Direct Request (CEACR) - adopted 2017, published 107th ILC session (2018)

Employment Policy Convention, 1964 (No. 122) - *Italy (Ratification: 1971)*

The Committee notes the observations of the Italian General Confederation of Labour (CGIL) and the Italian Confederation of Workers' Trade Unions (CISL), received in October 2016, and the Government's reply thereto.

Articles 1 and 2 of the Convention. Measures to alleviate the impact of the crisis. The Committee welcomes the Government's detailed report. The Committee notes the information provided by the Government in response to its previous request for information on the manner in which the Government ensures, in consultation with the social partners, a comprehensive approach to employment policies aimed at improving the employment situation in the country and fostering job-rich inclusive growth. The Committee notes the adoption, on 19 June 2015, of Decree-Law No. 78 (as amended by Act No. 125 of 6 August 2015) and Legislative Decree No. 150 of 14 September 2015. The Government indicates that this new legislation is intended to strengthen the entire framework of labour related services and active employment policies, particularly the employment service, which it considers essential to ensure the effective implementation of active employment measures throughout Italy. To this end, Legislative Decree No. 150/2015 established the National Agency for Active Employment Policies (ANPAL) to ensure improved coordination of employment policies at national level. In addition, on 30 July 2015, the Government signed a Framework Agreement with all of the regions of the country, to ensure the effective functioning of the public employment offices across Italy. Pursuant to section 15 of Decree-Law No. 78/2015, several northern and southern regions entered into an agreement with the Government to regulate and strengthen employment policies in those regions. The Government also reports that, under the Stability Act of 2016 (Act No. 208/2015), the employment incentives established by the Stability Act of 2015 (Act No. 190/2014) have been reduced. Under Act No. 208/2015, entrepreneurs benefit from an exemption of 40 per cent in paying social security contributions for new employees, but the duration of the exemption is reduced to 24 months, rather than the 36 months established under Act No. 190/2014. The Government also reports the introduction of measures, including economic incentives, to encourage enterprises to hire persons belonging to specific categories of workers vulnerable to decent work deficits and exclusion, such as persons with disabilities. The Government reports that, as of January 2016, it is providing labour-cost subsidies to promote regular employment for persons with disabilities. The subsidy provides a range of incentives for enterprises that employ persons with disabilities, with the largest subsidies for enterprises employing persons with more than 79 per cent disability, those employing persons with 45–67 per cent physical or psychological disability and those employing persons with between 45 and 67 per cent disability. Persons with less than 45 per cent disability are not eligible for the subsidy. The Committee notes that, according to data from the Italian National Institute of Statistics (ISTAT) (May 2016), most labour market indicators continued to show positive trends in 2016. The ISTAT data for the fourth quarter of 2016 reflect a slight increase of 0.1 percentage points in labour market participation, with an overall employment rate of 57.4 per cent. The Government indicates that this figure reflects a slight decline (0.1 percentage points) in the employment rate for persons aged 15–34. The employment rate for those aged 35 –49 remained stable and the employment rate for those aged 50–64 increased slightly (+0.4 percentage points). The quarter-on-quarter increase in the number of persons employed was the result of increased numbers of persons in self-employment (+0.5 percentage points), increased numbers of fixed-term employees (+0.9 percentage points), and a slight decrease in the number of permanent employees (-0.1 percentage points). Increases in the employment rate were concentrated in the central and northern regions (+0.5 percentage points), with employment decreasing in the south and the islands (0.7 percentage points). The overall unemployment rate increased slightly to 11.9 per cent (+0.2 percentage points) after having remained stable over the four previous quarters. In their observations, the trade unions express the view that 2016 was characterized by increased employment, but that this growth remains insufficient. ***The Committee requests the Government to provide additional information on the application of the subsidies introduced to encourage employers to hire persons with disabilities, indicating the number of persons with more than 79 per cent disability placed in employment, as well as the nature***

and per cent of disability. Please also indicate the measures taken to promote the employment of persons with physical or psychological disabilities with less than 45 per cent disabilities, who under the current legal framework are excluded from the subsidy.

Youth employment. The Committee notes that the Government has continued to promote training programmes targeting young people. As of July 2016, 1,101,903 young persons aged 18–25 years have participated in the Youth Guarantee Programme *(Garanzia giovani)*, with their participation rate increasing by 20.5 per cent from December 2015 to May 2016. The Government indicates that, as of April 2016, 52,582 young persons have benefited from the Digital Growth Programme *(Crescere in digitale)*, which offers 50 hours of free online training to all Italian young people not in employment, education or training (NEET) and who are registered in the Youth Guarantee Programme. In addition, the Government introduced a new measure, the Grow Entrepreneurs Programme *(Crescere Imprenditori)* which is expected to train over 6,000 NEET people and assist them in launching their own start-ups through the "SELFIEmployment" fund (microcredit and subsidized loans provided by the Government to support self-employment). The Committee notes the observations of the CGIL and CISL expressing their appreciation of efforts made by the Government to promote youth employment, and call for more to be done in this area. ***The Committee requests the Government to continue to provide detailed information, including statistics disaggregated by sex and age, on the impact of the measures taken to reduce youth unemployment, as well as information on active labour market measures taken or envisaged to create opportunities for decent work for young persons, particularly those belonging to groups vulnerable to decent work deficits and exclusion.***

Employment of women. The Committee notes that, according to the European Commission Country Report Italy 2017, the potential of female labour market participation remains largely underutilized. The employment rate remains low at 50.6 per cent for women aged 20–64 (20 percentage points less than for men in the same age group), as does the female activity rate (54.1 per cent in 2015). ***The Committee requests the Government to provide information on the measures taken to improve the participation of women in the labour market***

Education and training policies and programmes. The Committee notes the Government's indication that it is in the process of strengthening apprenticeships and work-based learning programmes to equip a new generation with relevant work skills. Measures are being taken to increase the learning and qualifications components of apprenticeships, and encourage more young people to participate. An ongoing national pilot initiative for students aged 15–25 is being carried out through 300 vocational training centres across Italy. Curricula and learning criteria have been agreed at national level and the necessary funding has been allocated for this purpose. To strengthen work-based learning, all students in the last three years of upper secondary education are now required to do a traineeship or apprenticeship. The Committee notes that the Government has introduced measures to promote employment for other groups, such as older workers. It has established the "Manager to work" programme to help older persons return to work through giving bonuses to employers that hire qualified persons aged 50 and over. The Committee notes that, according to the European Commission Country Report Italy 2017, while refugees showed a relatively high employment rate in 2014 (61.3 per cent), high inflows posed a challenge that would require further social and labour market integration efforts. While they are entitled to personalized integration support (language training, ten hours of adult education per week and civic integration classes), only about a fourth of refugees took up integration support. The Committee notes the observations of the CGIL and CISL, which call on the Government to invest greater resources to promote education and training policies and programmes aimed at promoting overall employment. ***The Committee requests the Government to continue to provide information on the impact of education and training policies and programmes, including apprenticeships, on securing decent and lasting employment for young persons as well as other groups vulnerable to decent work deficits and exclusion from the labour market. The Committee further wishes to draw the Government's attention to Paragraph 12 of the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205), and invites it to provide information on active labour market measures taken or contemplated with a particular focus on the labour market integration of refugees.***

Cooperatives. The Committee notes that the Government's report contains the same data provided in its previous report. ***The Committee therefore wishes to draw the Government's attention to the provisions of the Promotion of Cooperatives Recommendation, 2002 (No. 193), and requests the Government to provide updated information on the measures taken or envisaged to promote full, productive and freely chosen employment through cooperatives.***

Article 3. Consultation with the social partners. The Committee notes that, in reply to its request for additional information on consultations held with the social partners on the development and implementation of employment policies, the Government reports that a new dialogue process was undertaken in May 2016. It adds that the process aims to inform and consult the social partners regarding proposals and measures to be adopted as part of current labour market reforms. The Committee also notes the observations of the CGIL and CISL indicating that consultations with the Government are not always satisfactory given the Government's focus on informing the social partners rather than on engaging in a genuine dialogue with them. ***The Committee requests the Government to provide detailed information in its next report on the manner in which it ensures, in consultation with the social partners, a comprehensive approach to the development and implementation of employment policies aimed at improving the employment situation in the country and foster job-rich inclusive growth, in accordance with the Convention. The Committee also requests the Government to provide additional information on the nature and extent of consultations held with the social partners regarding the development and implementation of employment policies on the basis of regularly updated labour market data, including on the number, kind and duration of employment, on youth and gender issues and regional disparities.***