



**ITALY**

**Contribution to the  
2015 United Nations Economic and Social Council  
(ECOSOC)  
Integration Segment**

**1. How has your Government used labour market policies, including wage policies, to help reduce social and income inequalities?**

In Italy, wage negotiation is on the remit of Social Partners, who agree on sectoral platforms dealing with wage and labour related issues, including working time arrangements. However, with a view to reducing inequalities, the current Government adopted a permanent tax credit of around yearly € 960 for low and medium income workers. Moreover, to alleviate poverty, the *Support for Active Inclusion* scheme, a mean tested allowance, was granted to low income household conditional on participation to a tailored support program, including active labour market policies provided by Public Employment Service.

**2. Has your Government used monetary, fiscal and trade policies to create employment and promote decent work for all, while ensuring social inclusion and environmental protection? In particular, is the pursue of full employment considered as a primary monetary policy objective by the Central Bank? Has your country experienced fiscal consolidation process in the recent years? If so, what has been the impact on employment and social protection in your country?**

As Italy is experimenting a severe fiscal consolidation plan to reduce public debt, the scope of fiscal policy remains quite limited, also considering limitations imposed by the endorsement of the Regulation of European Union on State Aids. Moreover, Full employment target is not among the objective of the European Central Bank, which action is focused on maintaining inflation rate at a sound level to ensure monetary stability.

**3. What kind of trade-offs has your Government encountered in the promotion of full employment and decent work for all? What can be done to enhance synergies between with respect to international labour standards and environmental safeguards, productivity, competitiveness and economic growth?**

In the Italian legislation and practice no trade-offs exist as safe and healthy Regulation prevent any possible misconduct of employers with respect to ensuring decent work conditions for employees. Furthermore, the European Employment Strategies has strengthened the framework for Italy to pursue a sustainable growth through the development of environmental-friendly policies.

**4. Is youth employment a major issue in your country? What is the proportion of the youth labour force [aged 15-24] that is unemployed in your country? Does your country have specific programmes targeted at youth employment?**

Youth unemployment poses a severe challenge, since the recent economic crisis has hit harder youth workforce. Unemployment rate has reached an unprecedented 43.9 % during 2014, while the proportion of NEETs (not in employment and in education) rose to 23.1 %. However, alongside a system of active labour market policies implemented at regional level (most of them underpinned by European initiatives promoting employment), a specific nation-wide program was launched in 2014, Youth Guarantee, to tackle youth unemployment and inactivity. The initiative targets young NEET aged 15-29 and has the objective of providing them with good quality offers in terms of employment, apprenticeship, traineeship or continued education/training. Out of an estimated potential target of around 1,720 thousands NEET in Italy, the initiative target is to provide support for around 570 thousands young in three years.

**5. How is your Government addressing the challenges of education/skills and jobs mismatch in your country, especially in the context of the transition to a sustainable development? Does your country have successful initiatives that link education and training to the world of work?**

Though not completely successful compared to the past, apprenticeship remains one of the most important policy aimed at facilitating labour market entry for youth at the same time enhancing their skills and making them more adequate to the employers' needs. Three types of apprenticeship coexist in Italy, two of them characterized by a ("full"?) dual training system that entails both formal education in school and work experience and training within companies. A third type of apprenticeship (*professional apprenticeship*, the most widespread) is instead fully carried out within companies, though a number of public "general skills" training is foreseen to be undertaken out of workplaces. Technical post-secondary education has been recently strengthened by setting up High Technical Colleges (ITS), which are managed by a network of companies and public institutions. By explicitly devising a role of companies in course scheduling and planning, and integrating them with work or traineeship experiences, the ITS proved to be successful in creating a stricter link between formal education and labour market.

**6. How has your Government mitigated the trade-offs between the environmental, economic or social dimension? What kinds of investments have generated the greatest job potential while maintaining environmental sustainability?**

The full endorsement of the Europe2020 strategy for a smart, sustainable and inclusive growth implies integrating in the policy agenda the pursue of a balanced mix of environmental, fiscal and labour policies aimed at boosting growth while preserving environmental safeguard. With this respect, for instance, renewable energy sources have been particularly incentivized, allowing for fostering new technologies, reducing emissions and create sustainable jobs.

**7. What kind of policy initiatives and approaches your Government have to facilitate the transition from informal to formal employment and to formalize and increase sustainability of small and micro enterprises, taking into account the economic, social and environmental dimensions of sustainable development?**

The general approach to facilitate the transition from informal (undeclared or under-declared jobs) is twofold. Incentives, in the form of a reduction of sanctions on past social contribution, are provided to the employer to formalize employment relationships, while the inspections on workplaces were reinforced and improved. Currently, the establishment of a centralized Agency for Inspections is foreseen in the enabling law adopted in December 2014 in order to enhance synergies between Regional Offices of Ministry of Labour, Health Local Authorities and National Security System Institute, previously in charge of conducting inspections in their fields of competence.

**8. What kind of institutional arrangements are in place in your country for the successful integration of economic, social and environmental dimensions of sustainable development to facilitate decent work?**

Social Dialogue is the major source of integration of economic, social and environmental spheres. NGOs, Social Partners and other relevant stakeholders participate in the lawmaking process through bilateral or multilateral meetings with the Government and local authorities. The civil society can also propose new laws if 50.000 citizen present a full text divided in articles (article 71. 2 Constitutional Charter). The popular project must pass through the Parliamentary exam, as all the other draft bills.

Even a single citizen can raise an argument to the Parliamentary Assembly as article 50 of Constitutional Charter allows single citizen or restricted groups to propose the Assembly to debate specific subjects of their concern or to ask for a new legislation.

The civil society can also express itself on the survival of an existing law perceived as no more viable through the referendum (article 75 of the Constitutional Charter). An abrogative referendum can be proposed by 500.000 citizens or by 5 regional assemblies on any kind of law, except those concerning taxation, ratification of international conventions, amnesty and pardon.

**9. How do the civil society, trade unions and the private sector engage in promoting an integrated approach to employment creation and decent work for all?**

As recognized by our Constitutional Charter in articles 39 and 40, freedom of association and social dialogue, collective bargaining and right to strike are the main instruments for civil society to express their influence on the world of work. Several others laws decline these rights in concrete reality, among the others Law 300/1970 (Workers' Statute). Collective bargaining is the most powerful tool to shape relationships between social partners and to produce rules who are judiciary recognized and applied by courts.

It is perhaps not superfluous to stress that our Constitution also guarantees the freedom of expression (article 21) through words, writings, newspapers or "any other tool of expression", which is fundamental for a constructive dialogue and participation.

**10. What the ECOSOC system do to help countries boost economic growth in a sustainable way that creates employment and decent work for all?**

ECOSOC may provide the universal forum where different experiences and best practices are brought together and exchanged with a view to creating a common understanding of the main challenges ahead and different available solutions.