

## **Convention in Verona, September 9-15, 2008**

### **Report of Cassa Italiana Geometri's President, Geom. Fausto Amadasi**

The regulated activity of the Italian Surveyor's profession began in 1929 with the institution of the Provincial Colleges, instead the Social Security started with Law no. 990 of October 1955 that recognized the Cassa Geometri as a Social Security Corporate Body of Category establishing a compulsory enrollment for surveyors with high incomes and a voluntary enrollment for those with lower incomes.

In 1967 the evolution of the Italian Surveyors' Social Security was completed with the introduction of a compulsory registration for all the surveyors enrolled with the Provincial Register Rolls, and with 41.678 affiliated, became one of the most important Social Security realities on a national level.

Since then, the swift development of the Category has corresponded to an equally sudden evolution of the welfare, that had an important acceleration in 1995 with the "privatization" of the Social Security Corporate Bodies of Category.

Since that date, in fact, to the Professionals' Social Security Bodies, in respect of their public function in the social security field, has given a normative and managerial autonomy while the State must establish the rules and exercise the supervision over them.

With the choice made by the Category to leave the public management and to cross the road of autonomy, the sustainability of the system and the adequacy of the treatments provided became the main goals to achieve without naturally neglecting the good administration and the prudent management of the resources.

**Today, after over 70 years from its foundation, Cassa Italiana Geometri has over 94.000 surveyors enrolled, provides more than 25.000 Social Security treatments, for an annual amount of around 295 million of Euro and receives contributions for about 368 million of Euro. The higher incomes accumulated in the years and the proceeds of the assets have allowed the Cassa Geometri to accumulate enough reserves to guarantee its actuarial sustainability for the next 40 years.**

The structure of our Social Security Corporate Body, which has its head office in Rome, includes the governance of the Category, which consists of the Board of Directors, composed by 11 members, and of the Delegates' Committee, composed by 150 Delegates in representation of all the Italian Provinces, and also the structure is composed of 136 employees.

Furthermore, one of the most remarkable characteristics of the Surveyors' Social Security Body is represented by its capillary organization on the territory that uses the structure and the organization of the Colleges has decentralized offices of the Cassa Geometri, with considerable benefits for the surveyors enrolled and for the Body itself. This is a unique characteristic in the Italian system of Professional Social Security Bodies.

Originally, when it was founded, the welfare was designed with the so-called "deferred compensation" system, based on an inter-generational pact based on the principle that the generation in activity provides with its own contribution to the treatments of the generation retired, guaranteeing them, with 30 years of activity, a substitution rate around 60% of their professional income gained in the last working period.

The increase of the average of living and the demographic decrease, in partnership to a very rapid evolution of the number of the surveyors enrolled, especially in the 70ies and 80ies, and followed by a physiological deceleration in the following years, don't allow the future generations to sustain this heavy burden anymore, therefore, since 1997, to maintain the sustainability of the system, we had to operate for gradually modify the original strategy.

Currently our social security system is based on a mixed system of "attenuated deferred compensation" where the generation in activity, numerically higher than the retired generation and presumably of the future one, beside providing the actual social security treatments must, also, capitalize a fund appropriate to relieve the future Social Security burden and to allow the new generations to overcome the so-called "Social Security hump" due to the swift increase of retirements in the next 15 years.

The main Social Security treatments provided by the Surveyors' Social Security Fund, each one with different mechanisms of calculation, are the following:

- old age pension, requires 65 years of age, with at least 35 years of working seniority;
- seniority pension, requires at least 40 years of working seniority or 35 years of working seniority and 58 years of age;
- inability pension, in case of incapacitating events, with at least 10 years of contributive seniority and the cancellation from the Board register;
- invalidity pension, in case of invalidating events, with at least 10 years of contributive seniority;
- survivor's pension for widow or widower of pensioners;
- survivor's pension for widow or widower and orphans of affiliate.

The confidence of relying on a suitable economic support in the moment in which a person leaves the working world is an essential goal for everyone, but we cannot forget that it becomes more and more important to support also those people who are in activity guaranteeing them healthcare and assistance coverage that are less and less insured from the general system.

That's why, the Cassa Geometri, aside from the Social Security treatments, provides also an assistance activity giving out extraordinary treatments to the colleagues in activity that are in financial straits for health reasons, guaranteeing maternity benefits for the colleagues and providing, for all the surveyors enrolled, an insurance coverage for major medical operations.

To conclude this report about the Italian Surveyor's Social Security, I would like to share with all of you the efforts that you

are making to promote the development of our activities, reminding you what for a long time my predecessor, President Fausto Savoldi who is here present as the President of the National Council, used to assert affirming that the Social Security is sustainable only if it has behind it a profession that's also sustainable.

What can we do to make surveyor's profession and social security sustainable?

In a recent conference, a prestigious professor of an American University has answered this question saying that, aside from accumulating funds, it's essential to know how to invest them in the most safe way so that they are available in the moment of need and that the most safe way to achieve this result is not what many financial guru's suggest, but to invest important resources in the young generation allowing them to start and develop those activities that are able to create contributions to pay the future pensions.

This will be the strategy that the governance of the Cassa Geometri intends to propose to its Delegates to face the problem of future sustainability.