of benefits that would allow for a life in dignity across all regions of the country. In metropolitan areas, in particular, the guaranteed minimum amount may remain below the absolute poverty threshold, even when accounting for the 13th monthly instalment and the modest “*maggiorazione sociale*” supplement.

The special minimum income scheme targeting disabled civilians without any capacity for work traditionally provided only modest support to cover their basic needs. This form of support increased substantially when social legislation extended eligibility for the “increment to the million”, initially reserved for beneficiaries of an old-age pension aged 70 and older, to recipients of the civil invalidity pension aged 60 and above in 2002, and subsequently to those aged 18 and older in 2020. In contrast, the minimum income benefit for impoverished, disabled individuals with a partial, albeit significantly reduced, capacity for work remains very modest and must be deemed inadequate to ensure a life in dignity.

The economic eligibility criteria for accessing various minimum income schemes reveal substantial disparities arising from fragmented social legislation and different approaches to means testing. While some schemes only apply income tests with varying thresholds, they do not consider movable or immovable assets and do not require an ISEE declaration: not surprisingly, the most generous access rules apply to the guaranteed minimum

income scheme for contributory old-age pensioners, as well as to recipients of a minimum pensions for invalids and who are fully incapacitated for work.

Stricter means-testing rules apply to the non-contributory minimum pension (*assegno sociale*). However, movable or immovable assets are excluded from the means test. The use of comparatively more lenient means tests — often limited to individual or partner-related income, and in some cases to personal income only, without considering any potential assets — reflects a traditional notion of presumed ‘deservingness’, associated with stronger State responsibility.

Finally, the benefit levels provided by the “Social Card” introduced in 2008, along with the corresponding economic eligibility requirements, are insufficient to guarantee a life in dignity. The scheme is designed to only cover the most basic needs such as food, energy and healthcare. In addition to meeting the ISEE threshold, beneficiaries must also fulfil additional means-testing criteria such as limits to household income and financial assets, albeit excluding durable goods as in case of the ADI scheme.

4. Indexation Rules

An adequate minimum income can only be sustained over time if indexation rules ensure protection against inflation. Mechanisms that preserve the purchasing power of benefits are a fundamental component of adequate subsistence support, but not all minimum income schemes provide such safeguards.

Only the “traditional” minimum income schemes for old age or for reduced capacity for work provide automatic annual adjustments to benefit levels (and income thresholds). These adjustments are based on changes in the Consumer Price Index as calculated by ISTAT for the preceding calendar year. This mechanism is also applied to statutory pensions and the universal child benefit. In periods of high inflation, the legislator supplements regular adjustments with special ad-hoc corrections or deviations from the regular schedule.¹⁵⁷ Increases in old-age pensions and those receiving an invalidity pension for full incapacity for work serve as an additional

157 For example, the Budget Law for 2023 introduced a “*bonus perequativo*” of 2.7 per cent on the minimum pension. In 2024, the application of this bonus increased the guaranteed contributory minimum pension of EUR 599 by EUR 16 to a total of EUR 615 (with 13 payments).

mechanism for raising minimum income levels and ensuring a decent standard of living.

Conversely, the new ADI and the ordinary Social Card schemes do not include a mechanism for regular benefit adjustment, resulting in an erosion of their original value over time. The income threshold of the ADI scheme is not indexed to inflation either, resulting in a reduction of the number of potential beneficiaries. Individuals may be excluded from the benefit scheme despite the fact that their subsistence needs are not met. This risk is not present in the Social Card scheme, as its income threshold is subject to annual adjustment. The absence of regular adjustment mechanisms only confirms the ambiguity surrounding minimum income protection and the reluctance to recognize it as a responsibility of the State. Additional protection through ad-hoc interventions is often left to the discretion of the legislator, e.g. through one-off bonus payments for specific needs (e.g. energy costs). In this respect, access to adequate minimum income is not guaranteed as a structural element within the legal framework, but depends on the government's discretion to allocate public resources through annual budget laws.

5. Residence-Related Conditions

Non-economic eligibility criteria are frequently used as a selection mechanism to control public expenditure by limiting access to a last-resort safety net at the expense of economically disadvantaged individuals and households. One salient feature of Italy's minimum income schemes is the restricted access for foreign nationals. This exclusionary approach has also been taken by the ADI minimum income scheme under DL 48/2023, and excludes many immigrant families from minimum income protection, despite the reduction in the duration of residence requirement.

Many minimum income schemes require beneficiaries to be in possession of a long-term residence permit and extended residency conditions as proof of rootedness in Italy, but they also effectively limit access as an indirect exclusion mechanism.

Traditional minimum income guarantees in contributory schemes and minimum income protection for disabled civilians without work capacity do not require prolonged legal residence as an eligibility criterion. However, since 2009, the non-contributory social allowance for the elderly has included a residence requirement of ten years (with at least the last

two years being continuous). While the Constitutional Court has declared several regional welfare provisions with similar residence requirements as unconstitutional, it upheld the ten-year residence requirement for access to the *assegno sociale*.¹⁵⁸ It found that social allowance represents “support from the community in which (the beneficiaries) have worked (...), and also reflects a solidaristic recognition of their dutiful contribution to the material or spiritual progress of society”. The Court’s argument is based on a logic of corresponsibility, which is typically not applied to welfare benefits for individuals who lack the means of subsistence. The Italian government has reduced the residence requirement for the ADI scheme to five years, aligning it more closely with the minimum residency period required to obtain a long-term (permanent) residence permit under EU law. Despite this relaxation, many migrant families (in particular third-country nationals) remain excluded from access to minimum income protection.

A notable problem is the requirement to possess a qualified long-term residence permit as a condition for access to minimum income benefits. This requirement applies to the old-age social allowance, the ordinary Social Card and the ADI scheme. In contrast, beneficiaries of the welfare pension for disabled civilians without work capacity (and other welfare benefits for disabled persons) are exempt from this stricter requirement; they only need to have been in possession of a residence permit for at least one year.¹⁵⁹

The requirement to have been in possession of a qualified residence permit to be eligible for non-invalidity-based guaranteed minimum income benefits is a contentious issue. While the Constitutional Court upheld the constitutionality of this requirement in relation to the RdC benefit,¹⁶⁰ it also reprimanded the legislature to fulfil its duty “of implementing the constitutional principles set out in Articles 2, 3 and 38(1) to guarantee the

158 Corte Cost., sent. No. 50/2019 found that the restrictive residence clause was in conformity with Art. 3 of the Constitution. In April 2023, the Court of Cassation again questioned the constitutional legitimacy of the residence requirement citing a violation of EU law, supported by recent case law of the European Court of Justice (C-350/2020 of 2/09/2021).

159 Corte Cost., sent. No. 22/2015, and INPS, Message No. 6456 of 20 October 2015. See also INPS Message No. 1268 of 3 April 2023, specifying that the accrual of the 10-year residency requirement is interrupted in the event of the individual’s absence from Italian territory for a period equal to or exceeding six consecutive months or for a total of ten months within a five-year period. Exceptions to this interruption apply for serious and proven reasons.

160 Corte Cost., sent. No. 19/2022.

right of every individual to a life in dignity and a minimum level of subsistence”. However, the ADI scheme has replicated the same residence permit requirement. This raises questions about conformity with EU law, though a judgment in a preliminary ruling by the European Court of Justice on this matter is still pending.¹⁶¹

IV. Concluding Remarks

With the adoption of DL 48/2023, Italy’s minimum income policy has suffered a serious setback. The reform divides potential beneficiaries of minimum income support into two groups: i) those eligible for the ADI benefit, and ii) those who can only access the new “Support for Training and Work” benefit, which does not qualify as a minimum income benefit. This distinction, based on an actual or presumed capacity for work, places many households and individuals at risk of losing their right to a life in dignity. The new eligibility criteria for access to the minimum income benefit are linked to specific “fragilities” within the family unit. The ADI scheme not only establishes yet another categorical benefit that is associated with a specific classification, it also signals a shift away from State responsibility towards increased reliance on the family.

The analysis of the protective functions of “traditional” and newly introduced categorical schemes reveals significant differences in the State’s guarantee of an adequate minimum income for a life in dignity. Notable disparities exist in the guaranteed benefit amounts for different population groups, the criteria used to determine their resource insufficiency, the duration of benefits, and the mechanisms for benefit re-adjustment.

Traditional minimum income schemes for the elderly and the disabled civilians provide benefit levels that, in some cases, ensure a decent standard of living. The degree of adequacy varies depending on factors such as age-related increases in protection, the provision of 13 (or even 14) monthly instalments per year, automatic benefit adjustments, and more generous income thresholds. Means testing excludes assets but is limited to personal and/or couple-based income thresholds. Constitutional Court case law has contributed to enhancing the level of protection, particularly for disabled civilians who are fully incapacitated for work. Other groups of disabled civilians (e.g. those with only a partially reduced capacity for work) do not

161 European Commission, Infringement Case No. INFR (2022) 4113.

enjoy the same level of minimum income protection, despite the legislator's special attention to the need of disability-related protection in DL 48/2023.

As regards traditional minimum income schemes for the elderly and disabled persons, two problems are cause for concern regarding their ability to ensure a decent standard of living for the target population in the future. The first problem concerns the adequacy of guaranteed minimum contributory pensions, when the transitional phasing-out period of the INPS minimum pension scheme ends. Without any changes, future old-age pensioners with a small pension will need to rely on the social allowance for the elderly, which imposes extended residence requirements, or on the ADI benefit scheme, which has less strict residence conditions but applies more stringent economic criteria and provides lower benefit amounts. This situation falls short of the constitutional commitment to enhanced worker protection under Art. 38, para. 2 of the Constitution. The second problem relates to the extensive residence requirements imposed by the social allowance for the elderly.¹⁶²

The ADI scheme has a drastically limited scope of application, targeting only households that consist of members of a specific age, with specific health or social conditions. Compared to the previous minimum income scheme, its standards of protection have been reduced, resulting in substantial income losses for those in the lowest income decile. Moreover, the exclusion of family members deemed capable of participating in the labour market (or in public utility activities) from minimum income protection risks undermining the right to a decent standard of living for many individuals with a very low or no income.

From a broader perspective, the shift towards a contractual interpretation of the right to minimum income is particularly striking. This approach prioritises strict conditionality and punitive measures, framing support as contingent on a *quid pro quo* logic, whereby individuals facing economic hardship must meet specific obligations to access the resources they need for subsistence. The enhanced workfare approach echoes the rationale of 18th-century poor laws, and draws a line of continuity in the historical tendency to view an individual's condition of poverty with suspicion, to punish deviant attitudes, and exclude "outsiders". As in the past, the poor are held personally accountable for their condition, while the structural causes of poverty continue to be disregarded. Activation is treated as a form of total mobilisation of individuals, creating strong social unease and

162 See above (n 83).

further deepening marginalisation. Substantial cuts in public spending on minimum income protection call into question the State's responsibility to guarantee a life in dignity, not only for a narrowly defined group of "deserving poor", but for all individuals in need.

