

# Employment Observatory

## MISEP BASIC INFORMATION REPORT ITALY 1997



Employment & social affairs



European Commission

Employment & labour market

Mutual Information System  
on Employment Policies (MISEP)

Basic Information Report

ITALY

Institutions, Procedures and Measures

1997

European Commission

CEE: V/96

This document has been prepared for use within the European Commission. It does not necessarily represent the Commission's official position.

Articles and texts appearing in this document may be reproduced freely in whole or in part, providing their source is mentioned.

Published in October 1997

On the basis of an agreement of the directors-general for employment, the European Commission created a Mutual Information System on Employment Policies (MISEP) in 1982.

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States or from employment services. The centralised secretariat is fully accountable to the Commission.

MISEP was set up by the Commission in response to a need voiced by the delegations of the Member States in the Council for a mutual information exchange on developments in national employment policy measures and structures. The definition of MISEP's objective is to gather, synthesise, translate and disseminate relevant information in the Member States, serving each of the responsible national ministries and agencies in their daily decision-making, and aiding the Commission in its co-ordinating role at Community level.

The Basic Information Reports describe the structure and content of employment policy in each Member State. The reports all have a common structure and contain basic information which is essential for an understanding of how employment policies are conceived and implemented.

The material in this Basic Information Report has been provided by the Italian correspondent and is correct as of 31 May 1997. It is intended as a guide and an explanation of national policy measures in force at that date in Italy; it is not a substitute for the corresponding legal texts. It is designed to describe the policies and practices in Italy without value judgements either on the part of the Commission or the national correspondent.

While these reports will be updated periodically, further information and regular updating of measures are published in the system's quarterly policy bulletin, "inforMISEP Policies".

This document was produced on behalf of the European Commission by the Italian MISEP-correspondent and the I.A.S.

It can be ordered from:

MISEP Secretariat  
I.A.S. - Institute for Applied Socio-Economics  
Novalisstr. 10  
D-10115 Berlin

Tel. +49 - 30 - 2 82 10 47

Fax +49 - 30 - 2 82 63 78

E-mail: [eurocontact@ias-berlin.de](mailto:eurocontact@ias-berlin.de)

Internet: <http://www.ias-berlin.de>



## BENCHMARK STATISTICS 1996

<b>THE LAND</b>	
Area (1)	301,308
<b>THE PEOPLE</b>	
Population (2)	57,427,691
<b>PRODUCTION</b>	
Gross domestic product at market prices (3)	1,395,408
<b>LABOUR MARKET</b>	
<b>Working age population (15–69 years)</b>	<b>42,061,000</b>
<b>Labour force</b>	<b>22,851,000</b>
– of which women	8,615,000
<b>Activity rate</b>	<b>47.6%</b>
– for women	34.6%
– for men	61.5%
<b>Employment (total)</b>	<b>20,088,000</b>
of which:	
– women	7,187,000
– men	12,901,000
by Sector:	
– Agriculture	1,402,000
– Manufacturing	6,475,000
– Construction	1,598,000
– Tertiary sector	12,211,000
<b>Unemployment</b>	<b>2,763,000</b>
of which:	
– women	1,428,000
<b>Unemployment rate</b>	<b>12.1%</b>
by education:	
– no education or primary school certificate	10.2%
– lower secondary school certificate	13.1%
– upper secondary school certificate without eligibility for third-level education	11.2%
– intermediate university examination	13.7%
– university diploma	11.8%
– Master's degree	7.6%
– Doctor's degree	3.3%
<b>Registered unemployment</b>	<b>6,206,227</b>

(1) 31 December 1995.

(2) 30 September 1996.

(3) In billion ITL at prices of 1990.

Source: Data of Istat (based on informations of *Direzione Generale dell'Osservatorio del Mercato del Lavoro* and *Ministero del Lavoro e della Previdenza sociale*).



# CONTENTS

	Page
<b>Chapter I</b>	
<b>Institutions</b>	<b>1</b>
1. Ministry of Labour and Social Insurance	1
1.1 Legal status and constitutional competence	1
1.2 Decision-making bodies	1
1.3 Organisation	1
1.3.1 Central administration	1
1.3.2 Regional, provincial and local (district) labour offices	3
1.3.3 National advisory bodies	7
1.3.4 Regional collaborative bodies	8
1.3.5 Bodies for studying and planning measures on the labour market	9
1.4 Personnel	10
1.5 Operational budget	10
1.6 Cooperation and coordinated activities	11
1.7 International relations	12
2. National Economic and Labour Council – CNEL	13
2.1 Legal status	13
2.2 Decision-making bodies	13
2.3 Organisation	14
2.4 Operational budget	14
<b>Chapter II</b>	
<b>Legal Framework and Procedures</b>	<b>15</b>
1. Legal instruments	15
2. Individual Contract of Employment	15
3. Labour Market Institutions and Processes	18
3.1 Labour relations	18
3.2 Employers' organisations	19
3.3 Trade unions	19
3.4 Collective bargaining	20
3.5 Employee representation at company level	20
4. Legal Status of Jobseekers and Unemployment Benefits	21
4.1 General definition of unemployment and conditions for granting benefits	21
4.2 Characteristics of the job sought	23
4.3 Personal characteristics of jobseekers	24
4.4 Remaining registered as unemployed	25



	Page
5. Matching Labour Supply and Demand	26
5.1 Placement	26
5.2 Placement of special categories of workers	30
5.2.1 Placement in agriculture	30
5.2.2 Placement of persons working in show business	30
5.2.3 Compulsory employment quotas	31
5.2.4 Special regulations	31
5.2.5 Placement of foreign workers	31
5.2.6 Recruitment to the lower ranks of the public administration	32
6. Vocational Training	33
6.1 Organisation of vocational training	33
6.2 Courses	34
6.3 Initial in-company training	35
6.4 Further training	35
Chapter III Measures	37
1. The Government's General Employment Policy	39
2. Employment Maintenance	41
3. Aid to the Unemployed	57
4. Training	69
5. Job Creation	75
6. Special Categories of Workers	87
7. Working Time	107
Chapter IV Information and Research	129
Appendices	
Appendix 1: Abbreviations	130
Appendix 2: National Correspondents	132

# CHAPTER I INSTITUTIONS

## 1. Ministry of Labour and Social Insurance (*Ministero del Lavoro e della Previdenza Sociale*)

### 1.1 Legal status and constitutional competence

- Gubernatorial Decree 377 of 21.6.1945 brought in an autonomous ministry to deal exclusively with labour and social security, clearly separated from economic tasks;
- Gubernatorial Decree 381 of 15.4.1948;
- Law 264 of 29.4.1945;
- Law 628 of 22.7.1961;
- Law 56 of 28.2.1987;
- Decree-Law 687 of 7.11.1996;
- Circular 42/97 of the Directorate-General for General Affairs and Personnel.

The Ministry of Labour and Social Insurance has overall responsibility for drawing up, applying and monitoring labour legislation.

### 1.2 Decision-making bodies

- The Minister of State;
- the Under Secretary of State;
- the Directors General.

### 1.3 Organisation

#### 1.3.1 Central administration

##### *Directorate-General for General Affairs and Personnel*

This directorate is responsible for the organisation of the offices, staff recruitment and training.

Two services fall within the ambit of this directorate: the central labour inspectorate, and the central service of the labour offices. They deal with personnel matters and the organisation and operation of the labour inspectorate and labour offices; they also supervise and monitor these same offices.

### *Directorate-General for Labour Relations*

This directorate is responsible for: international labour problems and relations with international bodies concerned with labour problems; labour supervision and labour legislation; health and safety at work; employees' family problems; trade unions; collective agreements; employment contracts and labour disputes in various branches of the economy.

### *Directorate-General for Employment*

This directorate is mainly responsible for: analysis of employment problems; employment promotion measures; training courses; programmes to integrate unemployed youth into the labour market; monitoring the examination and approval of training-cum-work projects; relations with the central and regional employment commissions, the employment agencies and the bodies for monitoring the labour market; unemployment and domestic and foreign migration: "problems facing non-EU immigrants and their families"; special and ordinary placement (cf. placement procedures); redundancies; compulsory hiring of special categories of workers; free movement of workers within the countries of the EU; emigration to other countries; recruiting and the vocational preparation of emigrant workers; international workers' exchange; assistance to repatriated and emigrating workers and their families.

### *Directorate-General for Social Insurance and Social Assistance*

This directorate is in charge of: international problems of social insurance and assistance; control and administrative supervision of social insurance bodies and remuneration of their staff; problems of financing social security; general, compulsory insurance, wage compensation; family allowances, social assistance and job-security agreements.

### *Directorate-General for Cooperatives (cooperative movement)*

This directorate deals with: economic problems of cooperatives; development and promotion of the cooperative movement; maintaining general file on cooperatives; legal recognition of national associations and consortia of cooperatives; supervision of the management of cooperatives, consortia and associations; dissolution of cooperatives and compulsory liquidations by the administration.

### *Directorate-General for Monitoring the Labour Market*

This directorate is responsible for: general surveys on the employment situation, flows and quantitative and qualitative requirements; employment forecasts; studies on labour market trends; coordination of investigations and surveys carried out at the various "territorial" levels. The directorate also acts as technical secretariat for the central employment commission.

### *Central Office for Vocational Guidance and Training for Workers*

This office deals with: international issues of workers' vocational guidance and training; vocational guidance: the European Social Fund – relations with the regions as regards vocational training – setting up and financing vocational training courses abroad.

### 1.3.2 Regional, provincial and local (district) labour offices

The stipulations on standardising the branch offices of the Labour Ministry (contained in Decree-Law 687 of 7.11.1996, published in Legal Gazette (*Gazzetta Ufficiale* 17 of 22.1.1997) provide for the establishment of regional and provincial labour directorates (*direzioni regionali e direzioni provinciali del lavoro*). Each regional directorate will take on the functions previously carried out by the regional labour and employment offices (*Uffici Regionali del Lavoro e della Massima Occupazione – URLMO*) and the regional labour inspectorate (*ispettorato regionale del lavoro*), that is: 1) planning, coordination and monitoring of the activities of the provincial labour directorates; 2) surveying the labour market situation in all sectors in cooperation with the regional observatories (*osservatori regionali*) and the employment agency (*agenzia per l'impiego*) and processing statistical data on labour affairs and supervisory measures; 3) supporting and coordinating the public relations offices; 4) providing preventive and protective services.

Structure of the regional directorates:

1. Office of the directorate
  - secretariat,
  - establishment and operation of joint bodies,
  - public relations,
  - monitoring of management, etc.
2. Legal office
  - Main activities:
    - legal instruments and legal affairs,
    - coordination of legal activities, etc.
3. Labour inspection
  - 3.1 Technical supervision
    - Main activities:
      - coordination of and advisory technical support for safety measures,
      - monitoring of safety measures within the administrative structures,
      - coordination of studies on employment (*CIGS*),
      - coordination of and technical support in matters concerning health and safety at work and radiation protection.
  - 3.2 Regular monitoring
    - Main activities:
      - coordination of regular and extraordinary monitoring,
      - coordination of and advisory technical services in matters concerning the monitoring of training measures.
4. Office for personnel management and general affairs
  - 4.1 Department of human, financial and instrumental resources
    - Main activities:
      - organisation and working methods,
      - budget and planning, etc.

#### 4.2 Department of computerised information systems

Main activities:

- coordination of regional computer services,
- operation of local networks
- maintenance and development of software,
- technical systems maintenance service (computer systems) for the provincial directorates, etc.

#### 5. Labour market policy

##### 5.1 Employment

- coordination of employment services,
- integrated schemes to promote employment,
- EURES service,
- employment schemes (socially useful work, employment and training contracts),
- labour market observatory.

##### 5.2 Labour disputes, social security, cooperation

- observatory for collective agreements,
- wage disputes,
- cooperation.

Each provincial directorate will take on the functions previously carried out by the provincial labour and employment offices (*Uffici Provinciali del Lavoro e della Massima Occupazione – UPLMO*) and the provincial labour inspectorate (*ispettorato provinciale del lavoro*), that is: 1) management and monitoring of administrative measures for active labour market policy and monitoring; 2) support for, consultation on and supervision of schemes for employment and placement in agriculture offered by local (district) offices; 3) technical and legal functions within the context of labour supervision; 4) information and public relations.

Structure of the provincial directorates:

##### 1. Office of the directorate

Main activities:

- secretariat,
- public relations,
- monitoring of management

##### 2. Legal office

Main activities:

- administrative disputes,
- representation in the event of legal disputes,
- appeals against administrative actions,
- compulsory redemption,
- consultation on legal and contractual affairs.

### 3. Labour inspection service

Consisting of:

#### 3.1 Technical supervision

Main activities:

- general affairs,
- acceptance and inspection,
- reports, technical commissions,
- monitoring and intervention by the police (inspection of plants),
- monitoring, surveys and studies on the employment of women, minors, working mothers and workers with special status.

#### 3.2 Regular monitoring

Main activities:

- general affairs,
- coordination of activities with insurance institutions (retirement pension, etc.) and coordinated activities with the fiscal police,
- monitoring of charities and public bodies,
- monitoring of educational activities,
- planning and monitoring in the industrial and crafts sectors,
- planning and monitoring in the services sector,
- planning and monitoring in agriculture.

#### 3.3 Administrative measures

Main activities:

- permits,
- exemptions,
- derogations,
- certificates.

### 4. Office for management, personnel and general affairs

#### 4.1 Personnel department

Main activities:

- trade union relations and negotiations at local level,
- organisation and working methods,
- statistical office (coordination of surveys), etc.

#### 4.2 Department of instrumental resources

Main activities:

- budget and planning,
- computerised information services.

### 5. Labour market policy

#### 5.1 Employment

- ordinary and special placement,
- placement of non-EU workers,
- compulsory placement,
- integration in public administrations according to particular selection criteria,
- support for disadvantaged categories of workers,
- statistical labour market studies,
- coordination and monitoring of service distribution,
- coordination of the local (district) employment commissions.

## 5.2 Labour disputes, social security

- arbitration of wage disputes,
- arbitration of individual and collective disputes,
- arbitration commissions and arbitration proceedings,
- compilation of collective agreements and accords,
- labour costs: analysis and certification,
- representation of trade union organisations,
- social security.

## 5.3 Cooperation

Main activities:

- BUSC (Bolletino Ufficiale Società Cooperative – Official Cooperatives Bulletin),
- publication of budget figures,
- administrative measures,
- collection of contributions.

The local (district) employment offices (*sezioni circoscrizionali dell'impiego*) are structured as follows:

### 1. Secretariat

### 2. Employment

Main activities:

- pre-selection and promotion schemes,
- integration and pre-selection in the public administration,
- distribution,
- compilation of register of unemployed,
- computerised archives for employers and workers.

### 3. Organisation of computer services

Main activities:

- logistics,
- organisation and methods,
- computer services,
- statistical surveys.

Local (district) employment offices and those for placement in agriculture are a local branch of the provincial labour offices, to which they report directly, and are defined by geographical area based on the local characteristics of the labour market and the size of the area in question. The new administrative structure described above is still in the implementation phase. During the years 1995-1996 and the initial months of 1997 these offices were responsible for the following tasks, in addition to placement (in accordance with the structure described in the last Basic Information Report, updated on 31.12.1994): surveys of data and information on the labour market, submission of proposals to the director of the *UPLMO*, participation in initiatives to promote new employment opportunities, supply of information to workers on employment options and working conditions, communication of information on measures to support initiatives to set up new companies, employment promotion, the dissemination of information on vacancies in the local labour market, advice and support for both employers and employees in order to promote labour market integration, and pre-selection among available jobseekers. This last task relates primarily to difficult-to-place jobseekers and young people looking for their first job.

The local (district) employment offices have been structured as described above since the above Decree-Law 687/96 and Circular 42/97 came into force.

Following the enactment of Law 59 of 15.3.1997 (known as the Bassanini Law after its initiator, the Minister for Public Functions) on the transfer of functions and tasks previously carried out by the Ministry of Labour to the regions and local authorities and on the reform and de-bureaucratisation of the public administration, the Italian labour market institutions are currently in a transitional phase. The law stipulates that "the government is empowered to pass one or more legislative decrees within a period of nine months with a view to deferring functions and administrative tasks to the regions and local authorities" (Art. 1), which were previously the responsibility of the Ministry. The following areas are exempted from the decentralisation taking place under the above law: welfare, (temporary and structural) personnel surpluses, labour supervision and cooperation (Art. 1, § 3).

### 1.3.3 National advisory bodies

Within the Ministry of Labour there are various advisory bodies with sectoral responsibilities and tripartite membership (public administration, employers and trade unions).

#### *Central Employment Commission (Commissione Centrale per l'Impiego – CCI)*

This Commission establishes at the national level the criteria for implementing general and active employment policy in accordance with the guidelines of economic planning and EU orientations. Taking into consideration the quantitative and qualitative dynamics of the labour market and the economic reference framework of regional vocational training policy, it sets out before 30 July each year the guidelines for employment policy and the development of workers' income. To this end it promotes and organises studies and systematic statistical surveys of the national labour market and its qualitative and quantitative trends. In addition, the Commission has decision-making powers as regards socially useful work (Art. 14, Law 451/94).

The Commission is chaired by the Minister of Labour and consists of:

- ten workers' representatives (Art. 9, § 7, Law 608/96), six employers' representatives (Art. 9, § 7, Law 608/96), one representative of managerial staff, three self-employed persons and one representative of the cooperative movement;
- five Directors-General of the Ministry of Labour (Law 236/93, Art. 9, § 8);
- five representatives of the regions;
- one equality counsellor;
- one representative of the Ministry of Education;
- one expert on vocational training (Art 17, Law 845/78).

Depending on the issue at hand, representatives of the administrations concerned will also be required to participate.

The Commission has its own technical secretariat to enable it to carry out its functions.

To these tasks are added those entrusted under Law 264/49, Art. 34 of Law 675 of 20.5.1977 (concerning the geographical mobility of workers between regions), Law 285/77 and 845/78.

The CCI is mandated for three years at a time.



Other commissions dealing with specific areas are:

*Central commission for controlling outwork* (Law 877 of 18.12.1973 – Art. 7, Presidential Decree 608 of 9.5.1994).

*Central commission for cooperatives* (Art. 18 bis of Decree-Law 1577 of the Deputy Prime Minister of 14.12.1947). This issues recommendations on matters relating to cooperatives.

*Standing advisory commission for the prevention of industrial accidents and for health and safety at work.* This continues to operate in anticipation of the implementation of Law 833 of 23.12.78 which concerns the institution of a "national health service" and which introduces reform of the legislation on industrial accident prevention and health and safety at work. The functions of this commission were confirmed and extended by Article 26 of Decree-Law 626/94 and modified by virtue of Decree-Law 242/96 on the application of EU directives and the improvement of safety and health at work. These decrees represent the new legal basis for such issues in Italy today.

*Commission for training people with a visual handicap to become telephone operators.*

*Central commission for insuring fishermen.*

#### 1.3.4 Regional collaborative bodies

There are a number of advisory tripartite bodies which carry out administrative functions together with the labour offices.

*Regional Employment Commissions (Commissione Regionale per l'Impiego – CRI)*

*CRIs* were instituted by Law 675 of 12.8.1977 to foster labour mobility in accordance with the requirements arising from industrial restructuring and conversion. They were subsequently reformed as regards their tasks and composition, the latter having in fact been redefined by Law 863/84 as follows:

- Minister of Labour or an Under Secretary of State delegated by him, acting as chairman;
- one member of the regional government (*giunta regionale*), acting as deputy chairman;
- two members appointed by the regional council (*consiglio regionale*), being limited to one vote;
- four representatives appointed by professional employers' organisations;
- six members appointed by the trade unions;
- two members appointed by professional non-industrial employers' organisations and organisations of self-employed persons;
- an equality counsellor (with rights of intervention). By virtue of Law 125/91 (Art. 8), the counsellor is a full member.

The tasks of the regional employment commissions were redefined by Law 56 of 28.2.1987 which, under Art. 5, defines the commissions as bodies for planning, implementing and monitoring active labour policy. Their tasks were extended by Law 223/91. The *CRIs* have in particular the following functions:

- within their own geographical area they carry out the tasks of the central employment commission;

- they give opinions on the vocational training programmes drawn up by the regional administration and propose the implementation of vocational training and retraining programmes;
- they prepare programmes for the integration of difficult-to-place workers;
- departing from the law in force, they can decide on various methods of registering on the placement lists;
- they approve lists of redundant ("mobile") workers and take all suitable initiatives to promote their reintegration, working in collaboration with the employment office;
- they can propose reserving a proportion of all recruitments (not more than 20%) for the most disadvantaged groups, which are also defined according to regional demands.

The members of the *CRI* remain in office for three years.

Other commissions working on the *local level* have more limited tasks. They are:

- the provincial employment commission;
- the commission for placement in agriculture;
- the provincial commission for compulsory placement;
- the commission for outwork.

#### *Local employment commissions and local commissions for placement in agriculture*

The local (district) employment commission is appointed by the director of the provincial Labour Office and is composed of the person responsible for the local employment office as chairman, four workers' representatives and four employers' representatives.

The local (district) commission for placement in agriculture is appointed by the director of the provincial Labour Office and is composed of a representative from this Office as chairman, four workers' representatives and four employers' representatives, of whom at least one is an agricultural proprietor.

### 1.3.5 Bodies for studying and planning measures on the labour market

#### *Regional employment agencies (Agenzie per l'impiego)*

Employment agencies are set up in each region (Art. 24 of Law 56/87). They work together with the national and regional bodies which monitor the labour market and with the offices responsible for vocational training. Their technical function is to implement the guidelines issued by the regional employment commission. In particular they promote initiatives aimed at creating jobs, encourage the placement of the weakest groups on the labour market and draw up proposals and programmes for an active labour policy. They also conduct studies of, and research into, the labour market at regional level.

#### *Labour market monitoring units*

These monitoring units are set up in each region. They plan and organise at the local level surveys on the employment situation, carry out specific studies and surveys and make estimates and forecasts on labour market trends.

## 1.4 Personnel

Staff are divided into three groups (central administration, labour offices, labour inspectorates) and subdivided according to functional qualifications on the basis of experience and the nature of the duties – each qualification is subdivided into wage levels. Managerial staff represent a separate category.

The central administration employs 433 staff, the employment offices 7,066, the placement offices 3,718 and the labour inspectorates 3,531.

The statute of the staff is determined by a state law setting out conditions of entry to the service, qualifications required, the vocational training required as well as career development and the performance of related functions, the responsibilities of subordinates, maximum duration of the working day, etc.

Certain aspects of labour organisation and employer-employee relations are regulated by national or decentralised trade union agreements: salary systems, labour organisational criteria, duration and allocation of working hours, etc.

## 1.5 Operational budget

Each year the law allocates the amounts necessary for the operation of the central and peripheral labour offices (personnel and equipment).

Nevertheless, of this budget, 97% of the allocated and committed amounts are intended for social insurance and assistance bodies; only 3% remains therefore for the operation of the central and peripheral offices of the Ministry of Labour.

On 31.12.1996, the estimated budget was as follows:

	Amount
General services	1.507.989.120.000
Employment and labour offices and emigration centres	436.023.333.000
Local (district) employment offices	150.037.173.000
Inspectorates	216.513.588.000
Directorate-General for labour relations	10.112.508.000
Directorate-General for social insurance	54.676.112.930.000
Directorate-General for cooperation	15.770.342.000
Directorate-General for employment	24.738.288.000
Directorate-General for vocational guidance and training	24.250.000.000
Labour market monitoring unit	1.385.580.000
General total	57.174.932.862.000
Current expenditure	57.038.682.862.000
Capital account expenditure	136.250.000.000

## 1.6 Cooperation and coordinated activities

The Ministry of Labour and Social Insurance and its decentralised offices are responsible for all aspects of labour legislation. Other ministries are, however, given statutory authority on specific aspects of work.

### *Ministry of Foreign Affairs*

Through its Directorate-General for emigration and social affairs, this ministry is in charge of:

- studying problems concerning social policy internationally, the Italian community abroad, emigration and consular matters;
- talks with other states and international bodies on bilateral and multilateral issues concerning social relations and emigration;
- protection and assistance, including schooling, of Italian citizens residing abroad;
- issues relating to travel costs for emigrants abroad;
- the negotiation and application of relevant agreements;
- supervising the management of vocational training initiatives abroad.

In the area of emigration, the interministerial committee for emigration is of special importance.

### *Ministry of the Interior*

Certain powers concerning specific aspects of labour relations are conferred by law on the Ministry of the Interior and its local representative body, the prefect of the province.

### *Ministry of the Merchant Navy and Ministry of Transport*

The navigation code confers many powers and responsibilities:

- to the Ministry of the Merchant Navy for maritime navigation and seaport work;
- to the Ministry of Transport for inland navigation and river port work as well as air traffic.

Special regulations are in force for the employment of seamen and persons working for port authorities; these provide for their registration in special registers and at the port placement offices.

### *Ministry of Trade, Industry and Crafts*

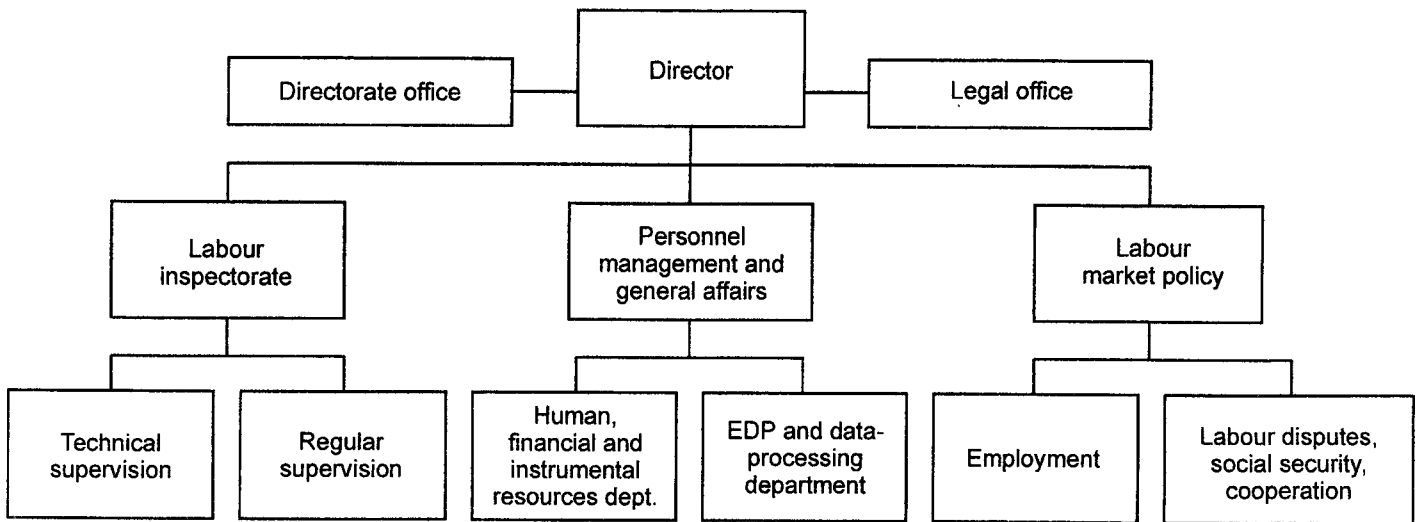
The Directorate-General for mines is responsible for monitoring the enforcement of the regulations of the mines' and quarries' police relating to the health and safety of the workers in these sectors. To this end it draws on the technical staff of the mines consisting of engineers, geologists, chemists and other experts.

### 1.7 International relations

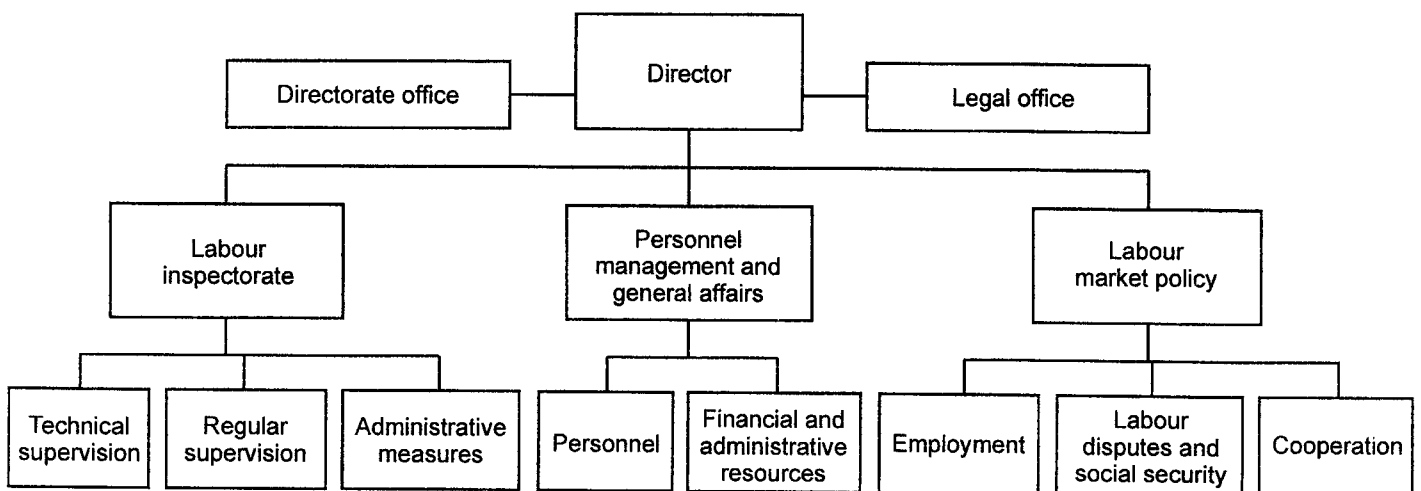
The Ministry of Labour maintains relations with international bodies dealing with issues concerning the world of work. It is in contact in particular with the ILO in Geneva, the Council of Ministers at the European Commission, the Statistics Office of the European Union and the European Parliament. It also participates in the meetings of the OECD and of the Council of Europe.

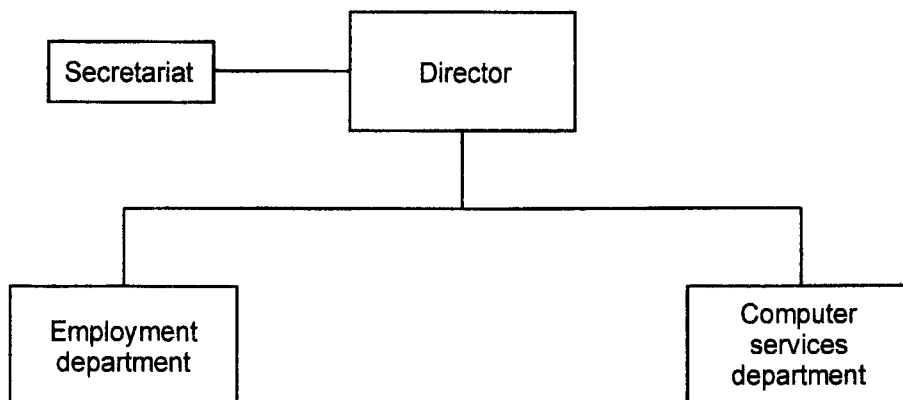
The cabinet of the Minister of Labour has a special office responsible for external relations which coordinates the activities of the Directorates-General in the international domain.

**Organisation Chart 1: Regional Labour Directorate**



**Organisation Chart 2: Provincial Labour Directorate**



**Organisation Chart 3: District Office for Agricultural Employment and Placement**

## **2. National Economic and Labour Council (*Consiglio Nazionale dell'Economia e del Lavoro – CNEL*)**

### **2.1 Legal status**

The *CNEL* was set up under Art. 99 of the Constitution; its structure is laid down in Law 936 of 30.12.1986. It is a particularly important advisory body; it can introduce bills in the area of economics and labour and takes part in drafting economic and social laws.

### **2.2 Decision-making bodies**

- One Chairman;
- two Deputy Chairmen;
- an Assembly;
- commissions and committees;
- a Secretary-General;
- a Secretariat-General.

The Chairman represents the *CNEL* and maintains contacts with the parliament, the government and the regions. He/she calls the Assembly, presides over its works, decides on its agenda and defines and coordinates the activities of the commissions and committees.

## 2.3 Organisation

The *CNEL* is composed of representatives from the goods and services producing sectors as well as of experts. There are 111 members in all, besides the chairman. The breakdown of membership is as follows:

- 12 economic, social science and legal experts, eight of whom are appointed by the President of the Republic and four proposed by the President of the Council of Ministers.
- 99 representatives of the goods and services producing sectors, public and private, 44 of whom representing persons in dependent employment, 18 representing the self-employed and 37 representing companies.

The members of the *CNEL* are appointed by decree of the President of the Republic on the proposal of the President of the Council following consultation with the Council of Ministers. Members have a five-year term of office.

## 2.4 Operational budget

The *CNEL*'s administrative budget is fixed annually in a national law.

# CHAPTER II      LEGAL FRAMEWORK AND PROCEDURES

## 1.      Legal Instruments

The legal instrument used in Italy in the field of employment policy is the law which is proposed by government or parliamentary groups and approved by the two chambers of parliament.

The social partners are, however, involved in determining the overall direction of general policy in the two aspects of legislative activity and economic policy and planning.

The participation of the social partners does not have a written basis but proceeds according to a special procedure. Participation in drafting laws and regulations relating to employment occurs during tripartite conferences and meetings. Both are instruments of direct consultation between trade unions and employers' associations on private bills.

During the tripartite conferences, the social partners each express their opinions in a debate between the government and the most representative trade unions and employers' associations. During the tripartite meetings, on the other hand, all the interested parties are heard separately without direct debate.

The government can ask the social partners to present their opinion orally or in writing.

Furthermore, it has become parliamentary practice to frequently seek the opinion of the trade unions and employers' associations on all issues relating to work in order to obtain full and detailed information on the subjects of the laws under discussion.

As regards the involvement of the social partners in determining measures related to economic policy and planning, the Treasury has set up a National Planning Commission consisting of 13 experts and 16 representatives of the most important employers' and trade union organisations.

Furthermore, economic planning committees have been established in each of the regions, consisting of representatives from the most representative associations. The purpose of these committees is to propose regional development plans and to collaborate with the national bodies of economic planning.

## 2.      Individual Contract of Employment

The employee undertakes to carry out the (intellectual or manual) work in question, against payment of a remuneration corresponding with the type of work, under the authority and supervision of the employer.

A written document is not compulsory for permanent contracts; on the other hand, it is stipulated for fixed-term contracts, training-cum-work contracts and other specific contracts.

*Duration of the contract:* there are fixed-term contracts and permanent contracts.



*Obligations of the parties:* performing the work entails the following rights and duties of the two parties.

The employee is under an obligation:

- to personally perform the work;
- to act in accordance with the conditions stipulated in the contract;
- to take care of the working tools;
- to be loyal;
- not to undertake any activity competing with the employer;
- not to divulge any information relating to the organisation and to the production methods of the company or to make use of it in such a way as to harm the employer;
- to obey orders.

The employer is under an obligation:

- to ensure that the employee is in a position to fulfil his/her function;
- to take the necessary steps to ensure that the working conditions do not harm the physical, psychological or moral well-being of the employee;
- to take the necessary steps to prevent accidents in the workplace;
- to pay the remuneration under the conditions agreed;
- to assign the employee to those duties for which he/she has been hired;
- to provide the employee with information (Law 608/96, Art. 9 bis: since 1 January 1996 employers have been obliged to provide their employees on the date of recruitment with a signed document detailing the data contained in the employment register).

*The employee's responsibility:* The employee is responsible both from the civil and the penal point of view for any damage he/she might cause to the employer or to third parties in performing his/her job.

*The employer's responsibility:* The employer is penally responsible in the event of accidents in the workplace and occupational illnesses which affect his/her employees, and is also subject to a civil responsibility if the behaviour which caused the damage was the act of one of his/her employees.

*Termination of the individual employment contract:* The fixed-term contract comes to an end through:

- the expiry of the term fixed in the contract;
- the completion of the task;
- the death of one of the parties;
- just cause.

The permanent contract comes to an end through:

- just cause;
- resignation subject to notice;
- dismissal subject to notice;
- inability to carry out the work assigned;
- the death of one of the parties;
- the employee reaching retirement age.

However, any clauses providing for termination of the employment contract on the grounds of marriage or pregnancy are null and void.

### *Collective dismissals*

Collective dismissals originate in the contract and are based on inter-confederation agreements.

The difference between collective dismissals and individual dismissals is the number of employees dismissed as well as the reasons for the dismissal itself, which is allowed in the case of downturn or change in the activities or work of the company. This concerns companies with more than 15 employees.

The employer must justify the collective dismissal and must communicate this to the trade union organisations.

The dismissed employees have the right to be rehired if the employer recruits new personnel within one year.

In order to alleviate the negative effects of collective dismissal, a body called the Wage Compensation Fund (*Cassa Integrazione Guadagni*) was created with the fundamental aim of protecting employees' wages in the event of a company experiencing a crisis or undergoing restructuring.

### *The contract of employment: differences between wage-earners (blue-collar workers) and salaried employees (white-collar workers)*

The general provisions relating to the employment contract apply equally to both. The difference between them is that under the contract of employment, the wage-earner carries out mainly manual work while the salaried employee performs mainly intellectual work.

This is nevertheless a distinction which henceforth will be outdated and inadequate. Collective bargaining has effectively resulted in a new system of vocational classification which provides for a single framework subdivided into a certain number of "levels" which are common to the various categories existing under the law.

### *Trial period*

The trial period helps both the employer and the employee to check whether it is useful to continue the labour relationship. During this period, each of the two parties may terminate the contract at any time without notice or obligation to provide compensation.

The length of this period is fixed by collective agreement and may in no case exceed the maximum limit of six months fixed by law.

### *Notice*

Dismissal and resignation may be made known at any time during the period in which the permanent employment contract is valid, provided that notice is given as laid down in the collective agreement. If this is not observed, the defaulting party must pay the other party compensation equal to the amount of payment due corresponding to the period of notice. This obligation does not apply to dismissal or resignation with just cause, or in cases in which circumstances do not permit even provisional continuation of the employment contract.

### 3. Labour Market Institutions and Processes

#### 3.1 Labour relations

There are numerous laws relating to social security and labour regulations which govern employer-employee relationships in Italy. They may vary according to the employers' principal activity, i.e. production, commercial, agricultural, financial, professional. Self-employed agents and sales representatives, as defined under Italian law, are not regarded as employees; however, the employer is obliged to have the representation agreement with such a person officially registered in order to have clear recognition of the relationship for purposes of the social security laws as well as for purposes of tax obligations arising from activities carried out under such agency agreements.

The employer-employee relationships are subject to:

1. the Civil Code;
2. pertinent laws dealing with employment;
3. contracts concluded as a result of collective bargaining;
4. individual contracts of employment;
5. custom and practice.

The collective agreements may be in effect nationwide for a main sector (e.g. production) or for a particular industry (e.g. textile), or they may be provincial or local in character. The three main categories of employees are managers (*dirigenti*), white-collar workers (*impiegati*) and blue-collar workers (*operai*). In some branches of activity there may be further categories.

The employer must make a clear distinction between managers and executive staff who have some managerial responsibilities. This is because social security contributions by employer and employee, the employee's entitlement to a minimum wage (which varies according to length of service), number of days annual leave, the minimum notice required for termination of service or dismissal, retirement and death benefits all depend on the category in which the employee is classed.

Law 300 of 20.5.1970, the Workers' Statute, lays down the following rights for workers:

- Freedom of opinion.
- No audio-visual equipment may be installed to check on workers' activities.
- Employers may not check on a worker's fitness for work.
- Individual surveys may be made only by using automatic selection systems and must respect the worker's dignity and privacy.
- Disciplinary action may only be taken according to laid down procedures.
- Opinion polls may not be carried out by employers.
- Employees may ascertain that the regulations for accident prevention are being applied.
- No employee may be downgraded. No worker may be transferred from one unit to another except for proven technical, organisational or production reasons.
- Workers have the right to form and join unions and carry on union activity on the premises where they work.
- Judges may order the reinstatement of a worker dismissed without just cause.
- Union activity, referenda, etc. are allowed. Union dues may be collected through the payroll.
- Companies may not suppress union activity.

### *Trade union freedom*

Trade union freedom is a well-defined freedom of association guaranteed by Art. 39 of the Constitution. Its authors are particularly concerned with defending the part of the labour market considered to be the weakest, i.e. the workers, extending as far as to include the constitutional guarantee of the right to strike. The employers' organisations, on the other hand, do not benefit from a similar constitutional guarantee against lock-out, which involves suspension of the activities of the company against the collective interests of the workers.

## **3.2 Employers' organisations**

Employers are represented by three main organisations:

- the General Confederation of Industry;
- the General Confederation of Trade;
- the General Confederation of Agriculture.

## **3.3 Trade unions**

The trade union movement is strong at worker level. Union membership is not obligatory. The major trade unions and their political affiliations are the following:

<i>CISL</i>	Christian Democrat (centre);
<i>CGIL</i>	Communist and Socialist (left wing);
<i>UIL</i>	Socialist Republican (centre left);
<i>CISNAL</i>	Italian Social Movement (right wing).

The three most representative trade union organisations (*CGIL*, *CISL*, *UIL*) were grouped into a unitary confederation in order to seek common objectives in the interests of all workers.

There are also trade unions formed on the basis of an industry or sector of economic activity. Strikes may be called by labour unions, general trade unions, sector unions or in-company unions. An industry-wide strike can be applied to a company which has agreed to workers' claims in respect of certain demands, if other companies within the same industry have not agreed to those demands. The metalworkers' union is particularly powerful.

During the last few years, many autonomous trade unions have acquired a higher level of contractual power, especially in the key services sectors (health, transport, schools) and, due to the explicit constitutional regulation of the right to strike, have sometimes caused inconvenience to the users, i.e. Italian citizens.

### **3.4 Collective bargaining**

The unions are most active in advance of the renewal of a collective labour agreement for a given industry. The agreement is usually renegotiated every three years. After the agreement has been negotiated there usually ensues a period of relative peace, unless the unions call on the workers to make demands on national issues such as better housing, schools, cost of living or unemployment.

Each industry has a collective agreement which stipulates minimum wage and pay scales. Except in the most depressed areas, very little labour would be available at this minimum wage. No statistics are available on average wages and salaries in industry.

From 1975 until December 1991, there was an automatic indexing mechanism for workers' pay based on the cost of living, in the form of compensation for a high cost of living or "sliding scale". Under the terms of an agreement drawn up in July 1992 between the Ministry of Labour and the employers' and trade union organisations on the subject of labour costs, this automatic mechanism has been definitively suspended and the social partners have been requested to determine wage adjustments by means of collective agreements.

All employees in Italy are entitled to an additional month's remuneration (the so-called thirteenth month) payable in December. Furthermore, the collective agreements provide for additional payments for some enterprises. For example, in banking, monthly salaries are paid sixteen times in a year and, in the petroleum industry, fifteen times. In commerce, a fourteenth monthly salary is payable in June of each year. In addition, on leaving the employment of a firm for any reason, an employee must be paid a termination of employment allowance.

Services performed over and above the hours stipulated in the contract constitute overtime, which is remunerated at a more generous rate than normal hours. The amount of this increase is fixed by collective agreement and depends on the category of the overtime (during the day, at night, on public holidays), which is also defined in collective agreements. Finally, the Ciampi Protocol on labour costs (an agreement reached between the government and trade unions in July 1994) should be mentioned. It contains clauses which (in this section) represent agreements between the social partners on the following issues: parties to the contract, duration of contract, content of contract, agreed holiday pay and level of contract (national or company level; the latter case is related to company performance on the basis of a range of parameters: productivity, value added and improvement of services).

### **3.5 Employee representation at company level**

Trade union representation within the company is provided for under Art. 19 et seq. of Law 300 of 1970 (the Workers' Statute). It can be implemented at the initiative of the workers in each production unit if it is associated with:

- one or more associations affiliated to one of the confederations which are nationally the most representative;
- one or more trade union associations which, though not affiliated to the afore-mentioned confederations, are signatories to national and provincial collective labour agreements applied in the company concerned.

In companies with several production units, the trade union representatives can set up coordinating bodies.

This provision applies to industrial and commercial firms employing more than 15 people and to agricultural firms employing more than five people.

Some of the powers of the trade union representatives correspond to those of any other elected representative within a private organisation, but others are exclusive, such as the right of protecting the health and physical well-being of the workers.

The *workers' council* is made up of all the corporate trade union representatives or of divisional delegates, office delegates, etc. It has the following powers:

- instrumental powers already conferred on the works committee;
- powers conferred on corporate trade union representatives by the Workers' Statute;
- the right of its members to take leave from work or be temporarily relieved of their duties in order to carry out trade union duties;
- the right of collective bargaining at company or production unit level;
- the right to call a lawful strike at company level.

## **4. Legal Status of Jobseekers and Unemployment Benefits**

### **4.1 General definition of unemployment and conditions for granting benefits**

#### **General definition of unemployment**

Registered unemployed persons are persons without work who have registered with the employment services, are seeking work and are available for work immediately.

#### *Conditions for granting unemployment benefits*

To be able to claim unemployment benefit the person concerned must be registered on a placement list and must meet certain requirements.

Workers who have lost their job through no fault of their own qualify for ordinary unemployment benefit if they have been in contributory employment for at least two years, including at least one year during the two-year period immediately preceding unemployment. The benefit is paid for a period of 180 days, reduced to 150 days if the worker resigned or was dismissed as a result of a lock-out on the part of the employer (Law 264 of 29.4.1949).

The allowances consist of a daily benefit of an amount equal to 20% of the wage/salary received during the three months preceding the period of unemployment. The reference wage used to determine this daily benefit is the average wage subject to contributions, and may in no case be

less than the wage/salary stipulated in national and provincial branch agreements related to the number of working days.

The worker who, without good reason, does not reply to a summons or refuses permanent employment which meets his/her vocational demands loses entitlement to unemployment benefit.

Everything concerning collective dismissals, the Wage Compensation Fund and redundancy was reformed by Law 223 of 23.7.1991.

In terms of the new regulations, collective dismissals are considered to be those carried out by companies with more than 15 employees and which wish to dismiss at least five workers within a period of 120 days, in the same province, because of a change in their activities or work, or suspension of activities.

With regard to the choice of workers to be made redundant the company must follow certain criteria laid down by law, in the case of a collective agreement, or else the family responsibilities of the worker, his/her length of service and the technical, production and organisational requirements in the company.

A worker laid off because of cutbacks in manpower is entitled, if he/she has not been in the service of the company for less than 12 months (of which at least 6 months must have been effective labour) to a redundancy allowance of an amount equal to the previous special unemployment benefit, i.e. 80% of the wage/salary which he/she received, but which decreases after the first 12 months. This comes to about 64% of the wage/salary.

The maximum durations of payment of benefit are as follows:

- workers under 40 years of age: 12 months;
- workers over 40 years of age: 24 months;
- workers over 50 years of age: 36 months.

These duration limits are increased by 12 months in the Mezzogiorno.

The benefit may not be paid for a period longer than the worker was employed in the company.

For each worker made redundant the company must pay, besides the contributions due, six times the initial monthly redundancy allowance to which these workers are entitled. This is reduced by 50% if the redundancy is based on a trade union agreement. Provision is made for specific reductions if the company seeks permanent positions of employment for the workers made redundant.

The regional employment office draws up a list of redundant workers (so-called "mobility list") which also includes workers who have been laid off following collective dismissals.

Recent regulations include various measures for facilitating the vocational reintegration of redundant workers.

## 4.2 Characteristics of the job sought

### Type of job sought

#### *Full time*

Registration as an unemployed person does not depend on whether full-time or part-time work is sought.

The working hours are regulated by Law 692 of 15.3.1923, which provides for a working system of 8 hours per day and 48 hours per week. However, for a number of years now, collective agreements have fixed the working week at 40 hours and the most recent renewals have introduced further reductions.

Specific legislation also provides for special guarantees concerning working hours for children (under 15 years of age) and adolescents (between 15 and 18 years of age).

Night work is prohibited for all minors.

#### *Part time*

Workers who are prepared to accept a shorter working week than that stipulated in collective agreements can register on a special placement list, while remaining registered on the ordinary list.

Workers employed part time with a working week of less than 20 hours remain registered on the placement lists.

The part-time employment contract must be specified in writing and must set out the tasks assigned and the allocation of working hours (per day, week, month or year).

Collective agreements fix the percentage of part-time workers in relation to the total number of employees, tasks for which part-time work is possible and the intervals of time relating to the supply of such services.

When recruiting full-time personnel, those who have already worked part time in the company have the right to preferential treatment.

#### *Training within a company*

Persons in search of a training place in a company are included among the unemployed.



## **Desired duration of work**

### *Permanent employment*

Registration as an unemployed person does not depend on whether permanent or temporary work is sought.

As a general rule, regulations favour permanent employment contracts. Nevertheless, in certain cases provided for under the law, the employer may recruit on the basis of a fixed-term contract.

### *Fixed-term employment*

Registration on the placement lists does not depend on whether a fixed-term employment or permanent employment is sought. Workers hired under a fixed-term contract or for a term which does not exceed four months remain registered on the placement lists.

The recruitment of workers on the basis of a fixed-term contract is admissible in certain cases which are explicitly indicated by the law:

- if specific well-defined seasonal activities are to be carried out;
- if workers who are absent are being replaced while their position is retained for them;
- if the recruitment is related to the execution or provision of a service which is defined and pre-determined;
- if personnel is being recruited for the production of shows or radio or television programmes;
- if work intensifies during certain periods of the year.

People who have worked seasonally under a fixed-term contract have priority when the same company is hiring people with the same skills.

### *Others*

Seasonal workers are registered separately, and if they have carried out seasonal work under a fixed-term contract, they have priority to fill a position requiring the same qualifications within the same company.

## **4.3 Personal characteristics of jobseekers**

### *Age limits*

Minimum age for registration: 15 years.

Maximum age for registration: there is no upper age limit.

### *First-time jobseekers*

Persons seeking their first job (e.g. young persons). If they register with the employment service, young people are included in the unemployment figures.

*Employable disabled persons*

Employable disabled persons are included in the unemployment figures. Nevertheless, special provisions exist concerning the placement of disabled people who are able to work.

*Students and schoolchildren*

Students and schoolchildren who are looking for work through an employment office are registered.

*Persons drawing pensions*

Persons drawing old-age pensions or service-related pensions are registered in category III. Persons drawing other pensions are included in the unemployment figures and come under category I.

#### **4.4 Remaining registered as unemployed**

*Effect of responsibility for loss of last job*

Responsibility for loss of the last job has no effect on status as an unemployed person.

*Temporary incapacity for work*

If an unemployed person is temporarily unfit for work and cannot report to the employment office him/herself, he/she can ask someone else to do so for him/her. In this case, however, a certificate is required stating that he/she is unable to attend in person.

The duration of the incapacity for work is irrelevant. The certificate proving the unemployed person's incapacity for work is merely required as evidence that he/she is unable to report in person on the date required by the employment office in order to ensure that his/her status as an unemployed person is unaffected and that he/she is not taken off the register.

*Refusal of offers of employment*

A worker who twice and without justified motive has turned down permanent employment which corresponds with his/her vocational qualifications will lose entitlement to unemployment benefit and will be removed from the register.

*Checks on continued unemployment*

Unemployed persons have to report once a month to the placement office or at intervals fixed by the competent regional commission to confirm that they are still unemployed in order to ensure that they do not forfeit entitlement to unemployment benefit and are not removed from the register.

*Participation in state-aided training/retraining schemes*

Unemployed persons who have been allocated places on vocational training courses continue to be counted as unemployed.

*Participation in public job creation schemes*

Unemployed persons who are temporarily employed in programmes of public interest retain their unemployed status and thus remain registered on the placement lists.

## **5. Matching Labour Supply and Demand**

### **5.1 Placement**

In Italy, the regulation of public placement has undergone extensive modifications during the past few years. A new placement organisation was defined by Law 56 of 26.2.1987 (regulations concerning the organisation of the labour market), while Art. 25 of Law 223 of 23.7.1991 extensively reformed recruitment methods, while extending the possibility of recruitment by name-call to all employers (including those in the areas of agriculture and show business). Other important regulations were introduced in Law 236/93, including the establishment of two funds for employment policy (the Employment Fund and the Development Fund) and vocational training measures – including practical training, new regulations concerning the Wage Compensation Fund and mass dismissal, seasonal workers, etc.; in Law 451/94 (regulations on work of benefit to society, employment and training contracts, vocational and preparatory practical training, vocational integration schemes, etc.); and in Law 608/96 on socially useful work, income-protection schemes and the welfare sector.

A certain percentage of recruitments is nevertheless reserved for those particularly at a disadvantage on the labour market.

The new measures aim at easing the constraints on private employers, and establish a new role for the employment services as tools of active manpower policy.

They also recognise the diversification of regional labour markets by extending the tasks and responsibilities of the regional employment commissions.

The fundamental principles of placement remain nevertheless the following:

- the public nature of placement carried out by the Ministry of Labour through its local offices, except for certain categories of workers (workers in port services, seamen and airmen);
- private placement services are not permitted, even if they are free of charge;
- as of recently, employers are obliged by virtue of Art. 9 et seq. of Law 608/96 to report recruitments to the local (district) office within 5 days. The notification must name the new employee, the date of recruitment, the relevant collective agreement, the occupational category, the remuneration and the relevant legislation.

Compulsory placement remains excluded from the new provisions as does recruitment by name in cases where prior approval is still required as a special measure, for instance in the case of immigrant workers from outside the EU.

### *Registration on placement lists*

All jobseekers have to be registered on placement lists provided they have an employment record card (*libretto di lavoro*).

Workers from EU countries are equal in all respects to Italian workers; they have every right to register with Italian placement services in order to seek employment.

Nationals of non-EU countries who have worked in Italy can also register with the placement offices, provided they have a residence permit enabling them to seek work or an equivalent document provided for under international agreements.

The worker must register with the competent employment office in his/her place of residence. The registration can be transferred to another local office – subject to cancellation of the previous registration – without the person concerned having changed residence. The length of time the worker has already been registered on the lists is taken into account. Workers on the placement lists are divided into three categories as follows:

1. a) Workers who are unemployed or who are seeking their first job or who are employed part time with a working week not exceeding 20 hours and who would like to have a different job, and workers employed under a fixed-term contract, the total duration of which does not exceed four months per calendar year;  
b) "Mobility lists": workers in the Wage Compensation Fund or registered on the placement lists for a prolonged period (more than 24 months).
2. Employed workers, not included in the first category, who are seeking different employment.
3. Those receiving old-age or service-related pensions.

Within these three categories, workers are grouped according to sector of activity, occupational category, qualifications and specialisations. Qualifications are recognised on the basis of certificates produced by the worker or evaluated by a special commission.

Jobseekers are also divided into certain special lists which provide for certain advantages as regards recruitment or specific leads (for example in the public administration).

In particular the following have been set up:

- list of redundant workers, which includes those who are beneficiaries of the extraordinary Wage Compensation Fund, whose companies declare themselves unable to guarantee re-recruitment (Art. 4, Law 223/91), and workers laid off because of cutbacks in manpower (Art. 24, Law 223/91). This list offers specific facilities for vocational reintegration and permits the worker to receive redundancy allowance;
- "mobility list" for workers in the Wage Compensation Fund or registered on the placement lists for a prolonged period (Art. 8, Law 407/90). Provision is also made for facilitating vocational reintegration;
- a special list for workers who wish to be recruited into the lower ranks of the public administration (Art. 16, Law 56/87).

### *Name-call applications for recruitment*

Employers who wish to recruit workers must submit an application to the local (district) employment office competent in their particular geographical area, specifying the collective agreement which applies (or indicating the actual or legal remuneration).

Since Law 223/91 came into effect, the possibility of name-call applications has been extended to all recruitments by any private employer; he/she may therefore indicate the name of the person he/she wishes to hire.

Recruitment continues to be subject to the authorisation (*nulla osta*) of the local employment office.

### *Restrictions on name-call recruitment*

An employer who employs more than 10 people must reserve a percentage of 12% of positions to be filled for disadvantaged categories on the labour market. This percentage may reach 20% in certain cases and in certain regions. This concerns in particular:

- workers registered for over 2 years in category I of the placement lists and not registered for at least 3 years in lists or tables of tradesmen, craftsmen, operating owners and the liberal professions;
- workers registered on "mobility lists";
- workers who belong to disadvantaged categories determined by the regional employment commission.

The possibility of recruitment by name-call also exists for these categories.

### *Employment by numeric application*

Employment by numeric application can still take place at the explicit request of the employer. In such cases, decisions are based on the list of priorities established according to the following criteria: family dependants, period of registration with placement agency, family income, etc.

Pilot experiments are currently being carried out aimed at extensively reforming the role of employment services and allowing a pre-selection of personnel to be employed at the request of the employer him/herself.

### *Employment: approval procedure*

As soon as the name-call application for personnel submitted by the employer is received, the local (district) employment office must employ the persons requested, by means of an "employment form" which the company must keep for the entire duration of the employment contract in order to prove that the recruitment took place according to the rules.

On the other hand, in the case of a numeric application, the local employment office proceeds according to a list of priorities. The "employment form" is still necessary, however.

### *Removal from the lists*

The worker who, without legitimate reason, does not comply with the obligation to notify the local employment office monthly, or at intervals determined by the regional commission, that he/she continues to be unemployed will be removed from the lists and will lose his/her entitlement to unemployment benefit. The same rule applies to the worker who, on two occasions and without legitimate reason, refuses to accept permanent employment corresponding to his/her qualifications or if he/she does not answer a summons to report.

The removal from the register can be revoked if the worker can prove that a serious obstacle prevented him/her from complying with his/her obligation to report.

### *Direct recruitment*

The employer can hire workers directly for employment without submitting an application to the local employment office if these workers belong to one of the following categories:

- managerial staff;
- specialised intellectual staff who have been hired following a public entrance examination;
- workers who work exclusively on the basis of a partnership;
- household helps registered with professional agencies and all those performing services within a family;
- workers in firms not employing more than three people.

The placement office has to be informed by the employer of the names of the persons recruited under the first three categories.

The direct and immediate transfer of a worker from one company to another is also permitted but requires the authorisation (*nulla osta*) of the competent placement office.

The employer can also hire manpower directly in cases where such hiring is justified by an urgent need to avoid damage to persons or to premises.

In these urgent cases employers have to submit name-call applications to the placement office which can provisionally authorise the recruitment. The placement commission has to sanction the recruitment within a period of ten days.

### *System of sanctions*

Anyone carrying out a placement function in violation of the regulations in force is punished by a fine; if the placement is done for profit, the punishment will be imprisonment and the fine can be tripled. Employers who recruit without the intervention of the placement offices will be liable to the payment of an administrative sanction.

Any employment contract entered into without observing the regulations governing labour supply and demand can be rendered null and void. Any appeals against decisions of the placement office have to be submitted to the provincial placement commission and, in some cases, to the director of the provincial placement office. It is possible to appeal against the decisions of the provincial commission to the Minister of Labour through the official channels.

## 5.2 Placement of special categories of workers

### 5.2.1 Placement in agriculture

Placement in agriculture is regulated by Decree-Law 7 of 3.2.1970, which became Law 83 of 11.3.1970, by Law 459 of 8.8.1972, by Law 56 of 28.2.1987 and by Law 608 of 28.11.1996 (Art. 9 ter, 9 quater, 9 quinquies).

The regulations concerning placement in agriculture have undergone multiple modifications since the seventies aimed at a more extensive monitoring and planning of manpower employment.

The tasks of placement offices have thus been extended and targeted at promoting and creating productive and economic conditions which would contribute to raising the level of employment in a depressed sector such as agriculture. The new scope of functions includes planning and analysing employment requirements and prospects in the various agricultural regions.

An important innovation has been the creation of collaboration bodies at various "territorial" levels for agricultural manpower. These are new and real employment policy instruments with a stronger involvement of the unions in the placement function. Law 56/87 also set up the local commissions and offices for placement in agriculture and, where appropriate, their decentralised sections; they replace the former local commissions and sections which had a smaller and less homogeneous catchment area and they carry out new and more comprehensive functions. The option of hiring by name-call has also been extended to placement in agriculture.

Law 608/96 also contains new regulations on fixing the number of working days in the agricultural sector (Art. 9 quinquies) and concerning the obligation on the employer to establish and maintain a company register. The following details of the employees of the company are to be listed in this directory under the rubrics "personal data" and "remuneration" in chronological order (by date of recruitment): personal details, tax number, place of work, duties, relevant collective agreement, occupational category, agreed gross daily wage and date of recruitment (Art. 9 quater).

### 5.2.2 Placement of persons working in show business

- Decree of the President of the Republic 2053 of 24.9.1963;
- Law 800 of 14.8.1967;
- Law 8 of 8.1.1979;
- Decree of the President of the Republic 179 of 21.1.1981.

The placement of people in show business takes place according to the following rules:

- The placement of entertainers, members of orchestras, choristers, dancers, film and theatre technicians, staff of casinos, except for those having managerial functions, is operated on a national level and on a name-call basis by a special office based in Rome with branches in Milan, Naples and Palermo.
- The placement of employees, operators and general personnel who work for theatres, cinemas, sports centres, casinos, travelling shows, for film producing companies (dubbing, developing, film copying), and for radio and television broadcasting companies is carried out in accordance with general placement regulations via placement offices. In the case of personnel in the districts of Rome, Milan, Naples and Palermo, the special offices mentioned above are responsible for placement.

### 5.2.3 Compulsory employment quotas

Disabled people who have a residual capacity for work are considered to be a disadvantaged group on the labour market, in the same way as refugees, widows, orphans, etc.

Under the terms of Law 482/68, any enterprise and public administration employing more than 35 people is required to employ persons from the protected categories in a proportion representing 15% of its total work force.

Specific lists exist for compulsory recruitment, but disabled workers may also register on the ordinary placement list.

### 5.2.4 Special regulations

Special regulations provide for the placement of: persons working in (industrial) bakeries, apprentices (Art. 3 of Law 25 of 19.1.1955), domestic staff, outworkers (Law 877 of 18.12.1972), seamen and dock workers (the navigation code).

### 5.2.5 Placement of foreign workers

#### *Workers who are nationals of an EU Member State (EC Regulation 1612/68)*

There is no difference in treatment as regards access to the labour market for workers who are nationals of a Member State of the European Union.

#### *Workers from non-EU countries*

Workers who are not nationals of a European Union Member State and who have found paid employment in Italy are required, before moving to Italy, to be in possession of an entry visa for the purpose of working. To this end, the employer concerned must submit an employment application to the provincial labour office where the firm is located, providing details about the firm as well as about the worker to be recruited, the job offered, the legal and financial conditions of the employment contract as well as its duration.

Under the terms of a recent provision, in order to obtain authorisation, the employer must agree to guarantee the worker "availability of adequate accommodation".

The placement office can authorise the recruitment of the worker subject to checking the non-availability of Italian workers willing and able to fill the job offered.

The authorisation is sent to the foreign worker and constitutes a valid document to obtain the entry visa authorising employment in Italy.

The placement is carried out by the employment service once an employment record card (*libretto di lavoro*) has been issued by the competent labour inspectorate (these regulations do not apply to Swiss or San Marino nationals).



*Refugees and stateless persons*

The same regulations as for nationals from non-EU countries apply to political refugees and stateless persons with the difference that checking the non-availability of Italian workers who could fill the vacancy in question is limited to the province in which they have their residence.

### 5.2.6 Recruitment to the lower ranks of the public administration

In general, recruitment in public administrations takes place by public (competitive) entrance examination open to persons with specified diplomas, or by diplomas and examinations.

Art. 16 of Law 56/87 introduced an important new aspect, concerning recruitment to a public function, for positions of employment which only require compulsory school education, i.e. until Grade IV. For these positions, a selection is made from unemployed or redundant workers registered on the specific lists with the placement offices.

The bodies concerned are the state administrations, including those with an autonomous structure, public institutions of a national type and those which carry out activities in one or more regions, the provinces, the municipalities, the local health units, etc.

To be able to benefit from this provision, the bodies concerned must carefully plan their personnel requirements, in order to make their applications for selection annually.

The workers concerned are those who wish to be recruited with the qualifications requiring only compulsory school education and who must be registered on the ordinary placement lists, the "mobility lists", or in the lists for placement in agriculture.

They also have to meet the following requirements:

- Italian citizenship or possession of a standard residence permit for professional reasons;
- physical capacity for employment;
- enjoy civic rights;
- aged at least 18 and not more than 40.

These workers must ask to be registered on a special priority list, to be drawn up in December of each year.

The following will be considered in this priority list: family dependants, economic situation and assets, number of years of registration or duration of benefit from the Wage Compensation Fund.

The candidate may be registered on this list with the local office of employment in the district where he/she resides or, without changing his/her residence, with another local office.

Removal from the list may take place in the following cases:

- permanent recruitment;
- fixed-term recruitment for longer than 4 months in a year;
- loss of essential required conditions;
- non-confirmation of status as unemployed;
- no response to summons without legitimate reason;
- refusal of permanent employment.

The system adopted for placement is that of selection tests following the order of the priority list.

As a general rule, the administrations concerned summon a number of workers equal to the number of positions to be filled.

Those concerned are informed in writing or by publication of the vacancies.

Those concerned are then selected according to aptitude tests or work trials corresponding to the tasks to be carried out.

Workers who are found to be suitable are named according to the results of the tests and trials and called to the administration concerned in the order of placement.

## 6. Vocational Training

### 6.1 Organisation of vocational training

Until 1972, vocational training activities fell under the competence of the Ministry of Labour, which was involved through the intermediary of both public and private institutions financed by resources from the Fund for the Vocational Training of Workers (*Fondo per l'Addestramento Professionale dei Lavoratori – FAPL*). When Decree 10/72 of the President of the Republic came into force, implemented by the Law of Delegation 281 of 16.5.1970, responsibility for vocational training was transferred to the regions and the Ministry of Labour was only responsible for the remaining functions. However, the *FAPL* continued to be responsible for financing all activities up to 25%, with the regions providing the remaining 75%.

Following Decrees 616 and 617 of the President of the Republic of 24.7.1977, the remaining responsibilities of the Ministry of Labour were further reduced, while the Directorate-General for Vocational Guidance and Training of Workers (*Direzione generale orientamento e addestramento professionale dei lavoratori*) was abolished and an internal reorganisation of its departments was planned.

As a result of the adoption of Law 845 of 21.12.1978, which can be termed a Framework-Law since it definitively regulates the new structure of measures in this sector, it was possible to determine the spheres of competence of the state and the regions, while specifying their respective functions and regulating the corresponding methods of financing. Furthermore, the *FAPL* was abolished.

In particular, the regions regulate the following areas through their own laws:

- planning, setting up and financing vocational training activities;
- vocational qualification of the disabled and people who are unfit for work;
- training activities in prisons;
- training and retraining of personnel employed in training activities.

The Ministry of Labour has retained the following responsibilities:

- defining and regulating the various categories of vocational functions in order to guarantee uniformity of employment contracts;
- relations with the regions as regards exchange of information and documentation;
- relations with the European Social Fund and with foreign institutions active in the area of vocational training;
- launching and financing initiatives in the area of vocational training of Italians abroad;
- setting up and financing training activities of personnel for technical assistance and cooperation programmes in developing countries;
- study, research, documentation, information and experimental activities;
- transmission to the EU or other international institutions and additional financing of training programmes which may benefit from Community or international funding;
- technical assistance and financing of vocational training initiatives, in agreement with the regions and through them as intermediary, in the event of serious local imbalance between labour supply and demand.

The Ministry of Labour carries out the above functions through the Central Office for Vocational Guidance and Training for Workers, the structure of which was reorganised by an ad hoc Decree of 10.3.1990.

Thanks to the extensive freedom which the regions enjoy as regards organisation, vocational training differs so much from region to region that it is more realistic to talk of multiple systems. It is difficult therefore to define a unique curriculum model since the regions have delegated their functions more and more to local administrative bodies (provinces, municipalities) while retaining responsibility for coordination and control.

The public structures can furthermore run their programmes based on agreements with private institutions. Here, various types of management for courses of vocational training are becoming discernible (listed in order of decreasing importance):

- according to private law agreements (especially with institutions of a religious or trade union nature);
- public:
  - direct (by the region itself);
  - according to public law agreements (public training institutions);
  - by delegation (local authorities).

## 6.2 Courses

The courses have the following structure:

### *Preparation for work*

- Preparatory training:
  - basic qualification for:
    - young people who have just completed compulsory education (14 years of age);
    - young people between 16 and 18 years of age;
    - young people over 18 years of age.
- Complementary training in relation to state schools.

- Second-level training:
  - qualification for graduates of colleges of higher education and universities;
  - specialisation and further training for graduates of colleges of higher education and universities.

#### *Training in the workplace*

- Apprenticeships and training-cum-work contracts;
- training for unemployed people and persons in employment.

#### *Training for specific categories of workers (disabled, women, etc.)*

The Ministry of Labour and the regions can, in the course of performing their respective functions in the area of vocational training, call on the technical assistance of the Institute for the Development of Vocational Training for Workers (*ISFOL*).

As in all EU countries, in Italy funds from the European Social Fund (ESF) are used to promote especially those regions which are lagging behind in terms of development. The beneficiaries of ESF initiatives are ministries, the regions, public territorial authorities or economic institutions, cooperatives, and private training establishments.

### **6.3 Initial in-company training**

Most young people who do not continue their education look for employment at an early stage. Many of them make an immediate choice for an apprenticeship; others wait until they have obtained a qualification within the framework of regional vocational training or in the vocational state institutions. Another method of entering the world of employment is the training-cum-work contract (cf. Chapter III, I-vi.6), which partly overlaps with the above options and is aimed at young people between 15 and 29 years of age (with certain exceptions for areas where serious imbalances exist between labour supply and demand; in this case the upper age limit is increased). The training-cum-work contracts are to a certain degree in competition with the regional vocational training courses, because of their economic advantages (tax relief, incentives).

### **6.4 Further training**

Through the impetus given by the EU, in Italy the focus of interest has shifted from initial training towards further training because, even if their interests are not always the same, companies, workers and administrative bodies understand better than before that vocational training is an investment which benefits everyone; in this their interests do coincide.

The most recent contracts pay more attention to these issues. It is interesting to note that agreements tend to provide for new ways of exercising the right to education outside the school system (vocational training and retraining, language training, etc.).

There is no reliable source, based on systematic surveys, as far as the training of personnel of companies is concerned.



# CHAPTER III MEASURES

## 1. The Government's General Employment Policy

### 2. Employment Maintenance

- I-ii.1 Ordinary benefits from the Wage Compensation Fund (*CIG*)
- I-ii.2 Extraordinary benefits from the Wage Compensation Fund (*CIG*)
- I-ii.3 *CIG* in the building sector
- I-ii.4 Job-security agreements
- I-ii.5 Redundancy of workers
- I-ii.6 Measures to assist employees of international haulage companies, storage firms and customs haulage firms

### 3. Aid to the Unemployed

- I-iii.1 Ordinary unemployment benefit
- I-iii.2 Special unemployment benefit
- I-iii.3 Redundancy allowance
- I-iii.4 Employment Fund
- I-iii.5 Development Fund
- I-iii.6 Socially useful work

### 4. Training

- I-iv.1 Implementation of EU Directive 92/51 – incorporating EU Directive 89/48 – on a second general system for the recognition of vocational training qualifications
- I-iv.2 Vocational training schemes in disadvantaged areas
- I-iv.3 In-company and further vocational training schemes
- I-iv.4 Subsidies for vocational training: practical training

### 5. Job Creation

- I-v.1 Industrial investment incentives in the Mezzogiorno
- I-v.2 Fiscalisation of social insurance contributions
- I-v.3 Reduction in social security contributions in the Mezzogiorno
- I-v.4 Easier access to loans to support cooperatives and urgent measures to protect employment levels
- I-v.5 Territorial alliances

### 6. Special Categories of Workers

#### *Disabled*

- I-vi.1 Disabled workers and protected categories

#### *Women*

- I-vi.2 Positive actions in favour of equality at work between men and women
- I-vi.3 Positive actions for the creation of companies by women

*Youth*

- I-vi.4 Apprenticeship
- I-vi.5 Special employment scheme for long-term unemployed young people
- I-vi.6 Training-cum-work contract
- I-vi.7 Promotion and development of the creation of companies by young people
- I-vi.8 Plans for the labour market integration of unemployed young people

*Other special categories*

- I-vi.9 Establishment of social cooperatives
- I-vi.10 Special unemployment benefit for Italian border workers in Switzerland who are unemployed following the termination of their employment contract

**7. Working Time**

- I-vii.1 Fixed-term employment contract
- I-vii.2 Overtime
- I-vii.3 Reintegration contracts
- I-vii.4 Part-time work
- I-vii.5 Early retirement in companies drawing benefits from the Extraordinary Wage Compensation Fund for part-time workers
- I-vii.6 Early retirement for employees in public and private steel firms
- I-vii.7 Early retirement for employees of firms and groups operating in ports, port authorities and mechanical handling companies
- I-vii.8 Early retirement for employees of the *FINMARE* group and other groups
- I-vii.9 Early retirement in the publishing trade
- I-vii.10 Early retirement for employees of Alitalia
- I-vii.11 Early retirement for employees of industrial enterprises and persons affected by manpower reduction measures in the course of enterprise restructuring, reorganisation and conversion programmes
- I-vii.12 Early retirement for employees of firms in the defence industry
- I-vii.13 Early retirement for local public transport employees
- I-vii.14 Early retirement for employees of *EFIM* (company for financing and shareholding in manufacturing)
- I-vii.15 Early retirement plan for employees of political parties
- I-vii.16 Early retirement for employees of the *ENI S.p.A.*: (state petroleum and natural gas concern)
- I-vii.17 Early retirement for employees of the *Ente nazionale per la cellulosa e la carta* (state concern for cellulose and paper)

## 1. The Government's General Employment Policy

The years 1995 and 1996 were characterised by the successive enactment of a number of decree-laws regarding current schemes provided for in Italian legislation, some of which were incorporated in Law 608/96. This law concerns socially useful work, welfare and contribution schemes, a range of specific measures for workers in companies such as *GEPI (Gestione e Partecipazioni Industriali – Management and Holdings Group)* and *INSAR (Iniziativa Sardegna s.p.a. – Initiative Sardinia s.p.a.)*, income-protection measures, regulations on wage alignment and wage supplements, job-security agreements, promotion of part-time contracts, regulations on funding for charities, job placement, agricultural work, special measures to promote self-employment in the Mezzogiorno, schemes for the vocational integration of young people in areas with a high level of unemployment, and regulations for the steel sector. In addition, the Italian parliament is currently (May 1997) investigating a range of measures ("employment promotion measures") within the framework of "the Treu package" – named after its initiator, the Minister of Labour – which deal with temporary work, the Wage Compensation Fund, promotion of employment for young people in disadvantaged areas, socially useful work, vocational training, etc.

As a consequence of the Decree-Law of 7.11.1996 and the subsequent Circular 42/97 issued by the Directorate for General Affairs and Personnel, in 1996 a number of operative structural and denominational changes were undertaken in the organisation of employment office services. The central structure of the Ministry was also affected by these changes by virtue of the implementation of Law 59 of 15.3.1997: "Empowerment of Government for the Transfer of Functions and Tasks to the Regions and Local Authorities, for the Reform of the Public Administration and its De-bureaucratisation" (*GU 56/L*), known as Minister Bassanini's law. This law empowers the government to pass one or more legislative decrees concerning the transfer of functions within nine months of the law's coming into force. In addition to the changes within the framework of decentralisation and from the point of view of organisation and functional responsibility, the experiences gained in some regions with so-called integrated employment services (*Servizi integrati per l'impiego*) – implemented by virtue of Art. 1, § 13, of Decree-Law 511/96 – deserve mention. This decree was never converted into law and has since been abolished. It stipulated that the regional and provincial employment offices and the regional employment-creation agencies should – in preparation for the reform of employment services – experiment "through agreements with public providers, semi-state bodies, bilateral providers and universities" with new services for labour market monitoring, educational and vocational guidance, pre-selection, matching of labour supply and demand and the organisation of training. The regions involved were, as previously, Italy's northern-central regions (Aosta Valley, Piedmont, Liguria, Veneto, Tuscany, Emilia Romagna, Marches, Umbria and Latium).

Although a final evaluation of the results of these experiments – which are still being carried out – is not yet possible, it already appears that the synergy sought through the coordination of the activities of the various institutions – thanks also to the use of computers – has brought the public services closer to their clients and also enhanced their reputation.

As regards specific aspects of the development of the Italian labour market, the scheme for socially useful work gained enormously in impetus in 1996, in the sense that the logic of purely charitable measures to protect the income of unemployed persons was abandoned. This shift in approach served two aims: to increase intervention in innovative sectors such as cultural heritage, environmental protection, urban renewal, etc., and at the same time to offer the workers employed in these areas training or retraining with a view to improving their access to other employment opportunities. The regions most involved in this scheme through regional and inter-regional projects were (ordered by amount of expenditure): Campania (ITL 352,359,264,000), Apulia (ITL



186,875,865,000), Latium (ITL 89,754,003,000), Calabria (ITL 63,298,531,000), Sicily (ITL 58,052,624,000) and Sardinia (ITL 48,296,378,000); the order by number of workers involved was: Campania (28,616), Latium (12,940) and Apulia (12,523).

As regards employment and training contracts, too, there was growth in 1996 compared to 1995, both with respect to the number of authorised projects (+34,266) and the number of workers involved (+73,452), most of whom were men (171,895 = 63.8%; women: 97,325 = 36.2%). The age cohort with the highest participation was persons aged between 19 and 24 who had completed compulsory schooling. Most of these workers are employed in small companies (between one and 49 employees) and in the services sector. The regions with the highest participation in the schemes were (by number of workers): Lombardy (52,611), Emilia Romagna (38,304), Veneto (28,819) and Piedmont (25,182).

There was also an increase in part-time work. 378,966 workers were employed part time in 1996, an increase of 45,726 on 1995. As is widely known, this is a measure which affects women more than men (262,065 women compared to 116,901 men).

Another development which should be mentioned in connection with the new measures introduced in 1995/96 is the activation of the Development Fund (*Fondo per lo sviluppo*) (cf. Chapter III, I-iii.5) (Art. 1 ter of Law 236/93). Development schemes for areas in crisis were authorised within the framework of this fund, and the amount of funding for such schemes fixed. Another measure developed in 1996 which has now expired was the reintegration of managers (*Reimpiego dei dirigenti*) in accordance with Art. 9 of Decree-Law 40/96 and the later re-enacted Decree-Law 511/96. The regulation provided for benefits for companies with less than 100 employees which recruited unemployed managers on fixed-term contracts. The region which participated most in this scheme was Emilia Romagna. There are currently other new measures in force, for example territorial alliances (*Patti territoriali*) involving the following areas: Enna, Syracuse, Brindisi, Madonia, Vibo Valentia, Nuoro, Lecce, Caserta and Benevento, and regional promotion contracts (*Contratti di area*).

Practical training (*tirocini*) (Art. 9, §§ 14-18, of Law 236/93) has also had a positive impact. The Ministry of Labour – Central Office for Vocational Training and Guidance for Workers – has prepared an ad hoc circular (29/97) to this end. This measure gained new impetus especially in 1996, having been provided for in decrees which later expired. Although practical training does not create jobs as such, it does provide young people seeking work with an opportunity to gain direct knowledge of working life, which may be useful for a more conscious approach to their own career choice. In addition, they represent a further criterion for employers who are interested in selecting new employees.

At EU level, the EURES Italia network now in operation should be mentioned, which consists of over 40 trained Euro-consultants and two databases of vacancies and general information on living and working conditions in the Member States.

Finally, it should be noted that the government and the social partners signed the labour-promotion agreement for the area of labour market policy on 24 September 1996 (cf. inforMISEP Policies 56), which regulates some of the most important aspects of the labour market, such as training, apprenticeship, continuing training, practical training, regional promotion contracts, the information society, etc. However, this agreement has not yet been implemented.

## 2. Employment Maintenance

- I-ii.1 Ordinary benefits from the Wage Compensation Fund – CIG (*Interventi ordinari della Cassa Integrazione Guadagni – CIG*)
- I-ii.2 Extraordinary benefits from the Wage Compensation Fund – CIG (*Interventi straordinari della Cassa Integrazione Guadagni – CIG*)
- I-ii.3 CIG in the building sector (*CIG nel settore edilizio*)
- I-ii.4 Job-security agreements (*Contratti di solidarietà*)
- I-ii.5 Redundancy of workers (*Mobilità dei lavoratori*)
- I-ii.6 Measures to assist employees of international haulage companies, storage firms and customs haulage firms (*Interventi in favore dei dipendenti delle imprese di spedizione internazionale, dai magazzini generali e dagli spedizioneri doganali*)

### **Ordinary benefits from the Wage Compensation Fund – CIG (Interventi ordinari della Cassa Integrazione Guadagni – CIG)**

#### *Aim*

To guarantee workers' wages in case of a temporary lay-off or a reduction in activity of the company due to temporary events which are not attributable to the employer or to the employees or which are caused by the economic situation.

#### *Legal basis*

The Wage Compensation Fund (CIG) was set up by the collective agreements of 13.6.1941 and 19.7.1941. After having been used in 1955 (Law 618 of 25.7.1955) as an anti-cyclical instrument in the cotton industry and in 1964 and 1965 (Law 433 of 23.6.1964 and Law 833 of 5.7.1965) for the whole of the industrial sector, new regulations were introduced by the Law of 20.5.1975.

The whole question of the Wage Compensation Fund was the subject of revision and renewal within the framework of Law 223 of 23.7.1991.

#### *Contents*

The following can receive payments from the ordinary CIG: workers classified as wage-earners, salaried employees or management, supervisors (*intermedi*) who have been temporarily laid off or are working reduced hours in industrial firms, with the exception of certain specified sectors of activity.

In addition, the ordinary CIG covers:

- members and non-members of producers' and workers' cooperatives;
- workers of other sectors depending on industrial firms, if they are working on secondary tasks directly linked with the activity of these firms;
- seasonal workers and workers who are subject to seasonal unemployment or are regularly laid off.

The rate of the ordinary CIG compensation is fixed at 80% of the gross wage the workers would have received for the hours not worked, between 0 and the limit of their contractual working hours, without ever exceeding 40 hours per week.

The compensation is paid during a continuous period of a maximum of three months, which may be extended in exceptional cases by quarters up to a maximum length of 12 months in a 2-year period.

The company which would have benefited from the wage compensation during 12 consecutive months can apply for it again after a period of normal activity of at least 52 weeks.

The compensation is paid by the employer to the workers who are entitled to it at the end of each pay period. The employer is reimbursed by the National Institute of Social Insurance (*Istituto Nazionale della Previdenza Sociale – INPS*) according to specific rules. Special regulations apply to the agricultural sector.

*Financial resources*

The *CIG* is financed by employers' contributions fixed at 2.2% of the wage bill subject to contributions to the workers' pension fund administered by the *INPS*. This percentage is reduced to 1.9% for companies employing fewer than fifty people.

Firms benefiting from the *CIG* have to pay an additional contribution of 8% of the wage compensation paid to their employees; this contribution is reduced to 4% for companies employing fewer than fifty people.

*Institutional support*

The *INPS* manages the Fund. In compliance with specific rules, the company has to submit a claim to the provincial office of the *INPS* on which it is dependent and in particular observing the trade union consultation procedures laid down by law.

The decision to grant ordinary compensation is taken by the provincial office of the *INPS*, after consulting a Provincial Commission, appointed by order of the director of the regional labour office and composed of the director of the provincial labour office (who presides over it), an official from the provincial labour inspectorate, and three employers' representatives of the industry, nominated by the most representative union organisations at provincial level.

Applications for extension are also submitted to the Provincial Commission for decision.

*Duration*

The institution of the *CIG*, reformed under the terms of Law 223/91, is foreseen for an unlimited period.

*Effects*

In 1990, hours under the ordinary *CIG* amounted to 76,927,000; in 1991, 143,645,000. There was therefore a considerable increase during these two years.

**Extraordinary benefits from the Wage Compensation Fund – CIG  
(Interventi straordinari della Cassa Integrazione Guadagni – CIG)**

*Aim*

The aim is not only to maintain income levels, but also to secure employment once productive activity in the restructured, reorganised or converted company has been resumed.

*Legal basis*

A large number of legal provisions apply. Of the laws mentioned so far, the following deal with this matter: Law 1115/68; Law 464/72; Law 164/75; Law 215/78; Law 427/80; Law 155/81; Law 416/81; Law 68/82; Law 160/88, etc. Amendments were introduced by Law 223/91; Decree-Law 128 of 20.5.1993, converted into Law 236 of 19.7.1993; and Decree-Law 299/94, converted into Law 451/94.

*Contents*

Extraordinary wage compensation can be provided in the following cases:

1. restructuring, reorganisation or conversion of a company (Art. 1, § 4, Decree-Law 299/94, converted into Law 451/94);
2. crisis situation within a company (Art. 1, § 5, Law 223/91);
3. company bankruptcy;
4. compulsory liquidation by administrative order;
5. in cases of special administration in which economic activity is terminated (Art. 3, § 1, Law 223/91);
6. where a job-security contract exists (Art. 1, Decree-Law 726 of 30.10.1984, converted into Law 863 of 19.12.1984; Art. 7, Decree-Law 536 of 30.12.1987, converted into Law 48 of 29.2.1988; Art. 5, Decree-Law 148 of 20.5.1993, converted into Law 236 of 19.7.1993).

The following are eligible for benefits from the Extraordinary Wage Compensation Fund (*Cassa Integrazione Guadagni Straordinaria – CIGS*):

- industrial firms (including construction and related firms) which in the six months prior to application employed on average more than 15 workers (including trainees);
- cooperatives and their members processing, transporting or marketing animal or plant products (Art. 3, Law 240 of 15.6.1984);
- companies in the trade sector employing more than 200 workers (Art. 12, § 3, Law 223/91);
- craft firms with more than 15 employees shedding labour under the extraordinary wage compensation scheme under the terms of Art. 12, § 1 of Law 223/91;
- leased canteen firms which suffer reduced output due to the economic crisis in the leasing firm;
- firms in the railway support sector.

Also entitled from 1.1.1994 are:

- lessor cleaning firms suffering from the economic crisis in the leasing firm, provided they are involved in the implementation of company crisis programmes or restructuring, reorganisation or conversion programmes by the leasing firm associated with entitlement to CIGS benefits (Art. 1, § 7, Decree-Law 299/94, converted into Law 451/94).

Also entitled until 31.12.1995 are:

- firms in the trade sector with more than 50 employees (Art. 7, § 7, Decree-Law 148/93, converted into Law 236/93);
- travel agents and travel companies with more than 50 employees (Art. 7, § 7, Decree-Law 148/93, converted into Law 236/93);
- security firms (Art. 7, § 7, Decree-Law 148/93, converted into Law 236/93);
- private radio and television companies and those linked to them in functional terms (Art. 7, § 4, Decree-Law 148/93, converted into Law 236/93).

Also entitled until 31.12.1994 are:

- transport and haulage firms with at least 50 employees (Art. 7, § 7, Decree-Law 148/93, converted into Law 236/93).

The benefits are available to the following groups of persons:

1. blue-collar workers, those of equal status and "intermediate-category" employees (*intermedi*);
2. white-collar workers (including travelling salespersons);
3. managerial staff employed by the afore-mentioned companies.

Workers made redundant lose their entitlement to wage compensation if they refuse to attend a vocational training or retraining course, or engage in self-employment or dependent employment while drawing benefit from the Wage Compensation Fund.

The extraordinary wage compensation amounts to 80% of the pay the worker would otherwise have earned during the hours lost, subject to a maximum monthly benefit of ITL 1,248,021 gross (for workers earning up to ITL 2,700,000 gross). For those employees earning more than the last-mentioned figure, the extraordinary wage compensation amounts to ITL 1,500,000.

#### *Institutional support*

Responsibility for administering the extraordinary contributions from the *CIG* lies with the *INPS*. Companies must submit their application for extraordinary wage compensation to the regional or provincial employment office responsible for their specific location. The application is to contain, in addition to the justification, the nature and duration of the lay-offs, the criteria for the selection of the employees to be laid off and the procedure for rotation between the employees laid off (Art. 1, § 7, Law 223/91).

Enterprises that consider that they will not be in a position subsequently to re-employ the redundant employees may proceed according to the regulations governing the shedding of surplus labour. The workers affected will be recorded in the "mobility lists" so as to facilitate their reintegration into the labour market.

#### *Financial resources*

The contributions are composed as follows:

1. a contribution of 0.9% of the earnings subject to contributions (Art. 9, Law 407/90), of which 0.6% is paid by the employer and 0.3% by the employee;
2. an additional contribution (Art. 8, Law 160/88) of 3% for firms with 15 to 50 employees and of 4.5% for firms employing more than 50 workers.

*Duration*

In the case of a crisis within the enterprise the measure is to last 12 months. This is extended to 24 months for firms undergoing restructuring, reorganisation or conversion (Art. 1, § 4, Decree 299/94, converted into Law 451/94).

Exemptions from the maximum duration of 12 months may be granted by the Ministry of Labour for particularly complex programmes, with regard to the technical characteristics of the manufacturing processes within the company or to the employment effects of the restructuring or reorganisation measures, etc.

## ***CIG in the building sector (CIG nel settore edilizio)***

### *Aim*

To ensure an income to workers in the building sector who are either laid off or are working reduced hours because of seasonal bad weather conditions or for reasons not attributable to the employer or worker.

### *Legal basis*

- Law 77 of 3.2.1963;
- Law 427 of 6.8.1975;
- Law 223 of 23.7.1991.

### *Contents*

According to the new provisions, the reasons for ordinary contributions from the *CIG* have included:

- not observing time periods stipulated in contracts awarded for the execution of major public works;
- necessary variations in projects originating from the work in question;
- "anti-mafia" measures adopted by judicial authorities.

In order to be able to benefit from wage compensation, the workers concerned must show proof of payment of 6 monthly contributions or 26 weekly contributions during the two years preceding the start of the allowance in question.

Wage compensation is allocated during a period of no longer than 3 months for each project.

Any quarterly extensions are granted by the Ministry of Labour based on proposals from the Minister of Public Works, after consultation with the social partners and a survey by the *CIP* (*Comitato Interministeriale per il Coordinamento della Politica Industriale* – Interministerial Industrial Policy Committee) on the reasons for and the length of the interruption.

The period of the contribution may not exceed a quarter of that of the work required to complete the project as determined in the clauses of the contract.

A company which could have foreseen the interruption or suspension of work must pay the *INPS*, including indexation and interest, the sums the latter paid out for wage compensation.

The amount of the contributions for wage compensation may not exceed a maximum set by law. Nevertheless, in the case of seasonal bad weather, it amounts to 80% of the gross payment.

### *Financial resources*

The contribution owed by companies in the building sector for the *CIG* amounts to 5.20% for those of an industrial or craft nature and 3.70% for those involved in quarry work.

The additional contribution in the building sector is 5%.



*Institutional support*

To claim compensation under the scheme, the employer has to apply to the provincial *INPS* office, specifying the reasons for lay-off or for reduced working hours as well as their presumed duration, the number of workers concerned and the actual hours they worked during specified periods.

The employer has to note the wage compensation paid to each employee in his/her paybook and equivalent documents.

The amount of the wage compensation is determined by a provincial commission, appointed by decree of the director of the regional labour office, and composed of representatives from *INPS*, the labour inspectorate and the social partners.

*Duration*

The provisions are applicable for an unlimited period.

### **Job-security agreements (*Contratti di solidarietà*)**

#### *Aim*

Such contracts are to be concluded in order to prevent labour shedding and mass redundancies during the course of the procedure for the granting of extraordinary benefits from the Wage Compensation Fund or of the procedure by means of which workers are registered in the "mobility lists".

#### *Legal basis*

- Decree-Law 726 of 30.10.1984, converted after amendments into Law 863 of 19.12.1984;
- Law 48/88;
- Law 223 of 23.7.1991;
- Law 236 of 19.7.1993;
- Law 451 of 19.7.1994 (Art. 12, § 4);
- Law 608/96 (Art. 6).

#### *Contents*

The social partners reach collective agreements providing for working-time reduction and a corresponding cut in collectively agreed wages, whereby the reductions are to take effect either horizontally or vertically. In both cases the government provides a quarterly allowance which is divided between firms and the workers for whom the working-time reduction has been agreed. Under the terms of Law 608/96 (Art. 6), in the case of contracts concluded subsequent to 14.6.1995 the amount of wage compensation granted to workers amounts to 60% of the wage lost due to working-time reduction. Employers who have concluded a job-security agreement are granted a reduction in their social security contributions for workers affected by working-time reduction (25 or 30% for Objective 1 and 2 areas of EEC Council Directive 2052/88 of 24.6.1988; 35 or 40% when the agreement leads to working-time reduction in excess of 30%).

#### *Financial resources*

The wage compensation provided for in job-security agreements aimed at avoiding redundancies is paid from a special fund under the extraordinary *CIG*.

The reductions in contributions are financed from the means earmarked for this purpose in the Employment Fund (Law 608/96). The Employment Fund has received new financing for the years 1995, 1996 and 1997 (Law 451/94, Art. 12, § 4).

#### *Institutional support*

Firms interested in the allowance are to make their application to the regional labour directorate. The application is checked and passed on to the Ministry of Labour, which verifies it and, where appropriate, issues a certificate of approval. The allowance is then paid out by the *INPS*.

*Duration*

Under the terms of Law 236/93 (Art. 5), the date of expiry for job-security agreements was 31.12.1995. However, as noted above, under Law 451/94, new financing for the Employment Fund was approved for 1995, 1996 and 1997 (Law 236/93, Art. 1, § 7). Thus, interested firms may submit an application up until the end of 1997.

*Effects*

In view of the fact that companies may apply for a job-security agreement up to the end of 1997 and that the agreements have a duration of two years, the measure will continue to have effect until the end of 1999.

## **Redundancy of workers (*Mobilità dei lavoratori*)**

### *Aim*

To facilitate the vocational reintegration of surplus workers when companies themselves are unable to guarantee the continuation of the employment contract.

### *Legal basis*

- Law 223 of 24.7.1991;
- Decree 478 of 11.12.1992;
- Decree 148 of 20.5.1993, converted into law 236 of 19.7.1993;
- Law 608/96 (Art. 4).

### *Contents*

There are two possibilities for mobilising (laying off) workers: 1) in companies with more than 15 employees; 2) in companies which are entitled to extraordinary benefits from the Wage Compensation Fund and which do not intend to re-employ any or some of the redundant workers after receiving the benefit.

The following categories of employees may be registered in the "mobility lists":

- a) blue-collar workers, white-collar workers and lower-level managers (*quadri*) who have become unemployed due to personnel reductions, company conversion or company closure;
- b) blue-collar workers, white-collar workers and lower-level managers (*quadri*) who have been laid off by companies which are receiving extraordinary benefits from the Wage Compensation Fund and which are not in a position to guarantee employment for all the redundant workers;
- c) outworkers who have been laid off due to personnel reductions.

The following categories of employees may still be registered in the lists:

1. Employees entitled to special unemployment benefit who were benefiting from the extension measures in connection with an economic crisis in the sector, region or company on 11 August 1991; likewise employees made redundant by enterprises operating in the Mezzogiorno who are also entitled to special unemployment benefit.
2. Construction workers employed in the construction of industrial plants or large-scale public works in regions in which a severe employment crisis has been identified by ministerial decree due to the impending completion of such building activities.
3. Construction workers who have been in receipt of extraordinary benefits from the Wage Compensation Fund and can prove tenure of at least 36 months, of which they actually worked 24 months. Where these workers were made redundant before 31 December 1994, their duration of registration on the "mobility list" may be extended, because their special unemployment benefit falls under the regulations on "long-term" mobility (redundancy).
4. Workers already employed on 1.1.1992 or 1.1.1994 and employees in firms in the international haulage and storage sectors and in haulage firms listed in the trade register who were made

redundant in 1993 due to the abolition of customs barriers and controls in the Single European Market at the end of 1993 or 1995.

5. Employees (including administrative staff) in the marine transport sector (including port transport) who were made redundant prior to the end of 1996.
6. Blue-collar workers, white-collar workers and lower-level managers (*quadri*) made redundant prior to 31.12.1997 by enterprises, craft firms or producer and worker cooperatives, even where they employ less than 15 workers, provided that this is justified objectively within the context of reduction, conversion or termination of economic activity or work.
7. Workers who were employed in socially useful work and at the same time in receipt of special assistance.
8. Workers who were in employment until 31.12.1995, even if they were not carrying out socially useful work or were not employed in non-operative *GEPI* or *INSAR* companies, and workers specifically provided for by law whose entitlement to redundancy compensation or special unemployment benefit would have expired on 31.12.1994 or whose benefits from the Extraordinary Wage Compensation Fund would have expired between 1.12.1994 and 31.5.1995.
9. Workers who were employed between 1.1.1996 and 31.12.1997 in official refuse dumps, now closed down, in regions declared to be in a state of emergency.

Workers not necessarily in receipt of redundancy allowance may also be registered on "mobility lists". Likewise, workers in receipt of special benefits may be registered, for instance workers in international haulage firms who are receiving specific aid; these remain on the lists for the duration of their entitlement.

Workers registered in the "mobility lists" and entitled to the appropriate benefits may also apply for the statutory vocational training allowances; they remain registered in the list.

The provisions accord priority to listed workers when the employer recruits workers with the same qualifications, and also offers incentives to employers recruiting listed workers.

If the permanent recruitment takes place without the right of priority applying from which former members of the work force benefit under the terms of the law, the employer has the right to a contribution equal to 50% of the redundancy allowance which would be paid to the person hired and this during a period of 12 months which may be extended to 24 months if the worker is older than 50 years of age and to 36 months if he/she resides in the Mezzogiorno.

The worker is struck from the "mobility list" if:

- he/she refuses to enrol in a vocational training course;
- he/she does not accept an offer of employment which is equivalent from a vocational point of view;
- he/she does not accept employment in a public works or service area;
- he/she does not communicate to the *INPS* any services carried out either part time or on a fixed-term basis.

An employee is removed from the "mobility list" in the following cases:

- if he/she is recruited under a full-time employment contract (Art. 9, § 6 a, Law 223/91);
- if he/she takes advantage of the option of receiving the redundancy allowance as a lump sum (Art. 9, § 6 b, Law 223/91);

- if, in the case of a worker without entitlement to the redundancy allowance, the period for the maintenance of the listing has expired (Art. 4, § 2, Law 236/93);
- if he/she refuses to take part in a vocational training course approved by the regional authorities or fails to attend regularly such a course (Art. 9, § 1 a, Law 223/91);
- if he/she rejects a job offer that is "of equal value" in occupational terms or whose remuneration is no more than 10% below that of the activity previously performed by the worker (Art. 9, § 1 b, Law 223/91);
- if he/she is unwilling to take part in community work or services (Art. 14, § 3, Law 451/94);
- if he/she fails, without due cause, to attend the provincial or regional employment office on request (Art. 9, § 1 d2, Law 223/91 in the amended form under Law 451/94, Art. 2, § 3);
- if the period of entitlement to redundancy benefit or redundancy allowance has expired (Art. 9, § 6 c, Law 223/91);
- if he/she fails to inform the local *INPS* branch of work performed, even on a part-time and/or temporary basis.

Workers recruited from the "mobility list" on a full-time basis and on a permanent contract, but made redundant before the end of the probation period, can only be re-registered in the list twice.

#### *Financial resources*

With the exception of firms in the construction sector, employers must pay a fixed contribution to finance the redundancy allowance. This amounts to 0.3% of the wages and salaries used as a basis for calculating contributions to the unemployment insurance fund. During the first 12 months the employee is to pay the same contribution rate applying to trainees on his/her redundancy allowance (Art. 21, Law 41/86); in 1994 this amounted to 5.4%.

#### *Institutional support*

Companies which do not consider themselves able to rehire part of their work force may choose to start, as has been said, mobility procedures.

In the first place, they must notify this decision in writing to the company trade union representatives as well as to their category industrial insurance board indicating the reasons, the number of surplus personnel, the timetable for achieving the programme and any measures intended to cope with this situation.

Copies of this notification must be sent to the *INPS* (registration on the list is as of the day after dismissal), the competent regional labour office and, if more than one region is concerned, to the Ministry of Labour. The company and the trade union representatives will together study the possible solution(s). Once agreement has been reached with the trade unions, or the procedure fixed by law has been carried out, the company is authorised to lay off the surplus personnel, notifying each worker in writing of the dismissal. At the same time, it notifies in writing the list of redundant ("mobile") workers, with detailed information, to the competent regional labour office, to the regional commission and the industrial insurance board.

The regional labour office then ensures that the said workers are registered on the above-mentioned "mobility lists". The payment of redundancy allowance is entrusted to the *INPS*.

Workers laid off due to personnel reductions or closure by companies with less than 15 employees – which are not obliged to comply with the mobility procedures – must submit to the local (district) employment office for the region a formal application for registration on the "mobility list" within 60 days of their dismissal. The date of redundancy is the date on which the employment relationship actually ends, because unemployment is the main prerequisite for registration on a "mobility list".

*Duration*

No time limit has been imposed on these provisions.

*Results*

On 31.12.1994, 294,491 workers were registered in the "mobility lists"; of these 3,617 re-entered employment during the course of the same year.

On 30.9.1996, 237,495 workers were registered in the "mobility lists"; of these 140,450 were men and 97,045 women.

**Measures to assist employees of international haulage companies, storage firms and customs haulage firms**  
***(Interventi a favore dei dipendenti delle imprese di spedizione internazionale, dai magazzini generali e dagli spedizionieri doganali)***

*Aim*

The aim is to maintain the income levels of workers on short-time working (or zero hours) since 1.1.1993 and the social insurance cover of such workers following redundancies and labour shedding in the wake of the abolition of customs barriers and controls within the European Union on that date.

*Legal basis*

- Decree-Law 24 of 1.2.1993;
- Decree-Law 94 of 5.4.1993;
- Decree-Law 199 of 21.6.1993, converted into Law 293 of 9.8.1993;
- subsequent extensions by decree, later converted into Law 608/96.

Given that the crisis in this sector has continued to deepen, it proved necessary to extend the aid and support measures by means of the following decree-laws:

- Decree-Law 257 of 29.7.1994;
- Decree-Law 414 of 27.6.1994;
- Decree-Law 514 of 27.8.1994;
- Decree-Law 601 of 28.10.1994;
- Decree-Law 723 of 28.12.1994.

*Contents*

1. For workers entering retirement in the course of 1993: provision of compensation at a level equivalent to the maximum level of benefit from the Extraordinary Wage Compensation Fund (excl. supplementary family allowances where appropriate); in cases of reduced working hours the compensation will be reduced on a pro rata basis.
2. For workers in employment on 1.1.1992 and made redundant during 1993: provision of compensation at the same level and for the same duration as workers entering retirement and registration in the "mobility lists".

Under Law 608/96, 1,800 workers are entitled to the above benefits.

*Institutional support*

Ministry of Labour and the *INPS*.

*Duration*

Benefits which have been extended several times on the basis of successive decrees may be approved for an additional year (Law 608/96, Art. 4, § 19).





### 3. Aid to the Unemployed

- I-iii.1 Ordinary unemployment benefit (*Trattamento ordinario di disoccupazione*)
- I-iii.2 Special unemployment benefit (*Trattamento straordinario di integrazione salariale*)
- I-iii.3 Redundancy allowance (*Indennità di mobilità*)
- I-iii.4 Employment Fund (*Fondo per l'occupazione*)
- I-iii.5 Development Fund (*Fondo per lo sviluppo*)
- I-iii.6 Socially useful work (*Lavori socialmente utile*)

**Ordinary unemployment benefit**  
**(*Trattamento ordinario di disoccupazione*)**

*Aim*

To ensure compensation for workers involuntarily deprived of employment.

*Legal basis*

- Law by Royal Decree 2214 of 19.10.1919;
- Law by Royal Decree 1827 of 4.10.1935;
- Law by Royal Decree 636 of 14.4.1939;
- Law 160 of 20.5.1988;
- Decree-Law 148/93, converted into Law 236/93;
- Decree-Law 40 of 18.1.1994;
- Decree-Law 299/94, converted into Law 451/94.

*Contents*

Ordinary unemployment benefit concerns all employees who find themselves involuntarily deprived of employment. Workers who resign or are dismissed on the grounds of misconduct are considered as involuntarily unemployed after a waiting period of one month.

To qualify for the ordinary compensation scheme for being unemployed, the person concerned must meet the following conditions:

- to have contributed to the unemployment insurance system for at least two years;
- to have carried out a contributory activity for at least one year during the two-year period immediately preceding unemployment;
- to have registered with an employment office.

Pregnancies and post-natal periods, military service, periods of work abroad in countries with which Italy has no bilateral social security agreements and periods of illness are also counted as contributory periods in calculating the period of two years of contribution giving entitlement to benefits.

The base rate for calculating standard unemployment benefit was set at 27% of the income subject to contributions earned during the three months immediately prior to unemployment for the period from 1.1.1994 to 30.6.1994, and at 30% from 1.7.1994 to 31.12.1994; the calculation is based on the number of working days. The wage compensation benefit is granted in line with the number of compensatory hours approved. The maximum value of the benefit is ITL 1,500,000 per month; this is available to those whose gross earnings as used to calculate standard unemployment benefit exceed ITL 2,700,000 (Art. 1, § 2, Law 427/80; Art. 1, § 6, Decree-Law 40/94).

The benefit is paid from the eighth day after termination of work, for a maximum of 180 days in a year, including Sundays and holidays. It also continues to be paid in case of illness if this is declared after the start of the period of unemployment, in as far as the unemployed person does not receive other social security benefits.

If the insured person does not submit his/her claim within 60 days of becoming unemployed, he/she loses his/her entitlement to unemployment benefit.

The period of entitlement to unemployment benefit is reduced to 30 days in the case of persons who resign of their own free will or are dismissed for gross misconduct.

During the period of compensation the unemployed are entitled to family allowances for their dependants.

The unemployed who receive unemployment benefit for the period from 18 to 24 December are granted an additional so-called "Christmas allowance" equivalent to six times the total daily allowance of unemployment benefit and, if applicable, family allowance.

On reaching retirement age, the unemployment benefit cannot be drawn at the same time as the retirement pension paid by the *INPS*; it can, however, be drawn together with other indirect pensions paid by other organisations or funds.

#### *Financial resources*

The fund, instituted within the *INPS*, receives its revenue from employers' contributions and a state subsidy.

#### *Duration*

The provisions regarding ordinary unemployment benefit are applicable for an unlimited period.

## **Special unemployment benefit (*Trattamento straordinario di integrazione salariale*)**

### *Aim*

To support workers made redundant due to personnel reductions or employed in firms undergoing restructuring, reorganisation or conversion.

### *Legal basis*

Decree-Law 299/94 (Art. 1, § 3), converted into Law 451/94.

### *Contents*

The special unemployment benefit is available to employees in firms for which extraordinary wage compensation is granted in the following cases:

- declaration of bankruptcy;
- compulsory liquidation;
- extraordinary administration with suspension of business activity.

The special unemployment benefit may be granted for a maximum of 12 months; it is to be applied for by the bankruptcy trustee, liquidator or provisional administrator within 40 days of the onset of the crisis within the firm or within 120 days where the firm is undergoing restructuring, reorganisation or conversion.

After six months the special unemployment benefit may be extended for a further six months after certification that the programme is being conducted in accordance with the regulations by the Ministry of Labour.

### *Financial resources*

The burden of contributions is distributed as follows:

1. A contribution of 0.90% of the remuneration subject to contributions (Art. 9, Law 407/90), of which 0.60% is paid by the employer, 0.3% by the employee;
2. an additional contribution (Art. 8, Law 160/88) of 3% in firms with between 15 and 50 employees and 4.5% in firms with more than 50 employees.

### *Institutional support*

The Ministry of Labour and the *INPS*: the Ministry of Labour can require the immediate payment of the special unemployment benefit to workers by the *INPS*.

### *Duration*

Special unemployment benefit can be paid to any production unit for an overall maximum of 36 months within a five-year period. In some cases this maximum may be exceeded (e.g. in the case of particularly complex restructuring, reorganisation or conversion programmes; Art. 1, § 4, Decree-Law 299/94, converted into Law 451/94).

## **Redundancy allowance (*Indennità di mobilità*)**

### *Aim*

To assist laid-off workers (Art. 4 and 24 of Law 223/91) by providing an allowance paid by the *INPS*. This replaces the special unemployment benefit, which has been scrapped in all sectors except the construction industry.

### *Legal basis*

- Law 88/89 (Art. 37);
- Law 223/91.

### *Contents*

Workers are to apply for the redundancy allowance ("mobility allowance") by filling out a form and submitting it to the *INPS* within 67 days of being laid off (Art. 4 and 24, Law 223/91).

Blue-collar, white-collar and managerial staff who have been in uninterrupted employment with their present employer for at least 12 months, of which they must have actually been working for 6 months, are entitled to claim the allowance. Outworkers and those employed in producer and worker cooperatives are also entitled to claim.

A further condition of entitlement is that the worker in question is laid off by a firm in one of the following categories:

1. firms drawing special unemployment benefit from the Wage Compensation Fund;
2. firms not affiliated to the Extraordinary Wage Compensation Fund, which employ more than 15 workers and, due to a restriction, conversion or termination of their business activity, intend to lay off at least five workers in each production unit or in several production units within the same province within the space of 120 days.

The following categories of workers are not entitled to the redundancy allowance: executive staff, seasonal workers, temporary staff, those employed on combined work-training contracts, apprentices and those on fixed-term employment contracts.

### *Institutional support*

The redundancy allowance is paid monthly by the *INPS* according to a procedure laid down by the Ministry of Labour (Decree 142 of 17.2.1993).

### *Financial resources*

Firms not active in the construction industry are to make a contribution of 0.3% of the remuneration subject to unemployment benefit contributions to finance the redundancy allowance. During the first 12 months the employee is to pay the same contribution rate applying to trainees on his/her redundancy allowance (Art. 21, Law 41/86); in 1994 this amounted to 5.84%.

*Duration*

During the first 12 months the allowance is the same as the level of special unemployment benefit drawn by the worker in the week immediately prior to the termination of the employment relation (or to which he/she would have been entitled); subsequently it is equal to 80% of the unemployment benefit serving as a basis for calculation.

On 1 January each year the benefit level is adjusted in line with the inflation allowance for wage- and salary-earners. During the period of entitlement to the redundancy allowance, the employee may claim bonus payments for his/her core family; the maximum family income ceilings set out in the relevant regulations apply, however.

The allowance is available for a maximum of 12 months. In the Mezzogiorno regions the entitlement period is extended to 24 months. Workers aged over 40 (50) can claim the allowance for a maximum of 24 (36) months; in the Mezzogiorno these periods are extended to 36 and 48 months respectively.

The duration of entitlement to the redundancy allowance may not exceed the length of service with the employer. The period of entitlement may be extended ("long-term mobility"), however, in the case of workers laid off between 20.1.1994 and 31.12.1994 by firms in the textile, shoe and related branches, or in areas affected by declining industries (Objective 2 of EU Directive 2081/93), and of workers laid off between 11.3.1993 and 31.12.1994 by firms in the chemical, steel and defence sectors, etc. This benefit is only granted if the existence of surplus labour is attested by the *UPLMO* (provincial labour and employment office) in the course of the redundancy procedure.

## **Employment Fund (Fondo per l'occupazione)**

### *Aim*

To implement special measures of active, employment-maintaining labour market policy by the Ministry of Labour and Social Insurance in:

- a) the areas defined under Objectives 1 and 2 of EU Directives 2052/88 and 328/88 and Law 181 of 15.5.1989 (support and reindustrialisation measures by means of the implementation of the restructuring plan for the steel industry);
- b) areas suffering from a serious imbalance between labour supply and demand (Art. 36, § 2, Presidential Decree 616/77).

### *Legal basis*

- Decree-Law 148 of 20.5.1993, converted into Law 236 of 19.7.1993 (Art. 1 and 1b);
- Decree-Law 299 of 16.5.1994, converted into Law 451 of 19.7.1994;
- Law 608/96;
- Law 30 of 28.2.1997 (on converting Decree-Law 669 of 31.12.1996).

### *Contents*

It is intended to offer degressive incentives to employers recruiting full-time workers in addition to the work-force levels prevailing at the time the law comes into force. Public and private sector firms and cooperatives in all sectors of the economy are entitled to apply for the support, provided they meet the following sets of conditions: the firm

- a) is located in a region affected by a particularly severe crisis or active in a sector facing a structural crisis whose effects on the employment level are substantial;
- b) is affected by delayed development or by economic depression;
- c) is undergoing a process of restructuring, industrial conversion or industrial decline;
- d) is affected by a serious deterioration in social, economic or environmental situation or by a lack of esteem and defence of the historical or artistic heritage.

Also entitled to claim are (public and private sector) enterprises responsible for implementing community and charitable projects lasting at least one year and which employ workers of the following categories:

1. recipients of special unemployment benefit;
2. workers registered for more than two years in category 1 of the placement lists;
3. workers registered in the "mobility lists";
4. employee categories selected on the basis of special decisions – approved by the Ministry of Labour – taken by the *CRI* (Regional Employment Commission).

The measures described above are to be extended to cover initiatives to provide employment for disabled workers throughout Italy.



Decrees issued by the Ministry of Labour are to define the following elements: the subjective requirements made of recruited workers, the forms on which to apply for the support, the conditions and forms under which the benefit will be granted and the way in which the subsequent evaluation of the results is to be performed.

The above-mentioned benefits may be combined with the benefits provided for under both Law 223/91 (Art. 8, 20 and 25) for lay-offs and reintegration contracts and Law 407/90 (Art. 8, § 9) for training-cum-work contracts.

However, as far as the fund share (of a maximum of 10%) earmarked for young people setting up new enterprises is concerned, the legal entities listed in Article 1 of Law 44/86, namely corporations, cooperatives, etc., are entitled to benefit (cf. Chapter III, I-vi.7).

The fund share (of a maximum of 10%) is earmarked for young people setting up new enterprises in the following sectors: cultural heritage, tourism, maintenance of civil and industrial buildings in the Mezzogiorno regions and within the framework of domestic social services and care for the disabled and the elderly.

#### *Institutional support*

- The Ministry of Labour and Social Insurance;
- The Association of Young Entrepreneurs (*Società per l'imprenditorialità giovanile*) (cf. Chapter III, I-vi.7, "Promotion and development of the creation of companies by young people").

#### *Financial resources*

The Employment Fund is used to support various labour market policy measures, such as job-security agreements and aid towards socially useful work. Law 608/96 provided for an increase in the size of the Fund by ITL 669 billion in 1995, ITL 685.6 billion in 1996, ITL 591.3 billion in 1997 and ITL 691.3 billion for 1998. These resources are primarily used to finance socially useful work and also schemes for the vocational reintegration of unemployed young people (Law 451/94, Art. 15) (see the relevant section in this report). Law 30 of 28.2.1997 (on converting Decree-Law 669 of 31.12.1996) then additionally increased the Fund by ITL 868 billion for 1997, ITL 494 billion for 1998 and ITL 739 billion for 1999.

#### *Duration*

At least until 1999.

## **Development fund (Fondo per lo sviluppo)**

### *Aim*

To implement new reindustrialisation programmes, to implement measures to create new production initiatives and to convert productive apparatus; to promote development activities at local level.

### *Legal basis*

- Decree-Law 148 of 20.5.1993, converted into Law 236 (Art. 1 ter) of 19.7.1993;
- Prime Ministerial Decree 773 of 3.11.1994 (regulatory decree);
- Decree of the Ministry of Labour of 3.5.1996 (on approving development schemes and determining the subsidies provided from the Fund.

### *Contents*

Prime Ministerial Decree 773/94 regulates the criteria and other details pertaining to the use of the Fund's resources and in the same context the eligible measures, the content of the development schemes, the bodies authorised to submit schemes and the priorities considered in the granting of subsidies. These priorities include the location of the scheme in areas affected by a sectoral and/or local crisis, for which protocol agreements have been signed with a view to implementing schemes which either incorporate the most important institutional and economic forces of the region, serve the purpose of reindustrialisation or have led to a reorganisation of state enterprises.

### *Financial resources*

- ITL 75 billion for 1993;
- ITL 100 billion for 1994;
- ITL 100 billion for 1995;
- ITL 264.55 billion for 1996;
- ITL 150 billion for 1997;
- ITL 46 billion for 1998.

### *Institutional support*

The above Decree led to the establishment of a technical unit in the Ministry of Labour which has prepared and approved a procedure for agreements, on which basis individual agreements with interested companies were concluded. Each agreement describes the scheme supported by the Development Fund, its duration, the amount of the subsidy from the fund, the total cost, the geographical location, the responsibilities of the parties to the agreement, the required personnel and the contributions and funding received from third-party firms which are involved in business activities in the region.

### *Duration*

Between a minimum of one year and five months and a maximum of five years and nine months.

### **Socially useful work** **(*Lavori socialmente utile*)**

Socially useful work is defined as activities in innovative sectors such as cultural heritage, environmental protection, urban renewal, research, vocational training and retraining, support for small and medium-sized enterprises in the form of services and help with marketing and exports, and personal services. The activities must be extraordinary and thus fixed-term in nature.

#### *Legal basis*

- Decree-Law 244 of 28.5.1981, converted into Law 390 of 24.7.1981;
- Law 18 of 27.2.1984;
- Law 41 (Art. 8) of 28.2.1986;
- Decree-Law 366 of 4.9.1987, converted into Law 452 of 3.11.1987;
- Decree issued by the Ministry of Labour on 18.5.1988;
- Decree-Law of 21.3.1988, converted into Law 160 of 20.5.1988;
- Law 223 (Art. 6) of 23.7.1991;
- Decree-Law 29 (Art. 1) of 3.2.1993;
- Decree-Law 148 of 20.5.1993, converted into Law 236 of 19.7.1993;
- Decree-Law 299 of 16.5.1994, converted into Law 451 (Art. 14) of 19.7.1994;
- various successively re-enacted decree-laws: from Decree-Law 31 of 8.2.1995 to Decree-Law 510 of 1.10.1996, converted into Law 608/96 (Art. 1).

#### *Contents*

Socially useful projects may be initiated by public bodies (cf. Art. 1 of Legislative Decree 29 of 3.2.1993: public administrations, institutions and schools of every type and level, educational establishments, regions, provinces, municipalities, universities, etc.), enterprises under majority public ownership, legal entities identified by decree of the Ministry of Labour and social cooperatives (cf. Chapter III, I-vi.9).

Employees belonging to the following categories may be employed within the framework of socially useful work:

1. Workers registered for more than two years in category 1 of the placement lists;
2. Workers registered in the "mobility lists";
3. Employee categories selected on the basis of a ruling by the *CRI* (Regional Employment Commission);
4. Redundant workers with entitlement to extraordinary benefits from the Wage Compensation Fund;
5. Redundant workers in receipt of benefits or persons receiving benefits from the Wage Compensation Fund who are no longer in receipt of welfare benefits and who may be employed on the project until its termination (though not longer than 12 months) on the basis of subsidies.

In the case of such projects, the following must be named or defined: the sponsoring body and (where they are not the same) the implementing body, the duration of the project, the categories of workers who are eligible, qualifications and qualification levels, vocational training activities – where applicable – and the proposed working hours. Appropriate accident, occupational illness and third-party liability insurance must be arranged by the organisations carrying out the project.

*Financial resources*

Law 608/96 provides for an increase in the Employment Fund of ITL 669 billion in 1995, around ITL 686 billion in 1996, around ITL 592 billion in 1997 and around ITL 692 billion for 1998. These increases are to primarily serve the purpose of financing socially useful work and schemes for the vocational integration of young people (cf. Chapter III, I-vi.8).

*Institutional support*

Proposed projects must be submitted to the relevant regional directorate in the case of regional projects and to the Ministry of Labour in the case of national or supra-regional projects.

The Ministry of Labour and the Ministry of the Civil Service are to examine the implementation of socially useful work on an annual basis.

*Duration*

To be considered as socially useful work, tasks must be extraordinary and fixed-term in nature.



## 4. Training

- I-iv.1 Implementation of EU Directive 92/51 – incorporating EU Directive 89/48 – on a second general system for the recognition of vocational training qualifications (*Attuazione della direttiva 92/51/CEE relativa ad un secondo sistema generale di riconoscimento della formazione professionale che integra la direttiva 89/48/CEE*)
- I-iv.2 Vocational training schemes in disadvantaged areas (*Interventi di formazione professionale in aree svantaggiate*)
- I-iv.3 In-company and further vocational training schemes (*Interventi di formazione professionale aziendale e continua*)
- I-iv.4 Subsidies for vocational training: practical training (*Interventi nel campo della formazione professionale: tirocini*)

**Implementation of EU Directive 92/51 – incorporating EU Directive 89/48 –  
on a second general system for the recognition of vocational training  
qualifications**

***(Attuazione della direttiva 92/51/CEE relativa ad un secondo sistema generale di  
riconoscimento della formazione professionale che integra la direttiva 89/48/CEE)***

*Aim*

To ensure recognition in Italy of qualifications and titles accorded by other EU Member States. The qualifications in question certify a period of vocational training that, under the laws prevailing in the country in question, are a precondition for work in a given occupation.

*Legal basis*

- EU Council Directive 92/51/EEC of 18.9.1992, incorporating Directive 89/48/EEC;
- Law 146 of 22.2.1994;
- Legislative Decree 319 of 2.5.1994;
- Prime Ministerial Decree 621 of 7.8.1996.

*Contents*

The qualifications held by citizens of EU countries are to be recognised so as to enable them to work – on a self-employed or employed basis – in the occupation for which they have acquired the necessary qualification in another Member State.

The Decree-Law defines the occupations covered by this recognition: activities requiring entry in the occupational register, some public and private sector activities, some activities in the health sector, etc. In addition, citizens of EU countries may obtain recognition if the profession they are seeking to perform in Italy is equivalent to an occupation which does not require possession of an occupational title in the country of origin.

The following institutions are responsible for issuing the certificate of recognition:

- a) the ministry responsible for overseeing the occupation in question;
- b) the Ministry of the Civil Service for occupations within the civil service;
- c) the Health Ministry for health professions;
- d) the Education Ministry for teaching and other school staff;
- e) the Ministry of Labour and Social Insurance in the case of occupations for which access to, or performance of, the occupation requires the possession of occupational certificates or qualifications acquired under Law 845 of 21.12.1978, Law 56 of 28.2.1987 or in accordance with the regulation on vocational training contracts;
- f) the Ministry of Transport and Shipping for seamen;
- g) the Ministry of Labour and Social Insurance in agreement with the Civil Service Ministry in all other cases.

The application for recognition is to be submitted to the appropriate ministry together with documentary evidence of the rightful possession of the title to be recognised.

Recognition is granted in the form of a decree by the ministry responsible within four months of the application.

This decree is subsequently published in the legal gazette of the Italian Republic. It grants the applicant the right of access to, and the right to perform, the occupation in question, subject to the regulations applying to Italian citizens. This does not alter the fact that access to certain positions within government departments (as specified by Decree 174 of the Council of Ministers of 7.2.1994) requires the applicant to hold Italian citizenship.

In addition, the ministries listed above also certify vocational training qualifications acquired in Italy and granting the right to perform a given occupation in order to facilitate recognition in other Member States of the EU. The ministries are also charged with determining equivalent vocational training qualifications and, via the Foreign Affairs Ministry, bringing this to the attention of the EU Commission and other Member States of the European Union.

*Financial resources*

The measure has not been endowed with financial resources of its own.

*Institutional support*

The civil service, health, education, labour, transport and shipping and various other ministries.

*Duration*

No specific time limit has been set for this measure.



### **Vocational training schemes in disadvantaged areas (*Interventi di formazione professionale in aree svantaggiate*)**

#### *Aim*

To provide retraining for workers in regions affected by serious imbalance between labour supply and demand; the measure is not limited to specific geographical regions.

#### *Legal basis*

- Framework-Law 845 of 21.12.1978 on vocational training (Art. 26);
- Decree-Law 148/93, converted into Law 236/93 (Art. 9).

#### *Contents*

Where there is serious imbalance between labour supply and demand in the labour market, the regions concerned can present plans for vocational training in various sectors, and for all vocational qualifications. The beneficiaries of these schemes can be:

- unemployed people registered on placement lists (18-29 years of age);
- workers in the Extraordinary Wage Compensation Fund (retraining and integration in production);
- workers in companies who need to be retrained.

For projects which concern the unemployed, the initiative comes from the regions (through the intermediary of vocational training assessors); for the other categories, companies can submit projects (which are subsequently agreed to by the regions).

The selection of projects takes place based on the supervision provided by the specialised services of the regions. Projects selected by these services are submitted for study to the Ministry of Labour, who approves them by Decree (together with the Ministry of the Treasury), and provides the corresponding financing and the methods of supervising teaching activities and the final review of the work carried out. The maximum duration of these courses is 1,200 hours.

#### *Financial resources*

The projects are financed as follows:

- 30% at the beginning of the activities;
- 30% halfway through the course;
- the remaining 40% after the final review.

Under Article 9 of Law 236/93 the costs are borne by the vocational training fund.

#### *Institutional support*

The regions, the Ministry of Labour and the Ministry of the Treasury.

#### *Duration*

Unlimited.

### **In-company and further vocational training schemes (*Interventi di formazione professionale aziendale e continua*)**

#### *Aim*

To provide further training for workers in regions affected by serious local imbalance between labour supply and demand; the measure is not limited to specific geographical regions.

#### *Legal basis*

Framework-Law 845 of 21.12.1978 on vocational training (Art. 18).

#### *Contents*

The law provides for technical and financial assistance for vocational training measures conducted in agreement and jointly with the regions in areas affected by a severe imbalance between supply and demand on the labour market. The following categories are eligible for the support:

- employees drawing extraordinary benefits from the Wage Compensation Fund;
- employees undergoing retraining within the enterprise.

Firms applying for the support submit their training projects to the regional government, which passes them on to the Ministry of Labour for examination and approval. The Ministry approves by decree the financing, the monitoring and the final review of the measures implemented.

#### *Financial resources*

The projects are financed as follows:

- 30% at the start of the training activities;
- 30% once half of the courses have been completed;
- the remaining 40% following the final review.

The costs are borne by the Vocational Training Fund (Law 236/93, Art. 9) and the support is paid directly to the participating employees as stipulated by Decree-Law 408/88, converted into Law 492 of 12.11.1988.

#### *Institutional support*

The regions, Ministry of Labour.

#### *Duration*

Unlimited.

### **Subsidies for vocational training: practical training** ***(Interventi nel campo della formazione professionale: tirocini)***

#### *Aim*

To aid young unemployed people who have at least completed compulsory schooling in their career choice by providing them with direct knowledge of the world of work through practical training with private sector employers.

#### *Legal basis*

- Law 236/93 (Art. 9);
- Labour Ministry Circular 29/97 from the Central Office for Vocational Training and Guidance for Workers.

#### *Contents*

Practical training with private sector employers may be organised by universities, educational institutions, public schools, vocational training and/or guidance centres, and branch offices of the Ministry of Labour. The relationship between the trainee and the employer is not an employment relationship. Trainees are insured by the employer against accidents at work and damages to third parties on the basis of an agreement to this end with the *INAIL (Istituto Nazionale per l'Assicurazione contro gli Infortuni sul Lavoro* – national institute for insurance against accidents at work). Training activities are carried out during the practical training. The following persons may participate in practical training: 1) persons attending schools, universities or vocational training (maximum duration: 2 months); 2) persons in their final year of training or who are seeking employment (i.e. persons out of work, the unemployed and "mobilised" workers) (maximum duration: 3 months); 3) persons who have completed higher-level schooling who are attending continuing or further training courses, the duration of which is determined by certain conventions or agreements. Participants may be EU or non-EU citizens. At the end of the practical training the employer presents the trainee with a certificate listing the activities carried out, the skills gained and the duration of the training.

#### *Institutional support*

The following institutions may participate in the scheme: universities, educational institutions, public schools, vocational training and/or guidance centres and branch offices of the Ministry of Labour. In a number of cases provided for under Law 236/93 (persons attending schools, universities or vocational training; persons in their final year of training or who are seeking employment; unemployed or "mobilised" workers), a tutor will be present who is responsible for instruction and organisation.

#### *Effects*

The scheme was only introduced recently (following the expiry of Decree-Law 511/96, Art. 7), so that it is yet too soon to estimate its effect on the Italian labour market.

## 5. Job Creation

- I-v.1 Industrial investment incentives in the Mezzogiorno (*Agevolazioni per investimenti industriali nel Mezzogiorno*)
- I-v.2 Fiscalisation of social insurance contributions (*Fiscalizzazione degli oneri sociali*)
- I-v.3 Reduction in social security contributions in the Mezzogiorno (*Sgravi contributivi per il Mezzogiorno*)
- I-v.4 Easier access to loans to support cooperatives and urgent measures to protect employment levels (*Provvedimenti per il credito alla cooperazione e misure urgenti a salvaguardia dei livelli di occupazione*)
- I-v.5 Territorial alliances (*Patti territoriali*)

## **Industrial investment incentives in the Mezzogiorno (Agevolazioni per investimenti industriali nel Mezzogiorno)**

### *Aim*

To encourage investments in the Mezzogiorno.

### *Legal basis*

- Law 183 of 2.5.1976;
- Law 675 of 12.8.1977;
- Presidential Decree 218 of 6.3.1978 and successive extensions, the latest having been made by Law 775 of 17.11.1984;
- Law 64 of 1.3.1986;
- Decree-Law 363 of 14.8.1992 (not converted into a law as conversion was not accomplished within the period stipulated by the constitution);
- Decree-Law 415 of 22.10.1992, converted into Law 488 of 19.12.1992;
- Decree-Law 96 of 3.4.1993;
- Decree-Law 675 of 9.12.1994.

### *Contents*

#### Financial incentives:

- Financing at a low rate of interest is granted for initiatives connected with the construction, extension, modernisation, reactivation, restructuring and conversion of production plants at the following percentage rates:
  - 30% for investments up to ITL 7 billion;
  - 40% on the proportion of the investments exceeding ITL 7 billion;
  - 40% on the proportion of the stocks of raw materials or semi-finished products up to a maximum of 40% of the investments eligible under the scheme.

Investments which are eligible are those aimed at modernising, improving and increasing the industrial production capacity; providing companies and the geographical area with a modern and efficient network of services; containing energy consumption and developing the production of energy derived from alternative sources of energy; promoting employment.

- Capital grants are given for the construction, extension, modernisation, restructuring or conversion of production plants at the following percentage rates:
  - 40% for investments up to ITL 7 billion;
  - 30% on the proportion of the investments exceeding ITL 7 billion;
  - 15% on the proportion of the investments exceeding ITL 30 billion.

#### Fiscal measures (Art. 14, Law 64/86 and subsequent amendments):

- For a period of ten years, agricultural firms operating in the Mezzogiorno are granted a reduction of 70% of the uniform agricultural contributions for workers employed in addition to those declared for the years 1983 and 1984;
- the regulations concerning the reduction of VAT will be applied in the Mezzogiorno for a period of five years;

- the exemption from the local income tax on reinvested profits in the taxation period ending on 1.3.1986 is raised to 100% of the declared profits (Decree-Law 675/94, Art. 12, § 1);
- for firms founded before 1.3.1986 in the form of corporations in order to realise new production initiatives in southern Italy, complete exemption from corporation-income tax for a period of ten years (Decree-Law 675/94, Art. 12, § 1).

#### *Financial resources*

Expenditure of ITL 13,800 billion (ITL 2,125 billion for 1992, ITL 2,350 billion for 1993 and ITL 3,075 billion for 1994) has been approved to finance support for productive activities (Art. 1, § 1, Law 488/92).

The realisation of infrastructure projects at national or supra-regional level in economically disadvantaged areas of Italy is performed by the authorities responsible on the basis of programmes that require the approval of the Interministerial Economic Planning Committee (*Comitato Interministeriale per la Programmazione Economica – CIPE*), whereby the regular financing of the sector in question is to be taken into account (Art. 7, § 1, Decree-Law 96/93) as set out in fiscal legislation (Art. 3c, § 1, Law 488/92).

Within the budgetary framework available to the *CIPE*, funds may be borrowed in order to implement "strategic investment projects in seriously underdeveloped areas"; the servicing of these debts (principal and interest repayments) will be assumed by the central government budget. The loan agreements are to be reached with financial institutions named by the Treasury in agreement with the Ministry of Finance and Economic Planning. An overall financial volume of ITL 10,000 billion is planned, distributed as follows: ITL 3,000 billion each for the years 1992, 1993 and 1994, and ITL 1,000 billion for 1995 (Law 488/92, Art. 1, § 8). The infrastructure and "strategic" projects mentioned above may be financed by the European Structural Fund (Decree-Law 96/93, Art. 7, § 3).

#### *Institutional support*

On 15.4.1993 the special assistance to the Mezzogiorno expired (Art. 1 of Decree-Law 96/93); the department providing special aid to the Mezzogiorno and the Development Promotion Office in the Mezzogiorno (cf. Institutional support in BIR 1992) were wound up in 1992 (Art. 2, Law 488/92). The responsibilities of these bodies were transferred to the Ministry of Finance and Economic Planning and to the Ministry of Industry, Trade and Crafts. The latter Ministry, in particular, is responsible for technical and administrative implementation and for supervising the granting of assistance for productive activities. The Ministry of Industry takes a decision, in line with the criteria elaborated jointly with the *CIPE*, on the application made by a company seeking support.

The Ministry of Finance is responsible for supporting productive activities that are the subject of so-called "programme contracts" or "programme agreements".

#### *Duration*

Because the conversion of special support for the Mezzogiorno to generalised support for all regions of Italy suffering from economic depression is still in progress, this policy area has so far (February 1995) been regulated on a provisional basis by decree.

## **Fiscalisation of social insurance contributions (*Fiscalizzazione degli oneri sociali*)**

### *Aim*

To limit labour costs.

### *Legal basis*

- Decree-Law 15 of 7.2.1977, converted into Law 102 of 7.4.1977 and subsequent provisions;
- Decree-Law 338 of 9.10.1989, converted into Law 389 of 7.12.1989;
- Decree-Law 18 of 19.1.1991, converted into Law 89 of 20.3.1991;
- Decree-Law 71 of 22.3.1993, converted into Law 151 of 20.5.1993;
- Decree-Law 299 of 16.5.1994, converted into Law 451 of 19.7.1994, Art. 18.

### *Contents*

The fiscalisation of social insurance contributions has the effect that firms operating in certain sectors are granted a reduction in their social insurance contributions.

The following reductions are available for firms meeting the conditions of entitlement in the following sectors:

- industrial and craft enterprises in the manufacturing and extraction sectors and investment-good producers in the metal-smelting industry; shipping companies and firms listed in the transport company register: reduction in contributions of 4.02% (10.22% in the Mezzogiorno);
- hotel and catering establishments, thermal baths, public facilities, cinemas, travel agents, outdoor tourist facilities, trading companies specialised in export trade, other firms with more than 15 employees and community and charitable institutions, foundations and associations providing care services, etc.: reduction of 1.82%; (2.82% in the Mezzogiorno);
- employers operating in the agricultural sector in central and northern Italy: reduction in contributions of 5.62%;
- employers operating in the agricultural sector in the Mezzogiorno: until 31.12.1996 reduction of 60% on all contributions.

In addition to these rates, the following benefits are available for the period: 1.1.1992 to 31.12.1993:

- additional reduction of 1.40% on health insurance contributions for private and public sector employees in craft and industrial enterprises in all extractive and manufacturing sectors, for investment-good producers in the engineering industry, for shipping companies and for firms operating in the Mezzogiorno and listed in the register of road haulage companies;
- additional reduction on the above-mentioned contribution for the same enterprise category, but for firms operating outside the Mezzogiorno of 1.44%;
- reduction of 1.0% for hotel and catering establishments, thermal baths, public facilities, cinemas, travel agents, outdoor tourist facilities, trading companies specialised in export trade, other firms with more than 15 employees and for community and charitable institutions, foundations and associations providing care services;
- further reduction in the payment of the above contributions of 0.40% for construction firms;
- further reduction in the above-mentioned contributions of 1.00% for profit-oriented care companies with between 8 and 15 employees.

These reductions are not available for employees who:

- a) are not registered with the social insurance institutions;
- b) are registered with the social insurance institutions for a number of working hours or days that is less than the number of hours or days actually worked;
- c) are paid wages whose rates are below those stipulated in the national collective agreements.

Regulations subsequently issued (Art. 18, Law 451/94) confirmed the additional reductions in the payments to the national health service as of 1.1.1994 as listed above.

#### *Institutional support*

Treasury and *INPS*.

#### *Financial resources*

The Ministry of Labour provided ITL 2,200 billion for the fiscalisation of social insurance contributions in 1993; under Law 451/94 (Art. 18, § 3) the Treasury is to provide ITL 2,063 billion, ITL 2,130 billion and ITL 2,200 billion for 1994, 1995 and 1996 respectively.

#### *Duration*

The measure is to be extended as required.



### **Reduction in social security contributions in the Mezzogiorno (Sgravi contributivi per il Mezzogiorno)**

#### *Aim*

To promote companies operating in the Mezzogiorno.

#### *Legal basis*

- Decree-Law 918 of 30.8.1968;
- Law 1089 of 25.10.1968;
- Law 183 of 2.5.1976;
- Presidential Decree 218 of 6.3.1978 (Art. 1 and 59);
- Law 887 of 22.12.1984; Law 64 of 1.3.1986;
- Decree-Law 34 of 20.2.1986;
- Decree-Law 123 of 26.4.1986 and subsequent extensions until Decree-Law 536 of 30.12.1987;
- Decree-Law 14/92;
- Decree-Law 34 of 20.2.1986;
- Decree-Law 123 of 26.4.1986 and subsequent extensions;
- Decree-Law 338/89, converted into Law 389/89;
- Decree-Law 14/92, converted into Law 151 of 20.5.1993;
- Decree-Law 465 of 19.11.1993, converted into Law 21 of 14.1.1994;
- Law 451/94;
- Interministerial Decree of 5.8.1994 (published in *Gazzetta ufficiale* of 20.8.1994).

#### *Contents*

This is a temporary measure which is extended as required.

For 1994/95 the reduction in social security contributions according to Presidential Decree 218/78 (Art. 59) on measures in the Mezzogiorno was extended as follows:

- initially for the entire payment period up to 31.5.1993 with a reduction from 8.50% to 7.50% (Art. 1, § 1, Law 151/93);
- subsequently for the entire payment period up to 30.11.1993 with a further reduction from 7.5% to 6.0% (Art. 1, § 1, Law 21/94);
- then once more for the entire payment period up to 30.6.1994 with a further reduction from 6% to 5% (Art. 19, § 1, Law 451/94);
- finally, under the Interministerial Decree of 5.8.1994, the following reductions in the contributions paid by employers to the *INPS* were enacted for the payment period starting on 1.7.1994:
  - 14.6% from 10.7.1994 to 30.11.1994;
  - 14% from 1.12.1994 to 30.11.1995;
  - 10.6% from 1.12.1995 to 30.11.1996.

This reduction is granted for activities performed in the regions of Campania, Apulia, Basilicata, Calabria, Sicily and Sardinia; it applies only to the remuneration of those employees actually working in these areas. The basis for calculating the reduction is the pay earned by employees (excluding overtime) for which contributions to the general, compulsory disability, old-age and surviving dependants' insurance are to be paid. For the regions of Abruzzi and Molise the reduction amounts to 12% for the payment period 1.7.1994 to 30.11.1994.

In addition a total exemption (in accordance with Article 59 of Presidential Decree 218/78) from all employer contributions to the *INPS* for the duration of one year as from the date of recruitment of the worker in question is granted:

- for workers recruited between 1.12.1991 and 31.5.1993 by industrial enterprises operating in the sectors earmarked by the *CIPE*, provided that the recruitments occurring prior to 30.11.1992 serve to increase the size of the work force above that prevailing on 30.11.1991 (Art. 1, § 2, Law 151/93);
- for workers recruited between 1.6.1993 and 30.11.1993 by industrial enterprises operating in the sectors earmarked by the *CIPE*, provided that the recruitments serve to increase the size of the work force above that prevailing on 30.11.1992 (Art. 1, § 2, Law 21/94);
- for workers recruited between 1.12.1993 and 30.6.1994 by the same enterprises provided that the recruitments serve to increase the size of the work force above that prevailing on 30.11.1993 (Art. 19, § 1, Law 451/94);
- for workers recruited between 10.7.1994 and 30.11.1994, between 1.12.1994 and 30.11.1995 and between 1.12.1995 and 30.11.1996 provided in each case that the recruitments serve to increase the size of the work force above that prevailing on 30 November of the previous year.

#### *Financial resources*

The financial contributions will be paid by the state budget.

#### *Institutional support*

The administrative procedures are carried out by the companies through *INPS*.

#### *Duration*

As mentioned above, the measure is a temporary one that is extended on a case-by-case basis.

**Measures to provide financial help to cooperatives and urgent measures to protect employment levels**  
**(*Provvedimenti per il credito alla cooperazione e misure urgenti a salvaguardia dei livelli di occupazione*)**

*Aim*

Establishment of an operating fund to promote the development of cooperatives and of a special fund for interventions to protect employment levels.

*Legal basis*

- Law 49 of 27.2.1985;
- Law 181 (Art. 10) of 15.5.1989;
- Decree-Law 195 of 1.3.1992;
- Decree-Law 325 of 1.7.1992;
- Law 59 of 31.1.1992;
- Decree-Law 148 of 20.5.1993, converted into Law 236 of 19.7.1993 (Art. 2).

*Contents*

The Law consists of two parts:

1. The creation of an operating fund (*FONCOOPER*) to promote and develop cooperatives within the special department "Cooperative Credits" at the *Banca Nazionale del Lavoro* from which low-interest loans will be provided for cooperative projects.
  - Cooperatives must meet the following conditions in order to be entitled for support:
    - they must fulfil the statutory principles of mutuality;
    - they must be registered in the prefectural list and the central register of cooperatives.
  - Eligibility will be determined by the Ministry of Labour and Social Insurance.
  - Housing cooperatives are not entitled to support.
  - Financial support is available for the following purposes:
    - The implementation of projects to raise productivity and/or promote employment by means of an extension to or modernisation of the productive plant; the realisation of projects to raise product value added, e.g. by improving quality, and to promote rational product distribution, etc.;
    - restructuring or conversion of production plant.
2. Creating and administering a special employment maintenance fund: non-repayable grants from this fund are earmarked for cooperatives meeting certain conditions.

Resources from the fund can be granted to producer and worker cooperatives with employees in receipt of benefits from the Wage Compensation Fund (*Cassa Integrazione Guadagni – CIG*), cooperatives with employees from firms subject to the participation procedures of Royal Decree 267/42 or employees laid off due to plant closure or redundancy. The cooperatives in receipt of support must completely or partially safeguard the jobs of the firms in question by either taking over, renting or administering these firms, their subsidiaries or part of these firms' assets, or by founding a substitute firm.

In so doing, the cooperatives may take on other workers in receipt of benefits from the Wage Compensation Fund, although only to the extent absolutely necessary for their operations and to the extent that skilled and administrative personnel of legal entities are affected.

*Financial resources*

The rotation fund is endowed with ITL 120 billion, the special fund with ITL 70 billion for 1989, 1990 and 1991; an additional ITL 15 billion was made available for 1993.

*Institutional support*

Ministry of Industry, Treasury and Ministry of Labour.

*Duration*

The operating fund has been established for an unlimited period. The special fund was originally set up for a four-year period; recently, however, this was extended by a further three years (until 1994).

## **Territorial alliances (*Patti territoriali*)**

### *Aim*

Agreements between public and private bodies with a view to implementing various measures to promote local development in disadvantaged regions of Italy in accordance with the aims and directives which have been defined within the framework of European Union support and approved by the European Commission by virtue of Decision C (94) 1835 of 29.7.1994.

### *Legal basis*

- Decree-Law 244 of 23.6.1995, converted into Law 341 of 8.8.1995;
- Law 104 of 7.4.1995 (disadvantaged areas);
- Law 549 of 28.12.1995;
- *CIPE* Resolution of 12.7.1996 (*Gazzetta ufficiale* 70 of 25.3.1997).

### *Contents*

The sponsoring bodies submit a proposal for a territorial alliance to the *CNEL* (National Economic and Labour Council – *Consiglio Nazionale dell'Economia e del Lavoro*) identifying the area concerned, proposed aims and dates, entrepreneurial initiatives and necessary infrastructure (where applicable), participating bodies, obligations entered, etc. The *CNEL* verifies that the proposal is consistent with the aims of local development within the alliance. The sponsoring bodies then define the project more precisely, assisted in this respect by a company selected by the *CNEL* for the purpose of technical consistency with the criteria laid down by the *CIPE*. The *CNEL* certifies the agreement reached between the participating social partners by signing a special protocol agreement at the Budget Ministry. Having verified that certain criteria have been upheld, this Ministry passes the documentation on to the *CIPE* (Interministerial Economic Planning Committee) for approval and at the same time informs the administrations involved. On the basis of the *CIPE*'s resolution to approve the alliance, the sponsoring bodies name the responsible legal entity, who formulates requests concerning the allocation of financial resources. The Budget Ministry sets up a monitoring committee for every alliance approved by the *CIPE*.

### *Financial resources*

ITL 400 billion (cf. *CIPE* Resolution of 12.7.1993 on criteria and procedures for establishing territorial alliances).

### *Institutional support*

*CNEL*, Budget Ministry, *CIPE*.

### *Duration*

No specific time limit has been set for this measure.

*Effects*

The measure was introduced only recently, so that it is not yet possible to estimate the effects on the Italian labour market on the basis of social and economic indicators. Territorial alliances have been set up in the following areas: Enna, Syracuse, Madonia, Nuoro, Vibo Valentia, Benevento, Lecce and Brindisi.



## 6. Special Categories of Workers

### *Disabled*

- I-vi.1 Disabled workers and protected categories (*Handicappati e categorie protette*)

### *Women*

- I-vi.2 Positive actions in favour of equality at work between men and women (*Azioni positive per la realizzazione della parità uomo-donna nel lavoro*)
- I-vi.3 Positive actions for the creation of companies by women (*Azioni positive per l'imprenditoria femminile*)

### *Youth*

- I-vi.4 Apprenticeship (*Apprendistato*)
- I-vi.5 Special employment scheme for long-term unemployed young people (*Piano straordinario per l'occupazione di giovani disoccupati di lunga durata*)
- I-vi.6 Training-cum-work contract (*Contratto di formazione lavoro*)
- I-vi.7 Promotion and development of the creation of companies by young people (*Promozione e sviluppo della imprenditorialità giovanile*)
- I-vi.8 Plans for the labour market integration of unemployed young people (*Piani per l'inserimento professionale di giovani privi di occupazione*)

### *Other special categories:*

- I-vi.9 Establishment of social cooperatives (*Istituzione di cooperative sociali*)
- I-vi.10 Special unemployment benefit for Italian border workers in Switzerland who are unemployed following the termination of their employment contract (*Trattamenti speciali di disoccupazione in favore dei lavoratori frontalieri italiani in Svizzera rimasti disoccupati a seguito della cessazione del rapporto di lavoro*)



## **Disabled workers and protected categories (*Handicappati e categorie protette*)**

### *Aim*

The legislation in force relating to compulsory recruitment of disabled workers is designed to facilitate their reintegration into working life.

### *Legal basis*

- Law 482 of 2.4.1968;
- Law 594 of 14.7.1957;
- Law 686 of 21.7.1968 and Law 403 of 19.5.1971 concerning masseurs and physiotherapists for the rehabilitation of the blind; Law 113 of 29.3.1985 and Law 29 of 11.1.1994 concerning therapists for the rehabilitation of the blind;
- Decree-Law 29 of 3.2.93;
- Directive of the Chairperson of the Council of Ministers of 1.12.93;
- Decree-Law 546 of 23.12.93 (substituting Law 104 of 5.2.1992: Framework-Law on support, social integration and rights for the disabled).

### *Contents*

Law 482/68 governs the compulsory recruitment by private firms and public administrations of military and civilian war invalids, members of the civil service who became invalids in pursuance of their duty, those disabled by industrial accidents, civilian invalids, the deaf and dumb, war orphans and war widows or surviving dependants of victims of accidents at work, people who once suffered from tuberculosis and refugees.

In particular, civilian invalids are those who suffer from physical infirmities which reduce their capacity for work by an amount not less than a third; however, this reduction must be more than 45% for them to be able to register on the lists kept by the provincial labour offices for compulsory recruitment.

Law 104 of 1992 also extends the provisions on compulsory recruitment to the disabled with mental deficiencies but whose capacity for work allows them to be hired for appropriate functions.

The Law does not apply to those who are older than 55 or to those who have lost all capacity for work or who, by the nature and the degree of their disability, could constitute a danger to the health and safety of their colleagues or to the safety of installations.

Navigating and travelling personnel no longer come under the Law, nor do official personnel in active service of companies supplying public transport services.

Public and private employers who employ more than 35 people (not including apprentices, personnel hired under a training-cum-work contract and management) must recruit 15% of their personnel from the above-mentioned categories.

According to Decree-Law 29/93, the public authorities are to present to the regional employment committees proposals or applications for recruitment programmes for the disabled offering training periods prior to commencing work with one of the public authorities. This training period must last at least six months and may last up to two years (Directive of the Chairperson of the Council of Ministers of 1.12.1993).

*Financial resources*

For those exceeding a certain degree of disability, social security benefits are provided which are paid out by the social security bodies and the state.

*Institutional support*

The placement of invalids is handled by the provincial labour offices based on a ranking and on criteria established by the provincial commission for compulsory placement. The labour offices establish separate lists for each category of disablement. Compulsory placement of the blind is directly handled by the Ministry of Labour on a national level.

*Duration*

Ongoing.

*Effects*

On 30.6.1996 the number of persons from the above categories employed in private and public sector firms amounted to 250,000. 230,000 persons in these categories were unemployed on this date.

**Positive actions in favour of equality at work between men and women**  
***(Azioni positive per la realizzazione della parità uomo-donna nel lavoro)***

*Aim*

To promote the employment of women and to achieve substantial equality at work between men and women, and at the same time to adopt measures called "positive actions" with the aim of removing obstacles which stand in the way of equal opportunity.

In particular, these positive actions aim to:

- eliminate inequalities in school education and vocational training, the access to employment and career advancement;
- eliminate conditions and factors relating to the organisation and division of tasks which adversely affect women in the areas of training, career advancement and economic treatment;
- promote the integration of women into activities and sectors where they are under-represented, in particular hi-tech jobs and areas of responsibility;
- promote the balance between family and professional responsibilities and a better division of these between the sexes.

*Legal basis*

- Law 903 of 9.12.1977;
- Law 125 of 10.4.1991;
- Article 16, Law 451/94, on the basis of which the principles of direct and indirect non-discrimination in accordance with Law 125/91 must be respected in work-cum-training projects (cf. Chapter III, I-vi.6).

*Contents*

Positive actions can be promoted by the National Committee set up under the above-mentioned Law (cf. Institutional support), local advisors and companies entrusted with equality, public and private employers, centres for vocational training and national or regional trade union organisations.

Companies, public profit-making institutions, trade union associations and centres for vocational training which adopt projects for positive action can request either through the Ministry of Labour or through access to Community funding, the total or partial funding of financial costs relating to the realisation of these projects (projects which are agreed by employers and trade union organisations have priority). The National Committee has to be consulted in both cases.

The administrations of the state, the regions, local authorities and public profit-making institutions must adopt positive action projects within a period of one year of the Law coming into effect.

*Financial resources*

An amount of ITL 9,000 million per year, charged to the state budget, has been allocated for financing positive actions.

*Institutional support*

The National Committee for the application of the principles of equality of treatment and opportunity between male and female workers was set up by the Ministry of Labour with the aim of eliminating sexual discrimination.

This Committee consists, besides the Minister of Labour, of five representatives from trade union organisations, five from employers' organisations, eleven representatives from women's associations and movements and the advisor entrusted with equality in the Central Employment Commission.

The Committee carries out various tasks with a view to achieving equality between men and women, in particular:

- formulating proposals aimed at improving the current legislation;
- informing and being aware of public opinion;
- promoting the adoption of positive actions by the bodies already mentioned by expressing its view on the financing of the projects presented and by checking their realisation and their results;
- promoting an adequate representation of women in competent public bodies in the field of labour and vocational training.

*Duration*

Unlimited.

*Effects*

In 1995, 65 projects were approved and financed with a total of ITL 8,548,500,000. In 1996 there were 53 projects and financing of ITL 7,903,000,000. The bodies who had projects approved included public offices, large and small firms, cooperatives, educational centres, youth information centres, women's organisations, etc.

**Positive actions for the creation of companies by women  
(Azioni positive per l'imprenditoria femminile)**

*Aim*

To promote fundamental equality of opportunity between men and women in economic activities and the creation of companies.

*Legal basis*

- Law 215 of 25.2.1992;
- Decree of the Ministry of Industry of 5.12.1996 in agreement with the Ministry of the Treasury on the procedures for submitting applications and granting benefits;
- Decree of the Ministry of Industry of 20.12.1996 defining the criteria for selecting applications (composition of the sponsoring body, type of activity proposed, new employment foreseen, planned investment in each new employee, links to specific regional development programmes, extra-regional or extra-national effects of the proposed activity, etc.).

*Contents*

These provisions aim to:

- favour the creation and development of companies by women, including cooperatives;
- promote the training of women as company heads;
- facilitate the granting of credits to companies run by women or with a majority of female employees;
- favour the management of family companies by women;
- promote initiatives by women concerning the creation of companies in the most innovative sectors.

The following benefit from the provisions:

- cooperative societies and companies with at least 60% female employees, joint-stock companies of which at least two-thirds of the shares belong to women, and individual companies run by women;
- companies, associations, institutions, societies for entrepreneurial promotion, centres for training and professional orders which promote training courses in business management and in the supply of advice and technical assistance which employ at least 70% women.

A National Fund has also been set up for the promotion of the creation of companies by women through:

- capital contributions of up to 50% of the costs of acquiring installations and equipment needed to create or modernise a business;
- contributions of up to 30% of the costs of acquiring services intended to increase productivity, organisational innovation, transfer of technology, etc.

These contributions can increase respectively to 60% and 40% for people working in certain disadvantaged regions specified by the European Union and which are the subject of common development actions (Decree 2052/88).

The criteria and methods for granting these benefits are fixed by the Ministry of Industry, Trade and Crafts, together with the Ministry of the Treasury. The provisions also foresee the possibility of granting reduced-rate financing by credit establishments, for amounts below ITL 300 million and a duration of no longer than five years (50% of the reference rate in effect for the sector in question).

A committee for the creation of companies by women was set up within the Ministry of Industry, Trade and Crafts with the task of providing guidance and general programming activities within the framework of interventions laid down by law, as well as the promotion of studies, research and supply of information on companies created by women.

Moreover, the regions participate in defining programmes which disseminate information and in setting up advisory and technical support services for activities covered by the provisions in question. 30% of the fund is reserved for these initiatives.

#### *Financial resources*

The Law makes provision for funding of ITL 10 billion for each year from 1992 to 1994.

#### *Institutional support*

The Ministry of the Treasury; Ministry of Industry, Trade and Crafts.

#### *Duration*

Funding for this measure was planned up until the end of 1994. The measure was not implemented in 1995, 1996 or the beginning of 1997 because the implementing regulations (cf. above-mentioned regulation of 20.12.1996 published in *Gazzetta ufficiale* of 24.4.1997) had not yet been passed.

## **Apprenticeship (Apprendistato)**

### *Aim*

To enable young people (aged 15-20) by means of a special employment contract to be introduced to working life and to acquire through training the technical skills needed.

### *Legal basis*

- Law 25 of 19.1.1955;
- Presidential Decree 1668 of 30.12.1956;
- Law 424 of 2.4.1968;
- Law 56 of 28.2.1987 (Art. 21-22).

### *Contents*

Any employer may hire apprentices, while nevertheless respecting a certain proportion between them and qualified workers whom he/she employs in accordance with the provisions in effect.

An apprenticeship contract is not permitted for unskilled labourers or for waiters, more qualified workers, the agricultural sector, etc.

As far as the proportions to be respected are concerned, in general the number of apprentices may not exceed 100% of the number of specialised and qualified personnel. This limit is not applicable in crafts companies or other small companies, for which there are specific provisions.

Young people not younger than 15 years of age (14 years of age for activities of a non-industrial nature) and not older than 20 years of age may be hired as apprentices. In the crafts sector, the maximum age limit may be increased by collective agreements to 29 years of age for particularly qualified work.

The apprentice contract may not last longer than stipulated in collective agreements; it may under no circumstances exceed five years.

Under the terms of the measures on apprenticeship, the apprentice must receive a practical training in the company and a complementary theoretical education, with the aim of achieving a maximum professional aptitude.

As far as the theoretical part is concerned, the regions provide the training courses for apprentices. The employer must place the apprentice in a theoretical course, attendance of which is compulsory.

The remuneration is set by collective agreement. The employer's social security contributions are minimal, while those for the apprentice are set at 4.94% of the wage actually received.

### *Financial resources*

For non-crafts companies, the weekly fixed contribution from the employer amounts to ITL 3,936 if the apprentices are insured against accidents and occupational illness and ITL 3,756 otherwise.

For crafts companies, the contributions are the responsibility of the region (or, in regions with a special status, the state); only ITL 32 per week remains to be paid by the employer. There are also

reductions in the contributions for employers who employ apprentices with a qualification. In this case, they continue to benefit for a further 12 months from reductions foreseen for apprentices.

*Institutional support*

Young people who wish to be hired as apprentices must register on specific lists with the local employment office which is competent for their district.

Non-crafts companies can hire by name-call; crafts companies can hire directly.

The employer must nevertheless obtain the agreement of the competent local labour inspectorate for the young people he/she wishes to hire.

*Duration*

There is no time limit on the application of the law.



**Special employment scheme for long-term unemployed young people**  
**(Piano straordinario per l'occupazione di giovani disoccupati di lunga durata)**

*Aim*

To integrate into the labour market 40,000 young people, at least 20,000 of them from the Mezzogiorno, by means of training-cum-work contracts; participants are aged between 18 and 29 and have been unemployed for at least 12 months.

*Legal basis*

Law 113 of 11.4.1986.

*Contents*

In the course of the implementation of this special plan, private firms, public commercial enterprises, associations and foundations conducting research or providing companies with technical assistance submitted projects under which workers are recruited on the basis of training-cum-work contracts to the Ministry of Labour.

The projects involved the recruitment of workers aged between 18 and 29 who had been registered in the placement lists for more than 12 months. The projects were obliged to specify the duration and nature of the periods of work and training.

Priority was accorded to projects which offered measures in areas with particularly high levels of youth unemployment, which promoted the recruitment of women in occupations in which women are underrepresented, and the recruitment of highly specialised personnel.

The employer received a grant of 15% of the remuneration paid to the worker on the training-cum-work contract. This grant amounted to 20% for firms operating in the information technology sector. In addition, the Law provided for a monthly bonus to the employer of ITL 100,000 for a period of 12 months for each worker initially recruited under a training-cum-work contract and subsequently employed under a permanent contract. For the Mezzogiorno this bonus amounted to ITL 200,000.

*Financial resources*

A total expenditure of ITL 570 billion was allocated for the 2-year period 1986-87.

*Duration*

After 1987 Law 113/86 was repeatedly extended. No extension was granted in 1993, however. At present, projects provided with funding while the law was in force are still being carried out.

*Effects*

In 1993 the special plan benefited 112 firms, which received total funding of around ITL 7,600,000,000.

### **Training-cum-work contract (*Contratto di formazione lavoro*)**

#### *Aim*

The contract is a special form of employment contract enabling young people (aged between 16 and 32) to enter working life and acquire qualifications by means of special courses combining theoretical study and practical experience.

#### *Legal basis*

- Decree-Law 726 of 30.10.1984, converted, in amended form, into Law 863 of 19.12.1984 (Art. 3);
- Law 407 (Art. 8) of 29.12.1990;
- Decree-Law 108 of 29.3.1991, converted into Law 169 of 1.6.1991;
- Law 344 of 15.10.1991;
- Decree-Law 299 of 16.5.1994, converted into Law 451 of 19.7.1994;
- Decree of 5.8.1994 (Changes to the reduction in social security contributions in the Mezzogiorno regions);
- Decree-Law 494, published in *Gazzetta ufficiale* of 8.8.1994;
- Decree-Law 572, published in *Gazzetta ufficiale* of 10.10.1994;
- Decree-Law 674, published in *Gazzetta ufficiale* of 10.12.1994.

#### *Contents*

Training-cum-work projects can be registered by a wide variety of providers: firms, corporate groups, cooperatives, public enterprises, professional associations, socio-cultural associations and sport clubs, foundations and employers listed in the professional register (provided that the training-cum-work project has been prepared by occupational association or chambers and approved by the Ministry of Labour).

Young people aged between 16 and 32 can be hired by any of these project providers by name-call on a non-renewable training-cum-work contract.

The duration of a training-cum-work contract may not exceed the following limits:

- 24 months for the medium and highly skilled;
- 12 months for the low-skilled.

A contingent of 5% of workers recruited under such contracts is reserved for Italian emigrants returning to the country.

A similar contingent applies in the case of refugees, who may be employed under training-cum-work contracts irrespective of age for up to 36 months.

The details of the alternating work and training cycles are set out in programmes drawn up by the private and public sector providers themselves and approved by the regional or central employment commission in accordance with the prevailing (regional and national) regulations and the agreements reached with the trade unions.

### *Financial resources*

The costs of the project are borne by the employing organisations themselves. The projects may, however, receive financial support from the Rotation Fund (*Fondo di rotazione*) or the European Social Fund.

Employers are entitled to the following reductions in social security contributions:

- Central and northern Italy: 25% of contributions to the social insurance institutions;
- Mezzogiorno and disadvantaged areas of central and northern Italy and craft enterprises: contributions as for apprentices;
- enterprises in the tourism and trade sectors with less than 15 employees: 40% reduction in social security contributions.

### *Institutional support*

The training-cum-work projects are submitted by eligible providers to the Regional Employment Commission (of the employment offices) or to the Ministry of Labour (if the projects concern more than one region).

Once approval has been obtained, the employer must obtain agreement from the local employment office in his/her district.

Projects agreed to by employers' and trade union organisations are not subject to this agreement.

### *Duration*

- 12 months in the case of contracts aimed at facilitating occupational integration by providing work experience that enables vocational skills to be adapted to the production and organisational environment;
- up to 24 months in the case of contracts the aim of which is the acquisition of medium to high-level vocational skills.

### *Effects*

In 1994, 169,255 employees (100,814 men and 68,441 women) were recruited under a training-cum-work contract.

## **Promotion and development of the creation of companies by young people (*Promozione e sviluppo della imprenditorialità giovanile*)**

### *Aim*

To promote the development of new businesses by providing financial incentives and real services, and to raise production potential and employment by promoting the development of producer and worker cooperatives and companies set up mainly or exclusively by young people aged between 18 and 29. The following areas of the Mezzogiorno are entitled to the entire range of benefits under the measure; Abruzzi, Molise, Campania, Apulia, Basilicata, Calabria, Sicily and Sardinia. Of the other areas, only special districts are covered by the measure.

### *Legal basis*

- Decree-Law 786 of 30.12.1985, converted into Law 44 of 28.2.1986;
- Law 275 of 11.8.1991;
- Decree-Law 148 of 20.5.1993, converted into Law 236 of 19.7.1993 (Art. 2);
- Decree-Law 415, converted into Law 488 of 19.12.1992 (Art. 1, § 1a);
- Decree-Law 96 of 3.4.1993 (Art. 2, Art. 5, § 4);
- Decree of 24.11.1995 (regulations on the procedures for granting benefits for new companies set up by young people);
- Decree-Law 26 of 31.1.1995, converted into Law 95 of 29.3.1995.

### *Contents*

Under the measure various financial incentives (grants and low-interest loans) and logistical support (real services) are provided in support of firms and cooperatives, the majority of whose members are young people.

The financial support is available to cover the costs of investment or administration. The logistical support consists of technical assistance in the start-up phase and of the training of, and acquisition of the necessary vocational qualifications by, the associates and employees to enable them to realise the approved projects.

In order to obtain the financial support, the cooperatives or firms must submit projects relating to goods production in agriculture, craft or industry or the provision of services to the goods-producing sectors.

Support is provided to companies consisting exclusively of young people aged between 18 and 35 or companies consisting of young people aged between 18 and 29 who represent the absolute majority in numerical and share-holding terms and who reside in Objective 1, 2 or 5 areas, as defined in EU Directive 2.081 of 20.7.1993.

### *Financial resources*

The development of companies founded by young people is partly financed by a share, not exceeding 10%, of the Employment Fund set up under Law 236/93. This fund share is to cover activities in specific sectors (cultural heritage, tourism, maintenance of engineering and industrial buildings, etc.); it can be claimed by firms and cooperatives eligible under Article 1 of Law 44/86.

ITL 100 billion were approved for each of the years 1994 and 1995 and ITL 300 billion for 1996.

*Institutional support*

Since 15.4.1993, the day on which the special measure for the Mezzogiorno expired, the responsibility for grants of more than ITL 10 billion, which had previously lain with the Ministry for Special Measures in the Mezzogiorno, has been with the Ministry of Industry. The Committee for Young Entrepreneurship in the Mezzogiorno, that had previously been responsible for this particular measure, is now responsible only for grants of less than this figure.

Association of Young Entrepreneurs (*Società per l'imprenditorialità giovanile*); Ministry of Labour and Social Affairs.

*Duration*

Funds have been earmarked (Law 44/86) for both 1993 and 1994.

*Effects*

In 1993, 867 projects (of 3,926 applications) had been approved by 15 October, benefiting a total of 17,714 participants. The number of "young entrepreneurs" receiving training under the provision amounted to 6,332 (also in 1993), of which around one-third were women (1,985).

In 1996, 438 project proposals were reviewed: 130 were approved, 246 rejected and 50 considered "not acceptable". In 12 cases the projects were dropped by their organisers following approval.

### **Plans for the labour market integration of unemployed young people (*Piani per l'inserimento professionale di giovani privi di occupazione*)**

#### *Aim*

To promote the labour market integration of unemployed young people by realising plans drawn up by the Ministry of Labour and the social insurance institutions.

#### *Legal basis*

- Decree-Law 148/93, converted into Law 236/93;
- Decree-Law 299/93, converted into 451/94 (Art. 14 and 15);
- Law 608/96 (Art. 9 octies).

#### *Contents*

This measure covers young people aged between 19 and 32 – and long-term unemployed persons registered in the placement lists aged up to 35 – in areas affected by a serious imbalance between labour supply and demand and in areas listed under Objectives 1 and 2 of EU Directives 2052/88 and 328/88.

The plans are implemented by means of the following instruments:

- a) Projects involving socially useful work and participation in vocational training initiatives or which enable participants to acquire basic training, provide vocational retraining for persons with the secondary level high school certificate, or enable young people with a secondary education certificate to participate in a further education training course.
- b) Projects providing for periods of vocational training and work experience by vocationally trained persons. Such projects are conducted on the basis of agreements that are prepared by the employment offices and signed between the Ministry of Labour and the employer and professional organisations signing the above-mentioned agreements.

Young people may participate in a project up to a maximum of 80 hours per month and for a maximum of 12 months. Such participation does not imply the start of an employment relationship and thus participants are not struck off the placement lists; the employer may recruit the young person at the end of the project on a training-cum-work contract in the same occupational area. The organisers of such projects must show that they have taken out insurance against accidents and occupational illness linked to the project.

Young participants receive ITL 7,500 for each hour of training attended and each hour worked.

#### *Institutional support*

Ministry of Labour, provincial and regional employment offices, regional employment agencies. The training elements of the projects – under (a) – are to be implemented in conjunction with the responsible institutions.

*Financial resources*

Half of the costs of remuneration (with the exception of those for training hours) are borne by the enterprise in which the project takes place, in accordance with the details set out in the agreement. The above-mentioned plans are financed by the Employment Fund set up by the Ministry of Labour (Art. 1, § 7, Law 236/93).

*Duration*

The plans will be implemented until 1998.

## **Establishment of social cooperatives (Istituzione di cooperative sociali)**

### *Aim*

To set up social cooperatives and to promote the access of disadvantaged individuals to employment.

### *Legal basis*

Law 381 of 8.11.1991: "Regulations for acceptance on the part of the regions, which provide for the establishment of regional directories of social cooperatives; criteria for the conclusion of agreements with public bodies for the management of social, health and care services and for the delivery of goods and services, financial support and incentives for the development of social cooperatives".

### *Contents*

Social cooperatives aim to promote the social integration of citizens by, on the one hand, the management of socio-medical and education services and, on the other hand, the launch of various activities – agricultural, industrial, commercial or relating to services – aimed at integrating disadvantaged individuals into the world of work.

The disadvantaged people for whom these cooperatives are intended are physical, psychological or sensory invalids; former patients of psychiatric institutions; drug addicts; people undergoing psychiatric treatment; alcoholics; minors with a difficult family background; those convicted and sentenced to alternative punishment. These people form at least 30% of the workers in these cooperatives, of which they are associates, in as much as their condition permits this.

Public administrations may enter into agreements with social cooperatives which are registered in the regional directories, both concerning the management of social, health and care services and the delivery of goods and services. The criteria and prerequisites for the conclusion of the agreements are defined by the regions. These agreements must provide for actual labour market integration for the above categories of workers, which is to be brought about by means of ad hoc projects.

The regions fix the method of liaising between the social cooperatives and the socio-medical services, and the services for vocational training and employment promotion.

### *Financial resources*

Social cooperatives are exempt from payment of compulsory insurance contributions for social security and assistance based on the remunerations of the disadvantaged people they employ. They also enjoy tax relief. Regional laws may provide for financial support and subsidies on the commencement of activities, for specific projects or for technical or other forms of modernisation.



*Institutional support*

The regions.

*Duration*

Unlimited.

*Effects*

On 31.12.1995, 2,834 (1994: 2,312) social cooperatives were registered with the Ministry of Labour (Directorate-General for Cooperation).

**Special unemployment benefit for Italian border workers in Switzerland who are unemployed following the termination of their employment contract**  
***(Trattamenti speciali di disoccupazione in favore dei lavoratori frontalieri italiani in Svizzera rimasti disoccupati a seguito della cessazione del rapporto di lavoro)***

*Aim*

To provide social aid to Italian border workers who were employed in Switzerland.

*Legal basis*

Law 228 of 12.6.1984.

*Contents*

The *INPS* is responsible for paying special unemployment benefits to Italian border workers who have been made redundant in Switzerland for economic reasons and who had been engaged in an activity in Switzerland which is subject to contributions under the Swiss unemployment insurance system, for at least six months in the course of the twelve months preceding their unemployment. Border workers whose seasonal work contract was not renewed for economic reasons also qualify for the special benefit, provided there is an appropriate declaration by the employer.

*Financial resources*

*INPS* funds and funds (50%) paid by Switzerland to *INPS*.

*Institutional support*

The amount of benefit is fixed each year by the board of *INPS*. The benefit is paid for 180 days.



## 7. Working Time

- I-vii.1 Fixed-term employment contract (*Contratto di lavoro a tempo determinato*)
- I-vii.2 Overtime (*Lavoro straordinario*)
- I-vii.3 Reintegration contracts (*Contratti di reinserimento*)
- I-vii.4 Part-time work (*Tempo parziale*)
- I-vii.5 Early retirement in companies drawing benefits from the Extraordinary Wage Compensation Fund for part-time workers (*Prepensionamento per le aziende che usufruiscono del trattamento di CIGS per i lavoratori a part-time*)
- I-vii.6 Early retirement for employees in public and private steel firms (*Prepensionamento per dipendenti del settore siderurgico pubblico e privato*)
- I-vii.7 Early retirement for employees of firms and groups operating in ports, port authorities and mechanical handling companies (*Prepensionamento per i dipendenti delle compagnie e gruppi portuali, degli enti portuali e delle aziende dei mezzi meccanici*)
- I-vii.8 Early retirement for employees of the *FINMARE* group and other groups (*Prepensionamento per i dipendenti del gruppo FINMARE ed altri*)
- I-vii.9 Early retirement in the publishing trade (*Prepensionamento anticipato per l'editoria*)
- I-vii.10 Early retirement for employees of Alitalia (*Prepensionamento per i dipendenti delle imprese del gruppo Alitalia*)
- I-vii.11 Early retirement for employees of industrial enterprises and persons affected by manpower reduction measures in the course of enterprise restructuring, reorganisation and conversion programmes (*Prepensionamento per i dipendenti da imprese industriali, interessati da procedure di mobilità nel corso di programmi di ristrutturazione, riorganizzazione o conversione industriale*)
- I-vii.12 Early retirement for employees of firms in the defence industry (*Prepensionamento per i dipendenti da imprese appartenenti al settore dell'industria della difesa*)
- I-vii.13 Early retirement for local public transport employees (*Prepensionamento per i dipendenti del settore del trasporto pubblico locale*)
- I-vii.14 Early retirement for employees of *EFIM* (*Prepensionamento per il personale EFIM*)

- I-vii.15 Early retirement plan for employees of political parties (*Prepensionamento per i dipendenti dei partiti politici*)
- I-vii.16 Early retirement for employees of the *ENI S.p.A.* – state petroleum and natural gas concern (*Prepensionamento per i dipendenti dell'ENI – Ente Nazionale Idrocarburi – S.p.A.*)
- I-vii.17 Early retirement for employees of the *Ente nazionale per la cellulosa e la carta* (state concern for cellulose and paper) (*Prepensionamento per i dipendenti dell'Ente nazionale per la cellulosa e la carta*)

### **Fixed-term employment contract (*Contratto di lavoro a tempo determinato*)**

#### *Legal basis*

- Law 230 of 18.4.1962;
- Law 266 of 23.5.1977;
- Law 79 of 25.3.1983;
- Law 56 of 28.2.1985;
- Decree-Law 876 of 3.12.1977, converted into Law 18 of 3.2.1978;
- Law 598 of 26.11.1979.

#### *Contents*

The fixed-term contract is authorised in the following cases:

- when the duration is limited by the nature of the contract (seasonal work);
- for the temporary replacement of an absent worker who retains the right to his/her job;
- for carrying out a specific task or service predetermined in time and of an extraordinary or casual nature;
- for tasks or series of tasks which require workers with skills which differ from those normally used in the firm, provided that these tasks are limited to complementary or additional work for which there is no employment continuity in the firm;
- for the recruitment of personnel related to specific shows or to specific radio and television programmes;
- in the sectors of commerce and tourism, when, during the year, the need arises to step up work which cannot be carried out with the normal number of employees.

Furthermore, fixed-term employment contracts can be used in the cases laid down in collective agreements signed with the unions. Such agreements stipulate which percentage of staff can be hired on a fixed-term contract with respect to the number of workers employed on the basis of a permanent contract.

Fixing the duration is invalid if it is not the result of a written document.

If it is not possible to set the exact date of the end of the contract, this can be related to a future event (for example, the end of a certain job, the return of an employee who is being replaced, etc.).

The term of the contract can be extended once and under special conditions.

In specific cases workers who have been hired under a fixed-term contract for a seasonal job have priority for being recruited by the same company with the same status.

Workers who have been hired under a fixed-term contract for a duration not exceeding four months in the calendar year remain registered and retain their ranking on the placement lists.

#### *Duration*

Unlimited.

**Overtime**  
***(Lavoro straordinario)****Aim*

To limit recourse to overtime in industrial enterprises so as to promote employment.

*Legal basis*

Law 1079 of 30.10.1955.

*Contents*

Under the provisions in effect, overtime is understood to be those hours worked over and above 8 hours per day and 48 hours per week. Overtime is counted separately and remunerated at a rate at least 10% higher than the rate for normal work.

The rate to be paid for overtime is fixed by collective agreement taking into account the various categories of overtime: during the day, at night, on working days or public holidays, etc.

As a general rule, the law prohibits the uncontrolled use of overtime and lays down the cases in which overtime may be worked.

Overtime which does not have a purely occasional character is prohibited in industrial firms except in exceptional cases required by production and technical constraints where it is not possible to recruit additional workers.

In non-industrial firms, the use of overtime is permitted if there is an agreement between the two parties, as long as it does not exceed two hours per day and 12 hours per week, or an equivalent average duration during a set period.

The Labour Inspectorate has to be informed of overtime and is empowered to stop or restrict it.

*Institutional support*

Ministry of Labour and Social Insurance.

*Duration*

Unlimited.

**Reintegration contracts  
(*Contratti di reinserimento*)***Aim*

To promote the permanent recruitment of unemployed workers or those who have been in the Wage Compensation Fund (*CIG*) for at least 24 months.

*Legal basis*

- Law 407 of 29.12.1990 (Art. 8);
- Law 223 of 23.7.1991 (Art. 20).

*Contents*

This measure applies to employers in the middle and northern part of the country, for crafts companies and those which operate in areas where the ratio of people registered in the first category of the placement lists to the resident population is higher than the national average, and for companies in the commercial and tourist sectors in the middle and northern part of the country having fewer than 15 employees.

A 50% reduction in contributions to social security and assistance institutions is envisaged during a period of 36 months for every unemployed person or for anyone in the *CIG* for more than 24 months recruited by these companies under a permanent contract.

The reduction in the contributions becomes a total exemption for a period of 36 months for recruitments by companies which operate in the Mezzogiorno or crafts companies.

Art. 20 of Law 223 has extended the possibility of being employed under a reintegration contract to certain unemployed workers and to workers who have been in the *CIG* for at least 12 months. The employers concerned should not be undergoing suspension proceedings and should not have laid off employees with the same qualifications.

*Institutional support*

Ministry of Labour via local (district) employment offices.

*Duration*

From 1.1.1991. No limit on the duration is foreseen.



## **Part-time work (*Tempo parziale*)**

### *Aim*

To enable workers who wish to do so to work fewer hours than those provided for in collective agreements or to work for predetermined periods of time in the course of a week, a month or a year.

### *Legal basis*

- Law 863 (Art. 5) of 14.12.1987;
- Decree-Law 299/94, converted into Law 451/94 (Art. 7).

### *Contents*

Workers willing to work reduced hours can ask to be registered on a special placement list. Such registration does not exclude, however, the possibility of being registered on the normal placement list as well. Part-time employment contracts must be drawn up in writing, specifying the functions and the allocation of working hours.

Collective agreements or company agreements can fix the percentage of workers who may work part-time (compared with the number of full-time workers) as well as the functions and the organisation of working hours.

A worker may therefore request that his/her full-time contract be made part-time.

Workers with a part-time employment contract have priority when full-time personnel is to be recruited.

A worker who is employed for at least 20 hours per week may remain registered in the first category on the ordinary placement lists.

In order to promote part-time work, the Ministry of Labour may partially exempt companies from the general, compulsory disability, old-age and dependants' insurance for part-time employment contracts which, in order to expand the work force or on the basis of collective agreements relating to the decree on excess manning levels, convert full-time into part-time employment relations. This incentive may be granted until 31.12.1995 within the framework of the resources set aside out of the Employment Fund (cf. the section "Employment Fund").

### *Duration*

Unlimited.

### *Effects*

Part-time employment contracts were signed for 246,910 employees (181,729 of them women) in 1993, while for 84,286 workers (64,720 of them women) a full-time employment contract was converted into a part-time contract.

**Early retirement in firms drawing benefits from the Extraordinary Wage Compensation Fund for part-time workers**  
**(*Prepensionamento per le aziende che usufruiscono del trattamento di CIGS per i lavoratori a part-time*)**

*Aim*

To alleviate the burden of certain companies experiencing a crisis and which have personnel in the extraordinary *CIG*.

*Legal basis*

- Law 223 of 23.7.1991 (Art. 19);
- Law 236 (Art. 5, § 9).

*Contents*

The following categories of workers may benefit from this form of early retirement:

- a) employees of firms that have been drawing benefits from the Wage Compensation Fund for 12 months (until 31.12.1995, otherwise for 24 months);
- b) employees who are a maximum of 60 months away from standard retirement age and have paid social insurance contributions for at least 15 years.

Conversion to part-time work in order to avoid work-force cuts either completely or partially must be provided for in an enterprise collective agreement with the leading national trade unions. The conversion to part-time work agreed with the employer, provided at least 18 hours per week are worked, will be approved by the regional employment office on application by the worker interested in participating in the measure. Entitlement to an old-age pension will be recognised in the month following the month in which the application for conversion to part-time work is made.

No restriction on the number of employees to be permitted to participate in this measure has been imposed.

*Institutional support*

Regional employment offices and *INPS*.

*Financial resources*

The costs of the early retirement pension are borne entirely by the state.

*Duration*

No time limit has been imposed on this measure.

I-vii.6

**Early retirement for employees in public and private steel firms**  
***(Prepensionamento per dipendenti del settore siderurgico pubblico e privato)***

*Aim*

To ease the burden of overmanning in steel firms suffering a cutback in their productive capacity

*Legal basis*

- Law 223/91 (Art. 27);
- Law 22 of 20.1.1992;
- Law 451 (Art. 8) of 19.7.1994;
- Decree of 7.12.1994 approving the three-year plan for early retirement;
- Interministerial Decrees of the Labour, Industry and Treasury Ministries of 17.5.1996, 18.7.1996, 8.8.1996 and 1.12.1996;
- Law 608/96, Art. 9 novies.

*Contents*

In order to meet the commitments undertaken at EU level to restructure the Italian steel industry, a three-year plan was drawn up which provides for early retirement for employees of private and public steel companies and employees of investment-good companies in the steel sector which had already enjoyed the benefits provided under Law 181/89 and which were in operation on 1.1.1994. The three-year plan was approved by the Ministry of Labour in agreement with the Ministry of Industry, Trade and Crafts, and the Treasury. It covers workers in the steel sector aged at least 50 (men) and at least 47 (women) who meet the actuarial conditions, have made minimum contributions in accordance with Article 2 of Decree-Law 503 of 30.12.1992 and have paid contributions for at least 16 years (as of 31.12.1994) or 17 years (after 1.1.1995). The early retirement plan may also incorporate persons in employment in the steel sector as of 1.1.1993 but subsequently made redundant, provided they:

- a) did not make an application when Law 451/94 on the advanced payment of the redundancy allowance in accordance with Law 223/91, Art. 7, § 5 came into force; or
- b) were made redundant due to the termination or reduction of economic activity between 20.7.1994 and 31.12.1994, provided they had paid contributions for at least 30 years. This provision also covers executives. The early retirement pension is calculated by adding a maximum of ten years' contributions to claimants' actual contributions.

Applications for early retirement are irrevocable and must be made within 90 days of Decree-Law 299/94 coming into force, i.e. by 19.8.1994, to the firm employing the worker in question, provided he/she already meets the conditions of entitlement or will do so in the course of 1994 to 1996. The firms then proceed to make a selection among the applications received on the basis of the three-year plan (on which the trade unions have some influence) and in accordance with their restructuring and reorganisation requirements. The applications are subsequently submitted to the relevant departments of the social insurance institution. A maximum of 17,100 (Art. 9 novies, Law 608/96) persons may participate in the measure.

*Financial resources*

The costs of this measure are borne by the state (via the *INPS*).

*Institutional support*

Ministry of Labour and *INPS*.

*Duration*

The measure covers the three-year period 1994 to 1996.

*Effects*

The Labour Ministry Decree of 7.12.1994 granted early retirement to 13,532 persons in 11 enterprises or groups in the steel industry and to 1,048 persons in 10 enterprises in the steel machinery sector. In addition, early retirement was reserved for 920 other employees of steel enterprises which planned a reduction in productive capacity by the end of 1995. Because this goal was not met in the time foreseen, further decrees were passed allocating these 920 cases of early retirement to enterprises which were able to certify, on the basis of a declaration by their legal representative, that their plants were no longer operating. It is to be noted that the reserve of 920 cases of early retirement proved to be higher than the number required by the enterprises which closed down plants. There is thus a residual reserve of 287 early retirement cases.

I-vii.7

**Early retirement for employees of firms and groups operating in ports, port authorities and mechanical handling companies**  
***(Prepensionamento per i dipendenti delle compagnie e gruppi portuali, degli enti portuali e delle aziende dei mezzi meccanici)***

*Aim*

To alleviate the burden for companies within the sector which have surplus employees.

*Legal basis*

- Law 23/83;
- Law 26/87;
- Law 58/90;
- Decree-Law 586 (Art. 1) of 21.10.1994;
- Decree-Law 696 of 2.12.1994.

*Contents*

Employees of the above-mentioned firms may apply for early retirement if they belong to categories and hold qualifications which have been shown to be in surplus and who as of 31.12.1992 meet the following conditions:

- They are aged 58 or over and can point to an effective contribution period of at least 15 years;
  - they are not aged over 58 and can show that they have actually paid contributions for a period of at least 27 years to the *INPS* or another social insurance institution, or at least 20 years to a local provident fund set up in accordance with the regulations on port authorities.
- Persons admitted to early retirement are granted an extension of their contribution period of up to 8 years;
  - workers drawing an old-age or disability pension from the *INPS* and who meet the conditions for early retirement are entitled, if their application is successful, to a supplementary pension, the level of which is determined by established criteria and conditions.
- Workers employed by firms operating in ports and workers not fulfilling the conditions as of 31.12.1993 may opt themselves to pay the social insurance stamps for the relevant period, in which case no additional burden is imposed on the state.

With regard to Law 58 of 24.3.1990, which affected a total of 4,000 people (1990: 1,500; 1991: 1,000; 1992: 1,500) and which extended the period during which an application for early retirement could be made to 31.12.1992, whereby an additional extension could be granted (to 31.12.1993) if the planned benefits were not fully taken up, the recent Decree-Law 696/94 has:

- extended the period further to 31.12.1995 and 31.12.1996 respectively;
- extended the planned contingent of 1,000 persons for workers employed by firms or groups operating in ports by an additional 1,000 employees of port authorities and mechanical handling companies.

*Financial resources*

The financial burden incurred by those entering early retirement is borne by the provisional management of the fund currently in liquidation; these costs are reimbursed to the relevant social insurance institutions on an annual basis (Art. 1, § 5, Decree-Law 696 of 22.12.1994).

*Institutional support*

Ministry of Transport and Shipping and the *INPS*.

*Duration*

For workers employed by firms and groups operating in ports the measure expired on 31.12.1995; for the employees of port authorities and mechanical handling companies on 31.12.1996.

## **Early retirement for employees of the *FINMARE* group and other groups\* (*Prepensionamento FINMARE*)**

### *Aim*

To alleviate the burden of surplus personnel in companies in the *FINMARE* group.

### *Legal basis*

- Law 856/86;
- Law 160/89;
- Law 236 (Art. 6, § 17) of 19.7.1993;
- Decree-Law 696 (Art. 1, § 4) of 22.12.1994;
- Decree-Law 119/95;
- interministerial decrees concerning the approval of the early retirement scheme for the years 1995 and 1996 in several enterprises, including: Società Adriatica, Tirrena, Saremar and Toremar (Art. 9, Law 169/89);
- interministerial decrees concerning the approval of the early retirement scheme for the years 1995 and 1996 in the following companies: Italia, Lloyd Triestino, Sidemar, Almar, Finmare (Art. 1, § 4, Decree-Law 119/95).

### *Contents*

Administrative and navigating personnel of companies in this group who perform transport services or services subsidised by the company itself can benefit from these provisions. Workers of 55 years of age (if they are men) or 50 years of age (if they are women) and who have at least 15 years of paid contributions can claim early old-age pension. In this case, the duration of the payments is increased by the number of years equal to the difference between their actual age and the normal retirement age, which is 60 years of age for men and 55 years of age for women.

The Ministry for the Merchant Navy approves the restructuring programme presented by the company with an indication of deadlines. Those concerned must submit their claim during the 60 days following the communication from the company, which will select the claims based on the age of the applicants.

### *Financial resources*

The contributions not paid and the payment of monthly early pension benefits are charged to the *INPS* and the costs are thus met by the state.

### *Institutional support*

Ministry for the Merchant Navy and the *INPS*.

### *Duration*

These provisions for administrative and sea-going personnel were extended to cover the years 1994 to 1996.

---

\* Sidemar Navigazione, Sidemar Trasporti Costieri, Sidemar Servizi Accessori, Palmare, Interlogistica, etc.

### **Early retirement in the publishing trade (*Prepensionamento anticipato per l'editoria*)**

#### *Aim*

To remedy the situation of surplus employees in companies in this sector experiencing a crisis or undergoing restructuring.

#### *Legal basis*

- Law 416 (Art. 37) of 5.8.1981;
- Law 67 of 26.2.1987.

#### *Contents*

The following may benefit from the provisions:

- typographers who work for publishing houses or printers of daily newspapers and periodicals;
- journalists who work for publishing houses of daily newspapers and press agencies of national importance;
- journalists who work for publishing houses or printers of daily newspapers and periodicals.

As far as typographers are concerned, the provisions envisage the possibility of obtaining early old-age pension based on the effective period of contribution (at least 30 years), increased by 5 years to a maximum of 40 years of payments. There is no age limit, only a contribution limit.

As far as journalists are concerned, the provisions envisage the possibility of obtaining early old-age pension also based on the period of contribution. The minimum age here is 55, with a period of contribution of at least 15 years.

Workers concerned must submit their claim within 60 days following the date they are placed in the extraordinary *CIG* or on the date they meet the requirements.

#### *Institutional support*

The *CIPE* ascertains, by discussions, the situation as regards surplus workers and grants the extraordinary wage compensation.

The *INPS* manages the financial resources for the typographers and the National Social Security Institute for Italian Journalists (*Istituto Nazionale di Previdenza per i Giornalisti Italiani – INPGI*) does the same for journalists.

#### *Financial resources*

The contributions which are not paid and the monthly early pension payments.

#### *Duration*

No time limit has been set for this measure.



**Early retirement for employees of Alitalia**  
***(Prepensionamento per i dipendenti delle imprese del gruppo Alitalia)***

*Aim*

To underpin the organisational and productive restructuring of the air transport company in the wake of the process of liberalisation of air transport within the European Union.

*Legal basis*

- Law 451 of 19.7.1994 (Art. 9 and 13);
- Decree-Law 363 of 28.8.1995, which was re-enacted several times before its conversion into Law 640 of 20.12.1996.

*Contents*

On the basis of the current legislation, a three-year early retirement plan (1995-1997) is foreseen for 700 employees of the Alitalia group. The following persons are eligible for the scheme: employees who can show proof of at least 30 years of contributions to the general, compulsory invalidity, old-age and surviving dependants' insurance scheme and insured workers aged at least 55 (men) or 50 (women) who have paid contributions for at least 17 years by 31.12.1996 or at least 18 years as of 1.1.1997 to the general, compulsory invalidity, old-age and surviving dependants' insurance scheme.

The early retirement plan was approved by virtue of a Decree issued by the Ministry of Transport and Shipping in agreement with the Ministries of Labour and the Treasury on 31 July 1996.

*Financial resources*

The costs of the measure are borne entirely by the state.

*Institutional support*

The companies comprising the Alitalia group and the *INPS*.

*Duration*

The measure has been approved for the period 1995 to 1997.

**Early retirement for employees of industrial enterprises and persons affected by manpower reduction measures in the course of enterprise restructuring, reorganisation and conversion programmes**  
***(Prepensionamento per i dipendenti da imprese industriali, interessati da procedure di mobilità nel corso di programmi di ristrutturazione, riorganizzazione o conversione industriale)***

*Aim*

To facilitate the implementation of enterprise restructuring, reorganisation and conversion programmes exerting effects on employment.

*Legal basis*

- Law 223 of 23.7.1991;
- Law 451 of 19.7.1994 (Art. 10);
- Decree of 18.7.1994.

*Contents*

The workers affected are usually employed by industrial enterprises implementing manpower reduction measures in the course of enterprise restructuring, reorganisation and conversion programmes. Workers made redundant during 1994 were entitled to "long-term mobility benefit" (Law 223/91, Art. 7, §§ 6 and 7), i.e. to a benefit granted in the case of a redundancy lasting until the worker reaches retirement age or, on the basis of the years in which he/she has paid contribution, is entitled to a pension.

Such workers must meet the following conditions:

1. they belong to categories that are difficult to place under prevailing labour market conditions;
2. they were aged at least 50 (women) or 55 (men) on 31.12.1993 and had paid contributions for at least 25 years as of that date;
3. they had paid contributions for at least 30 years as of 31.12.1993 to the general, compulsory disability, old-age and surviving dependants' insurance scheme.

Workers must submit an application to their employer within 90 days of the early retirement plan being approved. It is to be noted that the measure is subject to the approval of an early retirement plan by the Ministry of Labour in agreement with the Treasury. This plan provides for the participation of a maximum of 8,500 persons.

The firms themselves must submit an application to the Ministry of Labour within 30 days of the measure coming into force. On the basis of the above-mentioned plan and in accordance with the requirements of their restructuring and reorganisation programme they then make a selection among the applications submitted, passing on the selected applications to the *INPS*.

*Financial resources*

Half of the costs are to be borne by the companies themselves, half by the state.

*Institutional support*

Ministry of Labour and *INPS*.

*Duration*

The early retirement plan expired at the end of 1994.

I-vii.12

**Early retirement for employees of firms in the defence industry  
(*Prepensionamento per i dipendenti da imprese appartenenti al settore dell'industria della difesa*)**

*Aim*

To facilitate the implementation of enterprise restructuring, reorganisation and conversion programmes exerting effects on employment.

*Legal basis*

- Law 451 of 19.7.1994 (Art. 10, § 8);
- Ministerial Decree of 10.5.1994;
- Ministerial Decree of 18.7.1994.

*Contents*

To be eligible for the measure workers must

- as of 31.12.1994 have paid contributions for at least 30 years to the general, compulsory disability, old-age and surviving dependants' insurance scheme;
- as of 31.12.1996 have reached the age stipulated under Article 7, § 7, of Law 223/91 (no more than 10 years below standard age of entitlement for an old-age pension).

This form of early retirement is closely linked to the form described under measure I-vii.11 covering employees of industrial firms; the same procedures and contribution-related conditions apply in both cases.

The measure covers a maximum of 800 persons; these persons form part of the group of 8,500 persons admitted to the early retirement plan applying to the employees of industrial enterprises affected by manpower cuts in the course of enterprise restructuring, reorganisation or conversion programmes.

*Financial resources*

Half of the costs are to be borne by the companies themselves, half by the state.

*Duration*

The early retirement plan expired in 1994 but the conditions of entitlement applied until 1996.

I-vii.13

**Early retirement for local public transport employees**  
***(Prepensionamento per i dipendenti del settore del trasporto pubblico locale)***

*Aim*

To balance the budgets of public transport companies by adhering to the principles of economy and efficiency

*Legal basis*

Decree-Law 312 (Art. 7, § 2) of 25.5.1994.

*Contents*

Surplus labour is selected for both early retirement and compulsory redundancy (Law 223/91) after examination of staffing levels in accordance with the special measures of the Ministry of Transport and Shipping, agreed with the Ministry of Labour and the Civil Service Ministry.

**Early retirement for employees of the *EFIM* (company for financing and shareholding in manufacturing)  
(*Prepensionamento per il personale EFIM*)**

*Aim*

Early retirement for staff of the *EFIM* (state holding company) and for employees of the firms controlled by the *EFIM*, with the exception of firms in the defence and aerospace sectors

*Legal basis*

- Decree-Law 417 (Art. 4-5) of 29.6.1994;
- Decree-Law 516 of 29.8.1994, converted into Law 598 (Art. 4) of 27.10.1994.

*Contents*

The following are entitled to benefit from this measure:

- 1) Workers who between the coming into force of Decree 516/94 and 30.6.1996 have paid contributions for at least 30 years to the general, compulsory disability, old-age and surviving dependants' insurance scheme;
- 2) Workers who, during the same period, are at least 52 years old (men) or 50 years old (women) and who meet the minimum insurance and contribution requirements set out in Decree-Law 503 of 30.12.1992, i.e. have paid contributions for at least 16 years as of 31.12.1994 and at least 17 years as of 1.1.1995, but who cannot show that they have paid more than 30 years' contributions.

In the case of workers in the first category, the insurance and contribution period is extended to the extent necessary to meet the required 35 insurance and contribution years to the general, compulsory insurance fund. In the case of workers in the second category, by contrast, the contribution period is extended to cover the period between current age and retirement age (60 for men and 55 for women).

The firms affected by the measure are generally those experiencing economic difficulties or those undertaking restructuring, reorganisation or conversion programmes, undergoing liquidation, etc.

*Financial resources*

The costs incurred by the early retirements are borne entirely by the liquidation fund of the *EFIM*.

*Institutional support*

The firms affected make a selection among the applications submitted by interested employees within 90 days of Decree 516/94 coming into force on the basis of an early retirement plan drawn up by a liquidator. Approved applications are passed on to the *INPS* or the *INPDAl* (social insurance institution for executive staff of industrial enterprises).

*Duration*

This early retirement plan expired on 30.6.1996.

**Early retirement plan for employees of political parties  
(*Prepensionamento per i dipendenti dei partiti politici*)**

*Aim*

To alleviate the burden of overstaffing in political parties

*Legal basis*

- Law 195 of 2.5.1974;
- Decree-Law 148 of 20.5.1993, converted into Law 236 of 19.7.1993.

*Contents*

The employees of political parties (under Law 195 of 2.5.1974) still in employment, redundant or unemployed since 18.4.1993 and who have paid contributions for at least 28 years to the general, compulsory disability, old-age and surviving dependants' insurance scheme are entitled within six months of the coming into force of Law 236/93 to apply for an old-age pension (*pensione di anzianità*); their insurance and contribution period is extended to the extent necessary to meet the 35 insurance and contribution years required by Law 153 of 30.4.1969 and its subsequent amendments.

Pensions are to be paid out from 1.1.1994 at the earliest.

The applications made by workers interested in participating in the measure are passed on by their employers to the Ministry of Labour and Social Insurance, which then takes the necessary action.

*Institutional support*

Ministry of Labour and *INPS*.

*Financial resources*

The budget for this measure (amounting to ITL 51 billion for 1994 and ITL 23 billion for 1995) is provided entirely by the state.

*Duration*

This measure is planned to cover the years 1994 and 1995.

*Effects*

In January 1995, 568 early retirements were approved.

**Early retirement for employees of the *ENI S.p.A.* (state petroleum and natural gas concern)  
(*Prepensionamento per i dipendenti dell'ENI – Ente Nazionale Idrocarburi S.p.A.*)**

*Aim*

To alleviate the burden of excess manpower on the *ENI*.

*Legal basis*

- Decree-Law 333 of 11.7.1992, converted into Law 359 of 8.8.1992;
- Decree-Law 148 of 20.5.1993, converted into Law 236 of 19.7.1993.

*Contents*

Employees of the *ENI* are entitled to participate in this measure if they have paid contributions for at least 30 years to the general, compulsory disability, old-age and surviving dependants' insurance scheme or to an insurance institution recognised as an alternative to the compulsory insurance system. Their insurance and contribution period is extended to the extent necessary to reach the 35 insurance and contribution years required under the prevailing regulations.

Employees meeting these conditions – or who will do so in the course of 1994 – are to submit an application to their employer within 90 days of Law 236/93 coming into force.

The *ENI* then makes a selection among the applications submitted on the basis of a two-year early retirement plan drawn up previously; the selected applications are then passed on to the *INPS* or the *INPDAI*. A maximum of 1,500 persons may participate in the measure.

*Institutional support*

*ENI S.p.A.*, *INPS* and *INPDAI*.

*Financial resources*

The costs of the programme are borne by the *ENI S.p.A.* or the respective company belonging to the group.

*Duration*

The early retirement programme is due to run for two years.



**Early retirement for employees of the *Ente nazionale per la cellulosa e la carta* (state concern for cellulose and paper)\*  
(*Prepensionamento per i dipendenti dell'Ente nazionale per la cellulosa e la carta*)**

*Aim*

The facilitate the implementation of restructuring and reorganisation programmes following the initiation of liquidation proceedings for the *Ente nazionale per la cellulosa e la carta*.

*Legal basis*

- Decree-Law 299/94, converted into Law 451/94 (Art. 10);
- Decree-Law 513 of 27.8.1994, converted into Law 595 of 28.10.1994 (Article 6a).

*Contents*

The following categories of workers are eligible:

- 1) workers belonging to categories that are difficult to place under prevailing labour market conditions;
- 2) workers aged at least 50 (women) or 55 (men) on 31.12.1993 and who had paid contributions for at least 25 years to the general, compulsory disability, old-age and surviving dependants' insurance scheme as of that date;
- 3) workers who had paid contributions for at least 30 years as of 31.12.1993 to the general, compulsory disability, old-age and surviving dependants' insurance scheme.

In the case of workers in the second category, the insurance and contribution period is extended to the extent necessary to bridge the gap between actual age and the age of 55 (women ) or 60 (men) or to reach the required 35 insurance and contribution years. In the case of workers in the third category, the contribution period is extended so as to cover the period between the time at which the employment relation was terminated and that at which the 35th year of contributions has been completed.

Employees are to submit an application to their employer within 90 days of the early retirement plan receiving approval. The employer then makes a selection among the applications submitted on the basis of the early retirement plan and of the requirements of restructuring and reorganisation within the next 30 days; the selected applications are then passed on to the *INPS*.

The early retirement plan mentioned above is approved by the Ministry of Labour in agreement with the Treasury. A maximum of 8,500 persons are to be admitted to the measure.

*Financial resources*

The costs incurred by the measure are borne by the liquidation fund.

*Institutional support*

Ministry of Labour and *INPS*.

---

\* This concern is currently undergoing liquidation (Decree-Law 513 of 27.8.1994, converted into Law 595 of 28.10.1994).

# CHAPTER IV INFORMATION AND RESEARCH

In Italy, data on the labour market are collected by the Ministry of Labour and by the National Statistics Institute (*ISTAT*).

Statistical surveys and studies carried out by the Ministry and through its various bodies (labour offices, placement offices and labour inspectorates) are listed below. Data are published in monthly and quarterly bulletins.

*ISTAT* carries out a series of surveys related to work. The data collected are published in the monthly statistical bulletin and the annual statistical handbook on work.

Before 31 March of each year, the Minister of Finance submits an annual report on the economic situation of the country to the Italian parliament.

A special publication entitled "Work and Social Protection" is devoted to the problems associated with employment and unemployment and the action of public authorities in the field of work, training and social protection as well as providing related statistical analyses.

Furthermore, private organisations commissioned by employee or employer organisations, specialised institutes (*ISCO*, *ISPE*, *FORMEZ*, *CENSIS*, the research office of the Bank of Italy and university institutes) as well as public administrations such as *ISFOL* contribute to collecting and studying data relating to the labour market and how it functions.

## *Statistics which come within the ambit of the Directorate-General for monitoring the labour market*

The Directorate-General for monitoring the labour market which has been set up within the Ministry of Labour and Social Insurance under the terms of Law 56/87 is engaged in planning and organising general surveys on the employment situation in all sectors of activity, as well as on flows and quantitative and qualitative requirements, on employment forecasts, on the trends and orientations of the school-age population; furthermore, this directorate has to coordinate specific studies and surveys carried out in the various geographical areas, and make evaluations, projections and forecasts on labour market trends, and publish and publicise the information gathered.

At the present time, the following statistical information is provided:

- workers registered on the placement lists;
- persons in dependent employment;
- disabled workers (employed and unemployed);
- data concerning the application of active labour market policy measures;
- individual and collective labour disputes;
- Wage Compensation Fund (hours compensated);
- data concerning the cooperative movement;
- data on wages and salaries;
- data on vocational training.

## Appendix 1: Abbreviations

BUSC	Official Cooperatives Bulletin <i>Bolletino Ufficiale Società Cooperative</i>
CCI	Central Employment Commission <i>Commissione Centrale per l'Impiego</i>
CGIL	General Confederation of Italian Workers <i>Confederazione Generale Italiana del Lavoro</i>
CIG	Wage Compensation Fund <i>Cassa Integrazione Guadagni</i>
CIGS	Extraordinary Wage Compensation Fund <i>Cassa Integrazione Guadagni Straordinaria</i>
CIPE	Interministerial Economic Planning Committee <i>Comitato Interministeriale per la Programmazione Economica</i>
CIPI	Interministerial Industrial Policy Committee <i>Comitato Interministeriale per il Coordinamento della Politica Industriale</i>
CISL	Italian Confederation of Workers' Unions <i>Confederazione Italiana Sindacati Lavoratori</i>
CISNAL	Italian Association of National Workers' Unions <i>Confederazione Italiana Sindacati Nazionali Lavoratori</i>
CNEL	National Economic and Labour Council <i>Consiglio Nazionale dell'Economia e del Lavoro</i>
CRI	Regional Employment Commissions <i>Commissioni Regionali per l'Impiego</i>
ENI S.p.A.	State petroleum and natural gas concern <i>Ente Nazionale Idrocarburi S.p.A.</i>
FAPL	Fund for the Vocational Training of Workers <i>Fondo per l'Addestramento Professionale dei Lavoratori</i>
FONCOOPER	Cooperation Fund <i>Fondo per la Cooperazione</i>
GEPI	Management and industrial holdings group <i>Gestione e Partecipazioni Industriali</i>
GU	Legal gazette <i>Gazzetta Ufficiale</i>
INAIL	National institute for insurance against accidents at work <i>Istituto Nazionale per l'Assicurazione contro gli Infortuni sul Lavoro</i>
INPDAI	Social insurance institution for executive staff of industrial enterprises
INPGI	National Social Security Institute for Italian Journalists <i>Istituto Nazionale di Previdenza per i Giornalisti Italiani</i>
INPS	National Institute of Social Insurance <i>Istituto Nazionale della Previdenza Sociale</i>
INSAR	Initiative Sardinia s.p.a. <i>Iniziative Sardegna s.p.a.</i>

---

ISFOL	Institute for the Development of Vocational Training for Workers <i>Istituto per lo Sviluppo della Formazione Professionale dei Lavoratori</i>
ISTAT	National Statistics Institute <i>Istituto Nazionale di Statistica</i>
UIL	Union of Italian Workers <i>Unione Italiana Lavoratori</i>
UPLMO	Provincial Labour and Employment Office <i>Ufficio Provinciale del Lavoro e della Massima Occupazione</i>
URLMO	Regional Labour and Employment Office <i>Ufficio Regionale del Lavoro e della Massima Occupazione</i>

---

## Appendix 2: National Correspondents

### *Belgium*

Joseph Remy, Ministère de l'Emploi et du Travail

### *Denmark*

Karen Thryssøe, Arbejdsministeriet

### *Germany*

Jochen Jahn, Bundesministerium für Arbeit und Sozialordnung

Detlef Hein, Bundesanstalt für Arbeit

### *Greece*

Ekaterini Kritikou, Ministry of Labour

### *Spain*

Delmira Paz Seara Soto, Ministerio de Trabajo y Asuntos Sociales

### *Finland*

Helinä Melkas, Ministry of Labour

### *France*

Marie Christine Petitguyot, Ministère du Travail et des Affaires Sociales

Claudine Elhaïk, Agence Nationale pour l'Emploi

### *Ireland*

Frank Doheny, Department of Enterprise and Employment

### *Italy*

Mariarosaria Damiani, Ministero del Lavoro e della Previdenza Sociale

### *Luxembourg*

Jean Hoffmann, Administration de l'Emploi

### *Netherlands*

Martin G. Blomsma, Ministerie van Sociale Zaken en Werkgelegenheid

Theo Keulen, Arbeidsvoorziening Nederland

### *Austria*

Johannes Schweighofer, Bundesministerium für Arbeit, Gesundheit und Soziales

Marius Wilk, Arbeitsmarktservice

### *Portugal*

Victor Viegas, Ministério para a Qualificação e o Emprego

### *Sweden*

Anna Odhner, Arbetsmarknadsdepartementet

Lasse Gustavsson, Arbetsmarknadsstyrelsen

### *United Kingdom*

Liz Tillett, Department of Education and Employment

Peter Sydserff, Employment Service

### *European Commission*

Sergio Piccolo, DG V/A/2

ISBN 92-827-7225-X



9 789282 772256 >