

## Convention No. 122: Employment Policy, 1964

Observation 2004/75

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**Italy** (ratification: 1971)

The Committee notes the report provided by the Government in September 2003. It is also aware of the National Plan of Action for Employment, 2003. The Committee notes that, according to OECD data, the unemployment rate continued to fall during the period, declining from 9.5 per cent in 2001 to 8.6 per cent in 2003. Although it continues to be one of the lowest in Europe, the participation rate increased slightly to 61.6 per cent in 2003, compared with 60.7 per cent in 2001. Despite this overall favourable trend, the characteristics of unemployment remain a matter of concern, particularly with regard to the persistent gap between the north and the south of the country, the labour market integration difficulties experienced by young persons under 25 years of age, whose unemployment rate is 26.3 per cent, and the proportion of long-term unemployment, with 58.2 per cent of the unemployed being without jobs for over 12 months.

1. *Labour market and training policies.* The Government describes in its report the principal innovations introduced by Act No. 30 of 14 February 2003 to reform the labour market, which is intended to modernize the operation of the labour market and make it more flexible. The strengthening of the public employment services, for which responsibility is transferred to the regions, is combined with a liberalization of the operating conditions of private employment agencies with a view to achieving greater complementarity between public and private actors on the labour market. Labour contracts which include a training component have been rationalized, while more flexible forms of entering the labour market are facilitated by the reform of the labour regulations respecting part-time and temporary work. Furthermore, Act No. 53 of 28 March 2003 reforming the education and training system is intended to increase the proportion of vocational training in the education system and to promote the combination of initial training and work so as to improve employability through closer links with the labour market. The Committee requests the Government to provide with its next report any available evaluation of the results achieved through these structural reform measures of the labour market and of training. Also noting the information provided at its request on the measures adopted to improve the situation of women in the labour market, including reform of the part-time work regulations, the Committee requests the Government to continue providing such information, with an indication of the results achieved in terms of the long-term integration of women into productive and freely chosen employment.

2. *General economic policies.* The Committee would be grateful if the Government would supplement the information provided on labour market policies with a description of the manner in which the main aspects of general economic policy contribute to employment promotion. In particular, it requests the Government to indicate the manner in which employment objectives are taken into account in the adoption of measures in such fields as monetary, budgetary and taxation policies, and prices, incomes and wages policies. Please also describe the measures adopted or envisaged in the field of regional development policy, taking into account the specific employment problems in the south of the country.

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*3. Participation of the social partners in the formulation and application of policies.* The Committee notes that employment policy measures form part of the framework agreed upon with the social partners which endorsed the Pact for Italy of July 2002. It requests the Government to continue providing detailed information on the consultations held with the representatives of the persons affected, both at the stage of formulating employment policies and in relation to the implementation of the measures adopted under such policies.