



ESPN Thematic Report on Access to social protection of people working as self-employed or on non-standard contracts

Italy

2017

*Jessoula M., Pavolini E. and Strati F.
January 2017*



EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion
Directorate C — Social Affairs
Unit C.2 — Modernisation of social protection systems

Contact: Giulia Pagliani

E-mail: Giulia.PAGLIANI@ec.europa.eu

*European Commission
B-1049 Brussels*

European Social Policy Network (ESPN)

**ESPN Thematic Report on
Access to social protection of
people working as
self-employed or on
non-standard contracts**

Italy

2017

Jessoula M., Pavolini E. and Strati F.

The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

The ESPN is managed by the Luxembourg Institute of Socio-Economic Research (LISER) and APPLICA, together with the European Social Observatory (OSE).

For more information on the ESPN, see: <http://ec.europa.eusocialmain.jsp?catId=1135&langId=en>

***Europe Direct is a service to help you find answers
to your questions about the European Union.***

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

This document has been prepared for the European Commission, however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

Contents

- SUMMARY..... 4
- 1 CONTEXT: SELF-EMPLOYMENT AND NON-STANDARD WORK RELATIONSHIPS IN THE NATIONAL ECONOMY AND LABOUR MARKET 5
- 2 DESCRIPTION AND ASSESSMENT OF SOCIAL PROTECTION PROVISION FOR SELF-EMPLOYED AND PEOPLE EMPLOYED ON NON-STANDARD CONTRACTS..... 8
 - 2.1 Description of social protection provisions for self-employed and people employed on non-standard contracts..... 8
 - 2.1.1 Healthcare and sickness: cash benefits and benefits in kind 8
 - 2.1.2 Maternity/paternity cash benefits and benefits in kind 9
 - 2.1.3 Old-age and survivors’ pensions 10
 - 2.1.4 Unemployment benefits and social assistance benefits 11
 - 2.1.5 Long-term care benefits 12
 - 2.1.6 Invalidity, accidents at work and occupational injuries benefits..... 12
 - 2.1.7 Family benefits..... 13
 - 2.2 Assessment of the existing social provisions and of the impact of possible extension of their coverage..... 14
- 3 CONCLUSIONS AND RECOMMENDATIONS..... 17
- ANNEX 1 18
- ANNEX 2 3
- REFERENCES 10

Summary

In Italy in 2015, more than one worker in three (35%) was not an employee with an open-ended contract. The share of this type of employee in total employment was thus much lower in Italy (65%) than the European Union average (72%). Women constitute 30% of all self-employed persons and around half of employees with temporary work. The share of temporary employees in total employment is slightly lower in Italy (11%) than the EU-28 average (12%), while contributing family workers represent a very limited share of employment (1%) everywhere. In 2015, part-time workers – mostly women (73%), as in the European Union as a whole – represented 19% of employment (a percentage slightly lower than the average for the EU, but one that has shown a big increase since the beginning of the crisis).

What really seems to account for the difference between the Italian and the average EU labour market structure is the role played by self-employment. Almost one worker in four in Italy is self-employed: this is 8 percentage points higher than the EU-28 average. The striking difference between the average EU-28 situation and Italy is explained by the role played by the self-employed without employees. Around 16% of all workers in Italy in 2015 were self-employed persons without employees: the figure in the EU-28 was on average around 11%. Compared to the EU-28, self-employment in Italy is more concentrated in the skilled part of the labour force (both manual and especially non-manual occupations), and it represents a large share of this segment of the labour market. When it comes to the characteristics of temporary employees, Italy differs from the average across the EU-28 on account of the higher incidence of short-term contracts: around half of temporary workers in Italy in 2015 had a contract duration of at most 6 months.

Welfare protection for the self-employed and non-standard workers is much more relevant in Italy than in most other EU countries, given that in Italy the self-employed and workers with non-standard contracts have higher at-risk-of-poverty rates than employees on open-ended contracts. A comparative assessment of the existing social provision across several policy sectors shows that self-employed persons and workers with non-standard contracts are protected against social risks to different extents, depending on the type of risk. The self-employed and workers on non-standard contracts receive:

- coverage and generosity levels quite similar to those offered to open-ended contract employees in the fields of *healthcare, maternity cash benefits, accidents at work and occupational injuries benefits*;
- coverage and generosity levels quite similar to those offered to open-ended contract employees, but in the context of limited public coverage and generosity, irrespective of the type of labour contract, in the fields of *maternity/paternity benefits in kind, social assistance benefits and long-term care benefits*;
- coverage and generosity levels lower than those offered to open-ended contract employees in the fields of *sickness benefits, unemployment benefits, family benefits and pensions*; moreover, the protection for this third cluster of social risks is often fragmented and highly differentiated across the different types of atypical workers and self-employed persons.

At the top of the reform agenda there should be a commitment to harmonising the different employment typologies (including strict rules aimed at reducing the use of the voucher system for mini-jobs), and a more adequate risk-protection system in the case of unemployment. In this respect, Italy needs to build on the laudable steps taken recently in Italian legislation (for example the DIS-COLL scheme, which covers specific atypical worker types against the risk of unemployment). Investing in adequate and affordable childcare facilities should be next on the list of priorities. More adequate sickness benefits can be seen as another step toward a more inclusive social protection system, taking into consideration the current highly differentiated situation.

1 Context: self-employment and non-standard work relationships in the national economy and labour market

From a strictly quantitative point of view, welfare protection for the self-employed and non-standard workers is much more relevant in Italy than in most other EU countries.

In 2015, more than one worker in three (35%) in Italy did not have what might be considered the traditional ideal-typical worker profile in the EU labour market: an employee with an open-ended contract (Figure 1 in Annex 2). This type of employee had a much lower share of total employment in Italy (65%) than the EU average (72%). Temporary employees have a slightly lower share of total employment in Italy (11%) than the EU-28 average (12%), while contributing family workers represent a very limited share of employment (around 1%) everywhere.

In 2015, part-time workers represented 19% of employment. That figure is slightly lower than the average for the EU. However, it has increased markedly since the beginning of the crisis: in 2008 it stood at 14% (Table 1 in Annex 2).

What really seems to account for the difference between the Italian and the average EU labour market structure is the role played by self-employment. Italy has a long tradition of self-employment as a core feature of its labour market and economic structure (Ranci, 2012; Barbieri and Bison, 2004).

In 2015, the share of self-employment in total employment was 23% (24% if family workers contributing to self-employed activities in the same household are taken into consideration). Overall, almost one worker in four in Italy is self-employed: this is 8 percentage points higher than the EU-28 average (Table 2 in Annex 2). This striking difference between the EU-28 average and Italy is explained by the role played by the self-employed without employees. In 2015, around 16% of all workers were self-employed persons without employees: the EU-28 average is 11%.

As shown in Figure 1 (Annex 2), the overall structure of the labour market has not changed significantly since 2008. However, some trends are detectable, especially if we look at relative variations in employment by type of professional status (Figure 2 in Annex 2). In the EU-28, the number of employed persons dropped by 0.9% between 2008 and 2015. This trend affected all the main worker profiles considered in this report in similar ways (open-ended contract employees, temporary employees, self-employed persons and part-time workers). But in Italy, employment dropped by 2.7% in the same time span. However, different trends affected the worker profiles: the number of open-ended contract employees decreased by around 2%, while temporary employees increased markedly (+4.3%). There was an even bigger increase in part-time jobs (+25.8%). Self-employed persons paid the highest price during the crisis: their numbers decreased by 6% between 2008 and 2015, accounting for half of all job losses (Table 2 in Annex 2). That figure reaches 64% if family workers are included in the estimation.

Given these general features of the phenomena under observation, it is important to have a look at some more specific characteristics of self-employed persons and atypical workers – starting with some socio-demographic features.

Between 2008 and 2015 (Table 3 in Annex 2), women constituted 28–30% of all self-employed persons (but 22–26% of those with employees) – a lower percentage than among dependent employees (43–45%) and in total employment (40–42%). A limited gender difference was visible in temporary work (51% in 2008, dropping to 47% of total employees in 2015). There were also more women among family workers (58%, falling slightly to 57% of total workers). The percentages of women involved in self-employment, dependent employment and total employment were generally lower than the EU-28 averages in 2015. Among part-timers, women make up the vast majority (73%), as is the case in the European Union as a whole.

Between 2008 and 2015, there was a shift from the 15–49 age group to the 50+ age group (for women and men combined) across all employment typologies (Table 4 in

Annex 2): 8% for self-employed persons (but 12% for those with employees) and for family workers; 9% for dependent employees; 5% for temporary employees; and 8% for part-time workers. These shifts were 2–7% larger than the averages for the EU-28, and were most probably influenced by the 2011 pension reform, which increased the retirement age for self-employed men (from 65 years before the reform, to 66 years 3 months in 2015) and especially for self-employed women (from 60 years before the reform, to 64 years 9 months in 2015).

Looking at the share of total employment in Italy by age group in 2015, the highest percentage in self-employment (74%) was among persons aged 65+; the highest percentage in temporary jobs (49%) were young persons (aged 15–24); and the highest percentages in part-time jobs (30%) were associated with the oldest and the youngest age groups (Table 5 in Annex 2).

Comparing the occupation characteristics of self-employed workers in Italy with the average for the European Union, there are similarities, but also some specific Italian features (leaving aside the higher share of workers in Italy who are self-employed) (Table 6 in Annex 2).

There are two main similarities. First, among self-employed persons the share of highly skilled non-manual workers is relatively similar: one self-employed person in three holds a managerial or professional position (the International Standard Classification of Occupations (ISCO) code for ‘managers’ in this case often means employers). Second, ‘service and sales workers’ and artisans (‘craft and related trades workers’) have a similar relative share among the self-employed (both categories account for around 16–18%).

There are three main differences. First, skilled agricultural workers account for a higher share of the self-employed in the European Union (16%) than in Italy (7%). Second, technicians and associate professionals are a more important group within Italian self-employment than on average in the EU-28. Third, the incidence of self-employment among certain occupational profiles is really striking (the last two columns on the right of Table 6 in Annex 2). Around 71% of managers are self-employed (29% in the EU-28); almost a third of professionals are self-employed (16% in the EU-28); almost a quarter of technicians/associate professionals and service/sales workers are self-employed (respectively 11% and 14% in the EU-28), as are around 30% of craft and related trade workers (20% in the EU-28).

Overall, compared to the average for the EU-28, self-employment in Italy is more concentrated in the skilled part of the labour force (both manual and especially non-manual occupations) and it represents a large share of this segment of the labour market.

Turning to temporary employees, Italy differs from the EU-28 average in respect of the higher incidence of very short-term contracts (Figure 3 in Annex 2). Around half of temporary workers in Italy in 2015 had a contract of at most 6 months (compared to around 42% in the EU-28). At the same time, almost one temporary worker in three in the EU-28 had a contract of longer than 12 months, whereas the figure was around 18% in Italy. Compared to 2008, the EU-28 average was stable in terms of the relative distribution of temporary employees by duration of work contract (data not reported in the figure), whereas in Italy there was both an increase in the share of temporary workers on short-term contracts (from 40% in 2008 to 49% in 2015) and a parallel decline in the share of those with contracts longer than 12 months (from 23% in 2008 to 18% in 2015).

The fact that there is a specific issue surrounding welfare coverage for atypical workers and self-employed persons in Italy is also demonstrated by the high rates of risk of poverty or social exclusion among those worker profiles, compared to employees with a permanent job. Eurostat data show that in Italy, the in-work at-risk-of-poverty rate in 2015 was 7.8% for employees with a permanent job, and more than double that (19.1%) for those with a temporary job. Although this pattern is similar to that found in the EU-28

generally, the share of employees on temporary contracts and at risk of poverty was lower in the EU-28 (15.6%) than in Italy (data not reported in tables or figures).

Unfortunately, Eurostat does not provide similar data for the self-employed. However, national statistics (ISTAT, 2012; 2016) show a strong increase in the risk of poverty or social exclusion for self-employed workers between 2010 and 2015 (6.6 percentage points (pp); up from 24.2% in 2010 to 30.8% in 2015). Both the risk and the increase were higher than for dependent employees (5.4 pp; up from 18.1% in 2010 to 23.5% in 2015). Also, the risk of monetary poverty increased more for the self-employed (6%; up from 19.8% in 2010 to 25.8% in 2015) than for dependent employees (1.9%; up from 13.6% in 2010 to 15.5% in 2015).

In addressing the issue of social protection for the self-employed and atypical workers in Italy, it should be borne in mind that aside from the very general distinctions used so far (self-employed with or without employees, atypical workers), Italian legislation frames and regulates atypical work and self-employment using five main occupational groups. Remarkable regulatory differences also exist between these five groups in terms of access to social protection benefits.

To be more precise, the five groups are: a) workers on fixed-term (and part-time) contracts; b) project workers on continuous collaboration contracts (so called, *co.co.co* and *co.co.pro.*); c) traditional self-employed, such as farmers, artisans and dealers/shopkeepers; d) self-employed workers mostly in sectors with licensed professions – and covered by special independent funds (see below) – i.e. architects, lawyers, engineers, etc.; e) other professionals in sectors not covered by independent special funds. In the rest of the report, information on social protection will be provided on all these groups, wherever available.

Moreover, according to domestic estimates¹ (ISFOL, 2012; Mandrone and Marocco, 2012) ‘bogus’ or ‘dependent self-employment’ (1.3 million and 1.1 million persons in 2008 and 2010, respectively) accounted for 22% and 20% of self-employed persons, including family workers. This percentage has declined in recent years, as a result of new rules that favour the transformation of bogus self-employment into dependent employment:² a trend demonstrated by the difference of 169,000 units between the number of dependent collaborations terminated (592,000 units) and those initiated (423,000 units) in 2015 (MLSP, 2016). Unfortunately, non-standard employment has increased through a voucher system for mini-jobs,³ and this involved nearly 1.4 million persons in 2015 (up from 24,755 persons in 2008).

In relation to protection against the risk of unemployment, the main new unemployment benefit (NASPI) introduced in 2015 can be used to start up self-employment activities (legislative decree No. 22/2015). Other national measures have been introduced to foster self-employment: fiscal deductions and financial incentives; simplified accounting and administrative procedures; training, counselling and tutoring in business plans and management. These measures concerned businesses created by women and young people (legislative decree No. 185/2000); innovative businesses (Law No. 221/2012); and youth entrepreneurship (the ‘SELFemployment’ initiative under the Youth Guarantee programme 2014–2020). Similar initiatives have been promoted by regional governments (Italia Lavoro, 2016).

After a long debate, the ‘Jobs Act’, devoted to non-entrepreneurial self-employed workers, was approved by the Senate in November 2016 and is currently under debate in the Chamber of Deputies. This act includes new measures for parental leave, maternity

¹ These surveys considered four out of six criteria to identify ‘hetero-organised’ work relationships, namely services provided to a single client-employer, tasks, timetable and place decided by the client-employer.

² These new rules were introduced through Law No. 92/2012 and the legislative decree No. 81/2015.

³ These new rules were introduced through Laws No. 276/2003 and No. 92/2012 and the legislative decree No. 81/2015.

allowances and, more importantly from the point of view of the present report, sickness allowances. The bill also provides rules for 'smart working' (*lavoro agile*), defined as a flexible way of performing dependent employment activities independently of time and place (generally favoured by information and communication technology), in order to increase productivity and facilitate the work-life balance. These rules (also extended to the public sector), aim at providing some labour protection in terms of wages, maximum working hours and collective agreements. 'Smart working' can be regarded as an evolution of 'teleworking', for which a reference framework was defined through collective bargaining, starting with a national multi-industry agreement reached by the social partners in June 2004.

2 Description and assessment of social protection provision for self-employed and people employed on non-standard contracts

2.1 Description of social protection provisions for self-employed and people employed on non-standard contracts

Social protection provision in Italy follows various approaches to coverage, depending on the type of social risk: a compulsory social insurance approach in fields such as old-age protection, unemployment protection, maternity and sickness benefits; a universal approach in the healthcare field; and more limited coverage in the other fields (see Annex 1 for a detailed description).

In those social protection fields where a compulsory social insurance approach is taken, the five main groups of self-employed and atypical workers indicated in the previous section (workers on fixed-term contracts, project workers on continuous collaboration contracts, professionals, etc.) are covered through different schemes and regimes, but often with strong regulatory variation and fragmentation across the various profiles of self-employed and atypical workers. Moreover, for certain specific risks they are not covered at all (see below).

Self-employed workers in many licensed professions have their own 'professional funds' (*Casse Professionali*). In Italy, there are 18 different professional funds, covering all main professions (e.g. lawyers, architects, etc.). The other four groups indicated above are included in the general regime, managed by the National Social Security Institute (INPS) – though within the INPS, different funds exist with (sometimes) diverse rules.

Atypical workers on fixed-term and part-time contracts are included in the INPS fund for dependent employees. Project workers on continuous collaboration contracts and professionals in sectors not covered by independent funds are compulsorily included in the special regime managed by INPS named *Gestione Separata* – established by Law No. 335/1995. The main difference from the general regime for dependent employees concerns contribution rates, which are lower for all those workers who are not employees.

A similar condition is shared by the three traditional groups of the self-employed – farmers, artisans and dealers/shopkeepers – which are included in the social protection system managed by INPS and are also characterised by lower social contribution rates.

2.1.1 Healthcare and sickness: cash benefits and benefits in kind

Thanks to the fact that in 1978 Italy adopted a National Health System (NHS), access to benefits in kind in case of sickness is available to all residents, irrespective of the type of labour contract and conditions that they have.

Apart from the NHS coverage, Italy has seen the spread of supplementary occupational healthcare funds (Pavolini et al., 2013). Such institutions are 'occupational' in the sense that they offer the option (there is no compulsory/statutory rule) of welfare benefits and services on the basis of an employment contract – and often collective bargaining. It is important to note that until a few years ago, occupational welfare was mainly envisaged for employees with open-ended contracts. In more recent years, healthcare funds have

started to cover both the self-employed (especially if they are employers), and employees on atypical labour contracts. For example, the healthcare fund San.Arto covers craftsmen who employ workers, offering different forms of supplementary medical provision (from diagnostics to rehabilitation). Ebitemp, meanwhile, is an organisation that offers healthcare services to atypical workers. Also, for self-employed professionals, there are several schemes that offer extra healthcare coverage on the basis of membership of a 'professional fund'.

Often such occupational welfare provision is supported by the state through fiscal incentives: for example, employers can apply for tax reductions if they prove they have paid premiums and provided resources to healthcare funds.

In relation to cash benefits in the event of sickness, there is no universal access, and different rules apply to different profiles, including among the self-employed. In particular, there is strong fragmentation, with the self-employed and workers on non-standard contracts benefiting from different levels of protection, often related to very specific facets of their occupation.

Since 2006 (Law No. 296, article 1; also the subsequent Law No. 201/2011), all those workers who are members of the special regime managed by INPS named *Gestione Separata* have a right to sickness benefits. In order to access sickness benefits, workers in those profiles must have paid contributions for at least 3 months in the 12 months before the illness.

Self-employed persons in commerce (tradespeople) and craftsmen do not have any type of statutory/compulsory sickness insurance. There has been a spread of totally private insurance in the trade sector, but no specific official data are available on the coverage rate. The situation is slightly different among craftsmen. Public coverage is absent, but a certain degree of collective coverage for certain craftsmen is offered through occupational welfare institutions such as San.Arto (see above). The situation among professionals with licensed associations – i.e. architects, lawyers, engineers, etc. – is even more fragmented. Several 'professional funds' offer sickness benefit, but the rules vary from one fund to the next in terms of the generosity of provision, the duration and the criteria governing access.

Employees on fixed-term contracts have a right to sickness cash benefits only for as long as their contract lasts; based on medical certification, benefits are provided for a period not longer than the time spent working in the 12 months prior to the illness. The benefit amounts to 100% of previous earnings for the first half of the period of sickness, and is then reduced for the rest of the period.

2.1.2 Maternity/paternity cash benefits and benefits in kind

As in the case of healthcare, benefits in kind in the field of maternity are granted according to regulations that apply to all workers, and theoretically there is no difference depending on occupational status. However, in the field of childcare services for the very young (aged below 3 years), the households of atypical workers and self-employed persons have a lower likelihood of accessing public services than other types of households (Pavolini and Arlotti, 2014). In particular, because Italy has a relatively low rate of public childcare coverage (around 13–15% of children below 3), strict criteria are applied by local authorities to ensure that certain profiles of households have priority access: dual-earner households with full-time employees on open-ended contracts are more likely to have priority access to public childcare. Municipalities often prefer to offer services to this type of profile for various reasons: the need to reconcile work and family seems more pressing (to reduce the probability of those people becoming unemployed); also, thanks to their income, they have the capacity to make higher co-payments (thus reducing costs for the local authorities, which are on tight budgets).

Compared to sickness benefits, access to maternity/paternity benefits for the self-employed and atypical workers is closer to that offered to employees on open-ended contracts. In the case of maternity, from 2 months before the expected date of birth until

3 months after delivery, insured persons receive maternity benefits of 80% of 'conventional earnings'. Daily conventional income of EUR 47.68 is used for craftsmen and tradespeople. The minimum daily pay is used for farm workers hired on an open-ended basis. The benefits are funded entirely by contributions. Law No. 53 of 8 March 2000 allows the compensation/allowance to be claimed 1 month before the delivery date (always 5 months compulsory altogether); furthermore, it allows an optional 3 months in the child's first year as child-raising periods, during which time the benefit amounts to 30% of conventional earnings. Since 2007 (Decree of the 12 July 2007, article 6) there has also been pension coverage funding during the maternity period.

Policy measures have been introduced over time to extend the social protection of the self-employed and atypical workers through maternity and paternity leave (legislative decrees No. 80/2015 and No. 148/2015) and vouchers for babysitting services (Law No. 208/2015; Ministerial Decree of October 2016).

Also on the subject of maternity/paternity benefits, some occupational welfare schemes provide coverage for the self-employed and atypical workers. For example, Ebitemp, the bilateral agency for atypical workers, provides a contribution of around EUR 2,250 to all female workers with atypical contracts who have work contracts that end during the first 180 days of pregnancy and who are not covered by INPS maternity benefits. Moreover, Ebitemp provides a contribution of EUR 1,000 for childcare costs in nurseries for those female workers who have worked for at least 3 months in the previous 12.

2.1.3 Old-age and survivors' pensions

On the subject of old-age and survivor protection for the self-employed and atypical workers, there are two main considerations: i) the public pension system (first pillar) is inclusive in terms of coverage, which is indeed extensive; ii) despite broad coverage, remarkable regulatory differences exist across the five main occupational groups indicated in section 1. Coverage is *compulsory* for all these groups. However, while no substantial differences can be detected with regard to coverage, pension system fragmentation implies regulatory variation across the various typologies of self-employed and atypical workers mentioned above, as well as vis à vis 'standard workers' on full-time, open-ended contracts (Jessoula, 2012).

Atypical workers on fixed-term contracts are included in the INPS fund for dependent employees. Therefore, they are subject to the general rules of compulsory insurance, with a contribution rate of 32.87% of the gross wage (split two-thirds and one-third between employers and employees), pension benefits calculated using the Notional Defined Contribution (NDC) system – applied *fully* to those who entered the labour market after 31 December 1995; applied *pro rata* to workers of greater seniority – and pensionable age at 66 years 7 months in 2016 (for details, see Jessoula et al., 2016).

Project workers on continuous collaboration contracts and professionals in sectors not covered by independent pension funds are compulsorily included in the special regime managed by INPS named *Gestione Separata*. In 2016, contribution rates were set at 31% for project workers and 27% for professionals. In the first case, contributions are shared between workers (one-third) and firms (two-thirds). It is also important to note that the contribution rates were significantly lower (around 20%) until Law No. 247/07 prompted a gradual increase in contribution levels for these categories of worker. However, the recently approved 2017 budget law (No. 232/2016) has stopped this increase, and has reduced the contribution rate for professionals from 27% to 25%.

A similar condition is shared by the three traditional groups of the self-employed – farmers, artisans and dealers/shopkeepers – which were included in the compulsory pension system managed by INPS in 1957, 1959 and 1966, respectively. The contribution rate for artisans varies from 20.1% to 24.1%, and for dealers/shopkeepers from 20.19% to 24.19% of declared income; the variation depends on age (over or under 21 years) and income level. The minimum contribution payment is EUR 3,591

(artisans) and EUR 3,605 (dealers/shopkeepers). Contribution rates for self-employed rural workers vary from 22.6% to 23.2%.

Apart from contribution rates, rules regarding pension calculation and eligibility conditions have been harmonised with dependent employees.

Things are different in the 18 special funds for professionals, mostly in sectors with licensed associations: accountants, architects, biologists, doctors, engineers, labour consultants, lawyers, nurses, pharmacists, sales agents, veterinarians, agricultural and industrial experts. These funds are, in fact, self-regulated. Nevertheless, they are supervised by the Ministry of Labour, in order to ensure financial sustainability. To this end, Law No. 214/2011 mandated a sort of 'stress test' for the next 50 years. Since these funds are relatively numerous, a full illustration of the different rules is extremely complex and goes beyond the scope of this report. In fact, the rules vary quite extensively across the different funds, as outlined in the two cases summarised below: Incarcassa – the fund for architects and engineers; and Cassaforense – for lawyers.

Following the stress test, the fund for architects and engineers has applied the NDC system pro rata since 2013. The contribution rate is 14.5% of declared income (up to EUR 121,600) with a minimum annual payment of EUR 2,280. Also, the pensionable age differs from the INPS regimes: 65 years 9 months, combined with 31 years 6 months of contributions in 2016. It will reach 67 years in 2017, and will then increase in line with changes in life expectancy. The minimum contribution requirement is also expected to increase to 35 years by 2023.

The fund for lawyers applies a similar contribution level (14%) with a minimum of EUR 3,525 in 2016. Eligibility conditions are being tightened: by 2021, pensionable age will be 70, with 35 years of contributions; it will be possible to take a reduced early pension at 65. Also, seniority pensions exist, which allow retirement before the pensionable age. Unlike previous funds, *Cassaforense* calculates benefits on an earnings-related basis.

2.1.4 Unemployment benefits and social assistance benefits

There is no insurance scheme for self-employed persons to protect against the risk of unemployment.

A specific new scheme called DIS-COLL was introduced in 2015 (Bill No. 22) for all project workers on continuous collaboration contracts (*co.co.pro.*, *Collaborazioni coordinate a progetto*) who lose their job. In particular, they must have paid contributions for at least 1 month in the previous year or have a contract for at least a month. DIS-COLL is provided for half as many months as the number of monthly contributions paid in the previous year. Thus the maximum duration of the scheme is 6 months. No pension contributions are paid on behalf of the unemployed person while he/she is receiving DIS-COLL. The benefit amounts to 75% of average monthly income. The amount cannot exceed EUR 1,300 and the benefit is reduced by 3% from the fourth month onward.

As for social assistance benefits, since 2 September 2016 a pilot minimum income scheme (SIA, *Sostegno per l'Inclusione Attiva*, i.e. support for active inclusion) has been extended throughout Italy to support people at risk of poverty (Ministerial Decree 26/5/2016). Being a means-tested benefit, SIA specifically targets low-income households where at least one of three categories is present: one child less than 18 years of age; a disabled child; or a pregnant woman. Income from dependent employment or self-employment is considered in assessing the household economic conditions. Within a multidimensional assessment of need, a maximum score is awarded to households where all members of working age are unemployed and prepared to get involved in active labour market policies agreed with public employment services. The amount of the cash benefit increases according to the number of household members: EUR 80 for a single-member household; EUR 160 for a two-member household; EUR 240 for a three-member household; EUR 320 for a four-member household and a maximum of EUR 400 for larger households (i.e. consisting of five or more members).

SIA will be replaced by a nation-wide anti-poverty and anti-social exclusion measure (means tested), called 'Inclusion Income' (*Reddito di inclusione*), under a bill approved by the Chamber of Deputies (July 2016) and currently under examination by the Senate. Initial beneficiaries will be those already defined by SIA, with the addition of a fourth category: unemployed persons aged 55 and over. Inclusion Income will subsume the old 'social card' (Law No. 133/2008), which is a pre-paid shopping card (EUR 40 per month) for the parents of children aged 0–3 or for persons over 65 with very low income, and is used to purchase food, electricity and gas.

In addition, a 'family card' (Law No. 208/2015) is awaiting an implementation decree. This is a card for households with at least three dependent children, allowing them to obtain discounts on goods and services (including transport fares, cultural, sporting and tourism services).

Therefore, the above-mentioned schemes are not universal in nature or scope. In contrast, access to social services is granted to all residents (Law No. 328/2000), irrespective of employment status. These services, managed by the local authorities, include monetary support for low-income households (in 2012, it constituted 15% of expenditure on the poor, the homeless, immigrants, Roma and similar communities; ISTAT, 2015).

Among other measures, it is worth mentioning those aimed at tackling housing hardship (Law No. 431/1998), provided according to regional laws that determine the criteria and the parameters of low income that qualify a household to receive rent support; and fuel poverty, with small allowances granted by local authorities to low-income households to cover electricity and gas costs (Laws No. 266/2005 and No. 2/2009).

2.1.5 Long-term care benefits

Benefits are granted according to the regulations of the general system. The self-employed and workers on atypical contracts have the same right of access as other workers and residents. In particular, the main cash allowance scheme, the Companion Allowance (*Indennità di Accompagnamento*), is universal, with access granted solely on the basis of care needs. Access to social care services and to healthcare services for people with long-term care needs is not differentiated by worker profile.

2.1.6 Invalidity, accidents at work and occupational injuries benefits

In relation to accidents at work and occupational injuries, the self-employed and workers on atypical contracts receive the same coverage as employees on open-ended contracts: they are all covered by the National Institute for Insurance against Accidents at Work (INAIL). The only difference is between certain types of self-employed workers (e.g. craftsmen) and all other workers: the latter are insured and receive protection even when the specific social contributions covering the risk of accidents at work and occupational injuries have not been regularly paid by the employer, whereas the former can only benefit if these social contributions have been regularly paid.

The amount of the benefit in case of occupational injuries and accidents at work is equal to 60% of the average daily wage/work income for the first 90 days of injury, and 75% thereafter until total recovery.

Also in the case of accidents at work, some occupational welfare schemes may intervene. Ebitemp, the bilateral agency for atypical workers, provides a daily allowance of EUR 35 (in 2016) for all workers who have a work-related temporary incapacity once their contract expires: the coverage lasts for the duration of their temporary incapacity, up to 180 days.

Disability benefits are subject to income limits and are organised within the social insurance system. Access requires a minimum period of membership of 5 years, 3 years of which must have been completed in the last 5 years. The amount of disability allowance and disability pension corresponds to the benefits in the general system.

2.1.7 Family benefits

Originally intended for dependent employees (including part-time workers), the main household-related allowance (ANF, *Assegno per il Nucleo Familiare*; Law No. 153/1988) was subsequently extended (by Law No. 388/2000 and Ministerial Decree 4/4/2002) to workers registered with a separate pension scheme (*Gestione Separata INPS*), including the self-employed and 'dependent' self-employed. The amounts of this contribution-based allowance are defined each year according to income brackets and household composition (e.g. from July 2016, monthly ANF was EUR 137.50 for a two-parent household with a child under 18 years and with a yearly income below EUR 14,383.37). Children must be under 18 years old (or under 21 if they are students or apprentices in a household with at least four children aged under 26). For children with serious disabilities, there are no age limits.

With similar intent, other monthly contribution-based family allowances (AF, *Assegni Familiari*; Presidential Decree No. 797/1955; Law No. 585/1967; Law No. 440/1980) are granted to small farmers, farmers, sharecroppers and retired self-employed workers, although the monthly amounts are very low.⁴

Self-employed workers in licensed professions are not entitled to the above-mentioned allowances, and nor are persons in non-standard work, employed through the voucher system for mini-jobs (*lavoro accessorio*; ancillary work).

The following family benefits are available irrespective of employment status and contributions. An allowance for large households (with at least three children under 18; *Assegno per Nuclei Familiari Numerosi*; Law No. 448/1998) is authorised by municipalities and delivered by the INPS. The parameters are defined annually (in 2016, EUR 141.30 per month for a household with annual income up to EUR 8,555.99, means tested using the index of equivalised economic situation (ISEE)). An additional benefit (a one-off payment of EUR 500 per household, including vouchers for the purchase of goods and services) was granted to beneficiaries of the allowance for large households only in 2015 (Law No. 190/2014; Prime Ministerial Decree 24/12/2015; INPS circular No. 70/2016). This benefit was a contribution to the cost of raising children in the case of households with four or more children and with a low annual income (below EUR 8,500, according to ISEE). Instructions (Ministerial Decree and the related INPS circular of August 2016) were provided to deliver a bonus (a one-off EUR 275; Law No. 147/2013) to low-income households with children born or adopted in 2014. The monthly amounts of a bonus in favour of children born or adopted between January 2015 and the end of 2017 (Law No. 190/2014) were defined according to household income (EUR 80 if below EUR 25,000 per year and EUR 160 if below EUR 7,000 per year, according to ISEE). Tax deductions for family dependants should be taken into consideration. The basic deduction for a child (EUR 950 per year) is increased by EUR 270 if the child is less than 3 years old; by EUR 400 if the child has a disability; and by EUR 200 per child if there are three or more children in the household. These amounts decrease in line with an increase in annual income. A further deduction (EUR 1,200 per year) is granted in case of four or more dependent children, regardless of income.

⁴ The AF monthly amounts have not changed since 1980: small farmers receive EUR 1.21 for each dependent parent; farmers and sharecroppers get EUR 8.18 for each dependent child; retired self-employed workers (merchants, artisans, sharecroppers, farmers and small farmers) registered with relevant specific schemes get EUR 10.21 for the spouse and each child. Children must be under 18 years old (21 if they are students or apprentices; 26 if university students). There are no age limits for children with serious disabilities. Monthly allowances are provided within monthly income limits, which are defined annually (e.g. in 2016, EUR 706.82 for the spouse, one parent and each child, and EUR 1,236.94 for two parents).

2.2 Assessment of the existing social provisions and of the impact of possible extension of their coverage

A comparative assessment of the existing social provision across the various policy sectors considered in this report shows that self-employed persons and workers on non-standard contracts are protected against social risks to different extents, depending on the type of risk. The self-employed and workers on non-standard contracts receive:

- coverage and generosity levels quite similar to those offered to employees on open-ended contracts in the fields of *healthcare, maternity cash benefits, accidents at work and occupational injuries benefits*;
- coverage and generosity levels quite similar to those offered to employees of open-ended contracts, but in the context of limited public coverage and generosity irrespective of the type of labour contract, in the fields of *maternity/paternity benefits in kind, social assistance benefits and long-term care benefits*;
- coverage and generosity levels lower than those offered to employees on open-ended contracts, in the fields of *sickness benefits, unemployment benefits, family benefits and pensions*; moreover, the social protection for this third group of social risks is often fragmented and very variable across the different types of atypical workers and self-employed persons.

As outlined in sections 2.1.1, 2.1.2 and 2.1.6, atypical workers and self-employed persons have the same rights and opportunities to access healthcare provision (thanks to the presence of an NHS), maternity cash benefits, and accident at work and occupational injuries benefits (in this last case, there are some limitations for certain self-employed workers, depending on their regular payment of specific contributions). For these types of social risks, the system functions along fairly similar lines as for employees on open-ended contracts.

As outlined in sections 2.1.2, 2.1.4, 2.1.5 and 2.1.6, the self-employed and atypical workers are not well covered by public schemes in the case of maternity/paternity benefits in kind, social assistance benefits and long-term care benefits. In relation to these risks, however, low coverage/generosity is a general feature of the Italian welfare state system, affecting workers and residents largely irrespective of their working status.

As already underlined in other reports (Jessoula et al., 2016), long-term care (LTC) coverage and generosity are relatively low and are inadequate compared to the level of needs.

For other types of provision, such as childcare, atypical workers and self-employed persons are at risk of being even less well covered than other types of workers.

Social assistance is probably currently the policy area where innovation is sometimes to be found. For access to social assistance benefits (section 2.1.4), the eligibility criteria are quite similar for dependent employees, the self-employed and non-standard workers, including citizens of other EU Member States, third-country nationals (with a long-term residence permit) and sometimes refugees and beneficiaries of subsidiary protection (e.g. SIA and the old social card).

However, the coverage and adequacy of the existing measures are not enough to tackle the problems of households and individuals in need, and this affects atypical workers and the self-employed more, as their higher at-risk-of-poverty rates indicate (see section 1). There is evidence of this in the minimum income schemes and social services.

In the first instance, both the SIA and Inclusion Income follow a category-based approach (targeted at specific segments of people and with very tight eligibility requirements), rather than a universal approach. The financial resources are too limited to allow a nation-wide minimum income scheme to play a structurally permanent role in covering all households at serious risk of poverty (around EUR 1 billion are allocated each

year, whereas it is estimated that at least EUR 7 billion are needed; *Alleanza contro la povertà*, 2015).

In the second instance, there has been haphazard and inadequate resourcing of the National Fund for Social Policies (managed by municipalities, according to programming ensured by the regions), which is the main pillar supporting scope and potential of an integrated system of social services. This has yet to be implemented, although a crucial reform aimed at stable planning of local welfare systems was initiated many years ago (Law No. 328/2000). The reform aimed *inter alia* at achieving a balance between cash benefits and social services. This goal was hampered by separated financial flows in favour of bonuses and vouchers, which were in competition with social services. The parliamentary debate about the future Inclusion Income could strengthen the connection between cash benefits and social services, through joint planning and joint management at the territorial level (i.e. between municipalities).

The most problematic situation, at least in relation to the self-employed and not infrequently atypical workers, can be found in four policy fields: sickness benefits, unemployment benefits, family benefits and pensions.

To take the last policy field first, as section 2.1.3 outlined, first-pillar pension schemes – both the public funds managed by INPS and the independent special funds (*casce privatizzate*) – ensure universal coverage of the working population. However, scheme fragmentation (and the consequent regulatory variation) is rife, leading to what has been called the ‘labyrinth of pensions’ in Italy (Castellino, 1976).

Current pension levels actually reflect such regulatory variation – the levels vary greatly under the different schemes managed by INPS: the average monthly pension is EUR 1,045 in the fund for dependent employees, compared to EUR 602, EUR 880 and EUR 811 in the schemes for agricultural workers, artisans and dealers/shopkeepers, respectively (INPS, 2016). The figures for project workers and professionals covered by the so called *Gestione separate INPS* are much lower (EUR 165/month), but it should be recalled that this pension scheme only started operating in 1996.

In the last two decades, however, several reforms have gradually – but substantially – harmonised the rules across the schemes managed by INPS, at least as regards access to retirement and methods of calculating pensions. Nevertheless, substantial differences persist in contribution rates. This is important because, according to the logic of the NDC system applied to all categories insured by INPS, different contribution rates will translate into very different pension amounts (at the same current income) in future decades. Projections by the Ministry of Finance (MEF-RGS, 2015) actually show that the decline in the replacement rates over coming decades is expected to be much larger for self-employed workers (agricultural workers, artisans and dealers/shopkeepers) than for dependent employees. In fact, whereas in 2010 a self-employed worker retiring at 65 years 7 months after 38 years of contribution had a gross replacement rate of 77.2% (compared to 73.7% for a dependent-employee counterpart), in 2040 the figures will be 47.3% for a self-employed person (retiring at 69 years 2 months, with 38 years of contributions) and 61.7% for an employee (retiring at 66 years 2 months, with 38 years of contributions).

Moreover, concerns have repeatedly been raised about pension adequacy for atypical workers – on fixed-term contracts, and especially project workers – in the medium to long run. In fact, NDC systems directly translate career fragmentation into lower pension levels, since shorter contribution records lead to an abrupt decline in the replacement rate: a dependent worker who retires at 66 years 2 months, after 36 years of paid contributions, would receive a (gross) pension of around 58% of his last wage in 2040 (i.e. a two-year reduction in the contributory period implies a replacement rate decrease of 4 pp) and figures are even lower in the case of project workers due to lower contribution rates. In the same vein, the figures reported in the 2015 *Ageing Report* (European Commission, 2015) show that Italy is among those countries that – in terms of expected pension levels – most severely penalise workers with short careers (30

years), which is typical of temporary workers who have frequent spells of unemployment/non-employment. This suggests that, in strictly actuarial systems such as NDC pension schemes (and individual accounts), fairness in terms of regulatory homogeneity and actuarial neutrality does not necessarily entail adequate pensions in the future.

Family benefits (section 2.1.7) vary among the self-employed (both with and without employees). Household allowances are not available to professionals enrolled in licensed professions (e.g., doctors, notaries, lawyers, journalists, architects, etc.). Tradesmen, artisans, sharecroppers and farmers can access household allowances (AF), but these are characterised by lower adequacy than those allowances (ANF) paid to self-employed persons registered with a separate pension scheme (*Gestione Separata INPS*), including professionals who depend on a single client or on a contractual relationship with a client. Required by law to be enrolled in the *Gestione Separata*, the 'dependent' self-employed (*lavoratori parasubordinati*, e.g. workers on continuous and coordinated contracts, door-to-door salespeople, occasional independent workers) are entitled to the main household allowance (ANF). The ANF criteria and amounts are similar for all those registered with the *Gestione Separata*, for the dependent employed (e.g. full-time workers) and for non-standard workers such as part-time employees, fixed-term employees, temporary agency workers, apprentices and on-call workers. For on-call workers (a category that in Italy corresponds to zero-hour workers in other countries), the main household allowance is strictly limited to the hours worked (i.e. excluding the 'availability' time spent waiting for a request from the employer). Paid trainees (e.g. unemployed persons involved in active labour market policies and who receive a participation allowance), persons in vocational (or professional) training and persons in ancillary work (*lavoro accessorio*, paid through a voucher system for mini-jobs) are excluded from the ANF, as are foreign seasonal workers. Citizens of other EU Member States, third-country nationals (with a long-term residence permit), refugees and beneficiaries of subsidiary protection may in fact be beneficiaries of ANF (but not AF), and also beneficiaries of the allowance for large households (authorised by municipalities, irrespective of employment status and contribution requirements). Third-country nationals may also benefit from bonuses in favour of newborn or adopted children, and tax deductions for family dependants.

To sum up, the coverage and adequacy of family benefits are impacted by the fragmentation of the contribution-based household allowances, which have followed separate legislative trajectories (dating back to 1934). Household allowances have pursued a categorical approach that has only been slightly mitigated by additional family benefits and bonuses provided regardless of employment status, and by tax deductions for family dependants. Differentiation can also be found in taxation. For example, the self-employed and non-standard workers are not affected by a permanent personal income tax measure (Law No. 190/2014), which takes the form of a monthly credit for dependent employees (EUR 80 on earnings from labour of between EUR 8,160 and EUR 24,000 per year, with tapering up to EUR 26,000).

The situation is also very complicated in relation to unemployment (section 2.1.4) and sickness benefits (section 2.1.1). In both cases, the coverage of risk is very meagre, especially for self-employed persons, and recent legislation and parliamentary debates have only started to tackle these issues.

The lack of available and reliable data makes it impossible to provide an accurate assessment of: 1) the financial implications of an extension of the coverage of social protection to self-employed and non-standard workers; 2) the conceivable consequences for the labour market; 3) the scope for developing 'individual social security accounts'; and 4) the extent to which the social protection system facilitates transitions between employee status or unemployment and self-employed activity.

The only available data were estimated by the Budget Department of the Senate of the Italian Republic, in relation to probable increases in expenditure for measures envisaged in the 'Jobs Act', devoted to non-entrepreneurial self-employed workers, which is currently under debate in the Chamber of Deputies (Servizio di Bilancio del Senato,

2016). According to these estimates, a yearly increase of around EUR 19 million is expected for the new measures, which aim at extending parental leave, maternity allowances and sickness allowances to self-employed workers (section 1).

3 Conclusions and recommendations

The analysis conducted in the present report shows that self-employed people and workers on atypical contracts – who are more common in the Italian labour market than on average in the EU-28 – have potentially to cope with several social risks, often without adequate social protection coverage.

For certain social risks, the inadequate level of social protection is a general characteristic of the Italian welfare state, and those workers considered in this report are affected just as others are (maternity/paternity benefits in kind, social assistance benefits, long-term care benefits). However, the report underlines the fact that the lack of adequate coverage for some of these social risks has a greater impact on the self-employed and workers with non-standard contracts than on other workers and individual profiles. This is the case with social assistance and coverage against the risk of poverty. Eurostat data show that in 2015 the in-work at-risk-of-poverty rate in Italy stood at 7.8% for employees with a permanent job, and more than double that (19.1%) for those with temporary work. Although such a pattern is common generally across the EU-28, the share of employees on a temporary contract and at risk of poverty was lower in the European Union (15.6%) than in Italy. Moreover, Italian national statistics show a strong increase during the economic crisis years in the risk of poverty or social exclusion for self-employed workers (from 24.2% in 2010 to 30.8% in 2015), and this risk is higher than among dependent employees (23.5% in 2015). Given that atypical workers and self-employed persons often have fragmented or long working hours/schedules, the lack of affordable and available childcare services is another major obstacle, especially for female workers, in fostering reconciliation between work and family, and more generally their stable integration into the labour market.

For other social risks, the situation is even more problematic, because coverage and generosity levels are lower than those available to open-ended contract employees, and there is often a fragmented and highly differentiated social protection system for various types of atypical workers and self-employed persons. The loss of income due to sickness, unemployment or ageing can be a major threat to these types of workers.

In this respect, certain recommendations can be made in relation to these two different sets of shortcomings in the Italian social protection system.

At the top of the reform agenda there should be a commitment to harmonising the different employment typologies (including strict rules aimed at reducing the use of the voucher system for mini-jobs), a more adequate risk-protection system in the case of unemployment and the related risk of poverty. For several types of self-employed persons, unemployment benefits are virtually non-existent, and they are relatively meagre and inadequate for atypical workers. In this respect, Italy needs even more efforts than the praiseworthy ones recently introduced in Italian legislation (for example the DIS-COLL scheme). There is also a need to create and implement an adequate scheme for social assistance.

Investing in adequate and affordable childcare facilities should be next on the list of priorities, to foster better social protection for the categories of workers considered in this report. This is essential to help reconcile work and family life and to give people a better chance of being integrated into the labour market.

More adequate sickness benefits can be seen as another step toward a more inclusive social protection system, taking into consideration the current highly differentiated situation.

Annex 1

SUMMARY TABLE 1: ACCESS TO SOCIAL PROTECTION: SELF-EMPLOYED

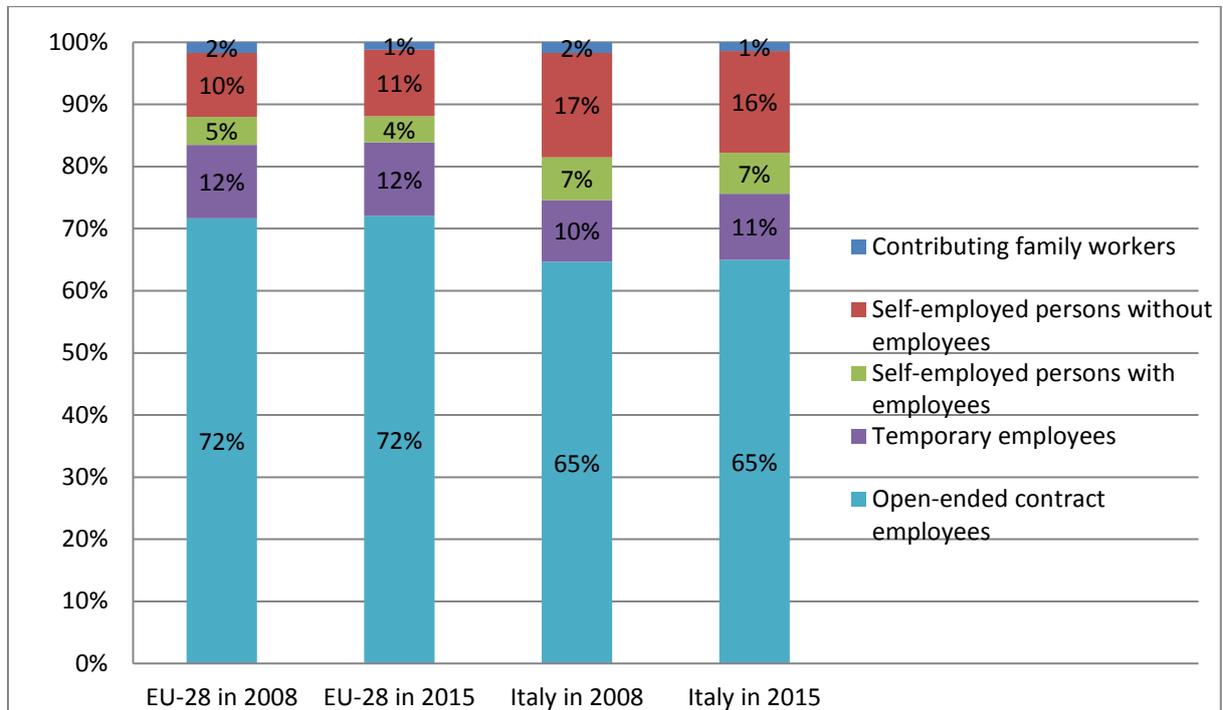
SOCIAL PROTECTION		On her/his own account	With employees (self-employed employer)	Dependent on single client	Dependent on contractual relationship with client	Liberal professions (e.g. doctor, notary, lawyer)
Healthcare - cash benefits and benefits in kind		Full	Full	Full	Full	Full
Sickness - cash benefits and benefits in kind		None	None	Partial (2)	Partial (2)	Partial (2)
Maternity/paternity - cash benefits and benefits in kind		Full	Full	Full	Full	Full
Old age pensions (preretirement benefits and pensions)		Full	Full	Full	Full	Full
Survivors pensions and death grants		Full	Full	Full	Full	Full
Unemployment benefits		None	None	Partial (1)	Partial (1)	Partial (2)
Social assistance benefits		Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)
Long-term care benefits		Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)
Invalidity benefits		Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)
Accidents at work and occupational injuries benefits		Full	Full	Full	Full	Full
Family benefits		Partial (2)	Partial (2)	Partial (2)	Partial (2)	None
Partial	Provided regardless of employment status but with limited coverage of those in need Contribution-based household allowances differentiated by category of workers					

TABLE 2 - SUMMARY TABLE ACCESS SOCIAL PROTECTION: CONTRACTUAL EMPLOYMENT (NON-STANDARD CONTRACTS)

	Full-time employee	Part-time employee	Fixed-term employee	Temporary agency worker	Casual and seasonal workers	On-call workers	Zero-hour workers	Apprentices	Paid trainees
Healthcare - cash benefits and benefits in kind	Full	Full	Full	Full	Full	Full	Full	Full	Full
Sickness - cash benefits and benefits in kind	Full	Full	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)
Maternity/paternity - cash benefits and benefits in kind	Full	Full	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)
Old age pensions (preretirement benefits and pensions)	Full	Full	Full	Full	Full	Full	Full	Full	None
Survivors pensions and death grants	Full	Full	Full	Full	Full	Full	Full	Full	None
Unemployment benefits	Full	Full	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	None
Social assistance benefits	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)
Long-term care benefits	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)
Invalidity benefits	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	Partial (1)	None
Accidents at work and occupational injuries benefits	Full	Full	Full	Full	Full	Full	Full	Full	Full
Family benefits	Full	Full	Full	Full	Partial (2)	Partial (3)	Partial (3)	Full	None
Partial	Provided regardless of employment status but with limited coverage of those in need Contribution-based household allowances not available to foreign seasonal workers Contribution-based household allowances strictly limited to the hours worked in case of on-call workers (in Italy, this category of workers corresponds to the category of zero-hour workers), i.e. excluding the 'availability' time spent waiting for a request from an employer								

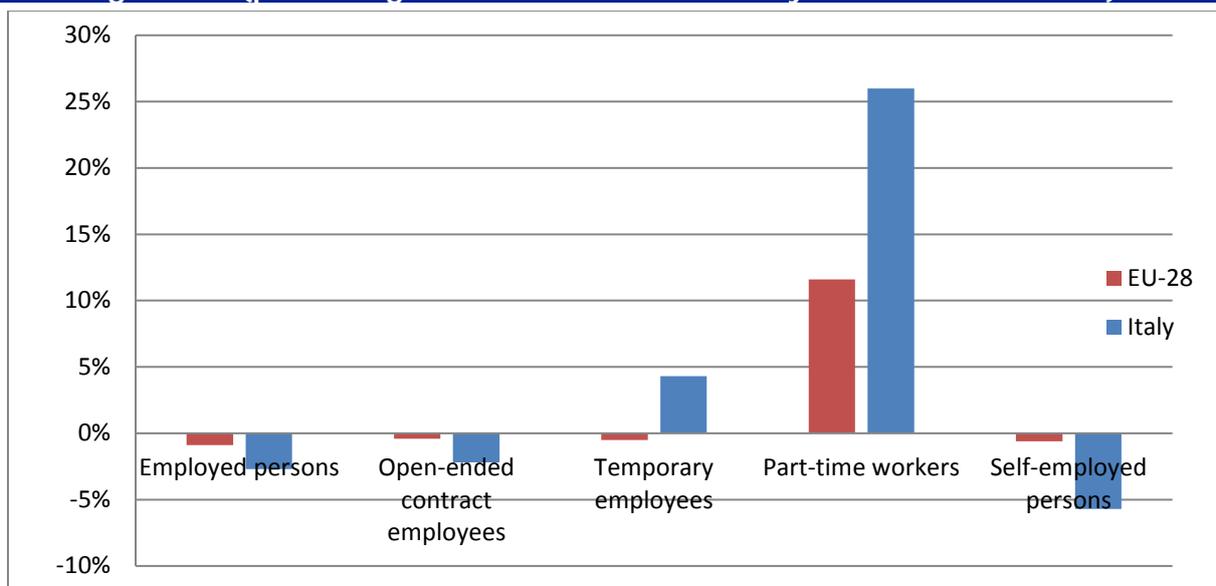
Annex 2

Figure 1. The Italian employment structure in a European perspective: the role of self-employment and temporary employment (as shares of total employment) (years 2008 and 2015)

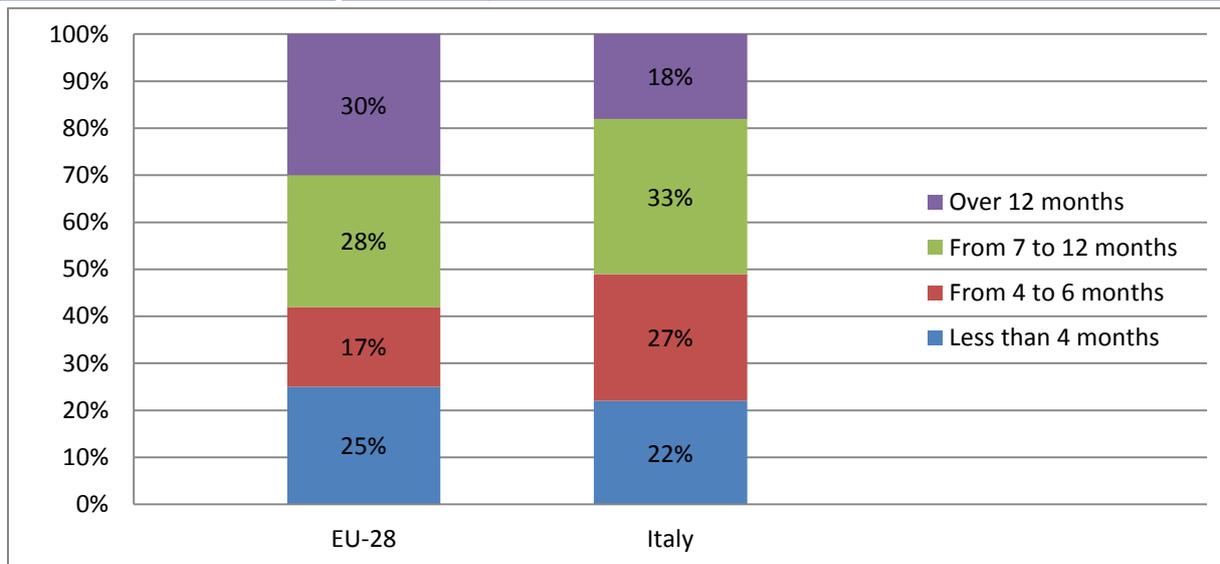


Source: Authors' own elaboration on Eurostat online database (data retrieved on 2-12-2016)

Figure 2. The Italian employment structure in a European perspective: changes in the number of workers during the years of the economic crisis by type of working status (percentage variations between the years 2008 and 2015)



Source: Authors' own elaboration on Eurostat online database (data retrieved on 2-12-2016)

Figure 3. Temporary employees in Italy and in the European Union by duration of the work contract (year 2015)

Source: Authors' own elaboration on Eurostat online database (data retrieved on 2-12-2016)

TABLE 1: Main categories of non-standard employment: temporary work and part-time work. Age: 15 years and over. Total: women + men. Years: 2008 and 2015

Employment categories	Country	2008	2015	Difference 2015-2008
Temporary employees as a percentage of total dependent employees	Italy (A)	13.3%	14.0%	+0.7%
	EU-28 (B)	14.1%	14.1%	0%
	(A)-(B)	-0.8%	-0.1%	+0.7%
Temporary employees as a percentage of total employed persons	Italy (A)	9.9%	10.6%	+0.7%
	EU-28 (B)	11.8%	11.8%	0%
	(A)-(B)	-1.9%	-1.2%	+0.7%
Part-time workers as a percentage of total employed persons	Italy (A)	14.3%	18.5%	+4.2%
	EU-28 (B)	18.2%	20.5%	+2.3%
	(A)-(B)	-3.9%	-1.9%	+1.9%

Authors' own elaboration on data from Eurostat: ifsa_etgadc; ifsa_epgais; ifsa_egaps. Date of extraction: 03.11.2016. Small differences are due to rounding.

TABLE 2: Self-employment. Main categories compared to total employment. Age: 15 years and over. Total: women + men. Years: 2008 and 2015

Percentages (%) of total employed persons					
Employment categories	Country	2008	2015	Difference 2015-2008	
1. Self-employed persons without employees (own-account workers)	Italy (A)	16.8%	16.4%	-0.4%	
	EU-28 (B)	10.4%	10.7%	-0.3%	
	(A)-(B)	+6.5%	+5.7%	-0.8%	
2. Self-employed persons with employees	Italy (A)	6.9%	6.6%	-0.3%	
	EU-28 (B)	4.5%	4.2%	-0.3%	
	(A)-(B)	+2.4%	+2.4%	0%	
Total self-employed persons: 1+2	Italy (A)	23.7%	23.0%	-0.7%	
	EU-28 (B)	14.9%	14.9%	0%	
	(A)-(B)	+8.9%	+8.1%	-0.8%	
3. Contributing family workers	Italy (A)	1.7%	1.4%	-0.3%	
	EU-28 (B)	1.7%	1.2%	-0.5%	
	(A)-(B)	0.0%	+0.2%	+0.2%	
Total self-employed persons + contributing family workers: 1+2+3	Italy (A)	25.5%	24.4%	-1.1%	
	EU-28 (B)	16.6%	16.1%	-0.5%	
	(A)-(B)	+8.9%	+8.3%	-0.6%	
4. Dependent employees	Italy (A)	74.5%	75.6%	+1.1%	
	EU-28 (B)	83.4%	83.9%	+0.5%	
	(A)-(B)	-8.9%	-8.3%	-0.6%	
Total employed persons: 1+2+3+4	Italy (A)	100%	100%		
	EU-28 (B)	100%	100%		
Employment categories					
Total self-employed persons: 1+2	1. Self-employed persons without employees	2. Self-employed persons with employees	3. Contributing family workers	4. Dependent employees	Total employed persons: 1+2+3+4
Rate of decrease as % of the total decrease in employment between 2008 and 2015 in Italy					
49.7%	32.0%	17.7%	14.2%	36.1%	100%
Decrease in each employment category between 2008 and 2015 in Italy					
-6%	-5%	-7%	-22%	-1%	-3%
Authors' own elaboration on data from Eurostat: lfsa_egaps. Date of extraction: 03.11.2016. Small differences are due to rounding.					

TABLE 3: Percentage of women participating in main categories of employment. Age: 15 years and over. Years: 2008 and 2015

Employment categories	Country	2008	2015	Difference 2015-2008
1. Self-employed persons without employees (own-account workers)	Italy (A)	30.9%	31.5%	+0.6%
	EU-28 (B)	33.0%	34.1%	+1.1%
	(A)-(B)	-2.1%	-2.6%	-0.5%
2. Self-employed persons with employees	Italy (A)	22.4%	25.8%	+3.4%
	EU-28 (B)	24.2%	26.3%	+2.1%
	(A)-(B)	-1.7%	-0.5%	+1.1%
Total self-employed persons: 1+2	Italy (A)	28.5%	29.9%	+1.4%
	EU-28 (B)	30.3%	31.9%	+1.6%
	(A)-(B)	-1.8%	-2.0%	-0.2%
3. Contributing family workers	Italy (A)	58.1%	57.0%	-1.1%
	EU-28 (B)	67.0%	63.8%	-3.2%
	(A)-(B)	-8.9%	-6.8%	+2.1%
Total self-employed persons + contributing family workers: 1+2+3	Italy (A)	30.5%	31.4%	+0.9%
	EU-28 (B)	34.0%	34.2%	+0.2%
	(A)-(B)	-3.5%	-2.8%	+0.7%
4. Dependent employees	Italy (A)	43.5%	45.1%	+1.6%
	EU-28 (B)	46.9%	48.2%	+1.2%
	(A)-(B)	-3.5%	-3.1%	+0.4%
Total employed persons: 1+2+3+4	Italy (A)	40.1%	41.8%	+1.7%
	EU-28 (B)	44.8%	45.9%	+1.1%
	(A)-(B)	-4.7%	-4.1%	+0.6%
Temporary employees	Italy (A)	51.0%	46.7%	-4.3%
	EU-28 (B)	50.0%	49.4%	-0.6%
	(A)-(B)	+1.0%	-2.7%	+3.7%
Part-time workers	Italy (A)	77.9%	73.2%	-4.8%
	EU-28 (B)	76.2%	73.5%	-2.7%
	(A)-(B)	+1.7%	-0.3%	+2.0%

Authors' own elaboration on data from Eurostat: lfsa_egaps; lfsa_etgadc; lfsa_epgais. Date of extraction: 03.11.2016. Small differences are due to rounding.

TABLE 4: Percentage shift in age groups by main categories of employment between 2008 and 2015. Total: women + men

Country	15–24 years	25–49 years	15–49 years	50–64 years	65 years and over	50 years and over
Self-employed persons without employees (own-account workers)						
Italy (A)	-0.5%	-6.4%	-6.9%	+5.8%	+1.1%	+6.9%
EU-28 (B)	-0.4%	-4.4%	-4.8%	+4.0%	+0.8%	+4.8%
(A)-(B)	+0.1%	+2.0%	+2.1%	+1.8%	+0.3%	+2.1%
Self-employed persons with employees						
Italy (A)	-0.3%	-11.3%	-11.6%	+8.7%	+2.9%	+11.6%
EU-28 (B)	-0.3%	-7.9%	-8.2%	+5.9%	+2.3%	+8.2%
(A)-(B)	0%	+3.4%	+3.4%	+2.8%	+0.6%	+3.4%
Total self-employed persons						
Italy (A)	-0.4%	-7.8%	-8.2%	+6.6%	+1.6%	+8.2%
EU-28 (B)	-0.3%	-5.5%	-5.8%	+4.5%	+1.3%	+5.8%
(A)-(B)	+0.1%	+2.3%	+2.4%	+2.1%	+0.3%	+2.4%
Contributing family workers						
Italy (A)	-3.0%	-5.2%	-8.2%	+6.8%	+1.4%	+8.2%
EU-28 (B)	-0.2%	-1.0%	-1.2%	+1.1%	+0.1%	+1.2%
(A)-(B)	+2.8%	+4.2%	+7.0%	+5.7%	+1.3%	+7.0%
Dependent employees						
Italy (A)	-2.6%	-6.5%	-9.2%	+9.0%	+0.2%	+9.2%
EU-28 (B)	-2.1%	-3.3%	-5.4%	+4.9%	+0.5%	+5.4%
(A)-(B)	+0.5%	+3.2	+3.8%	+4.1%	-0.3%	+3.8%
Temporary employees (usually related only to dependent employees)						
Italy (A)	-4.9%	+0.2%	-4.7%	+4.7%	0%	+4.7%
EU-28 (B)	-4.0%	+1.3%	-2.7%	+2.3%	+0.4%	+2.7%
(A)-(B)	+0.9%	-1.1%	+2.0%	+2.4%	-0.4%	+2.0%
Part-time workers (usually related to dependent employees and self-employed persons)						
Italy (A)	-2.5%	-5.0%	-7.5%	+7.2%	+0.3%	+7.5%
EU-28 (B)	-1.7%	-3.0%	-4.7%	+3.4%	+1.3%	+4.7%
(A)-(B)	+0.8%	+2.0%	+2.8%	+3.8%	-1.0%	+2.8%
Total employed persons						
Italy (A)	-2.1%	-6.8%	-8.9%	+8.4%	+0.5%	+8.9%
EU-28 (B)	-1.9%	-3.4%	-5.3%	+4.8%	+0.5%	+5.3%

(A)-(B)	+0.2%	+3.4%	+3.6%	+3.6%	0%	+3.6%
----------------	-------	-------	-------	-------	----	-------

Authors' own elaboration on data from Eurostat: lfsa_egaps; lfsa_etgadc; lfsa_epgais. Date of extraction: 03.11.2016. Small differences are due to rounding.

TABLE 5: Self-employment, temporary employment and part-time employment as a share of total employment by age groups in 2015. Total: women + men

Country	15–24 years	25–49 years	50–64 years	65 years and over
Self-employed persons				
Italy (A)	12.1%	21.2%	24.6%	73.5%
EU-28 (B)	4.2%	13.5%	18.5%	47.6%
(A)-(B)	+7.9%	+7.7%	+6.1%	+25.9%
Temporary employees				
Italy (A)	48.6%	11.2%	4.9%	2.2%
EU-28 (B)	40.4%	11.2%	5.4%	7.1%
(A)-(B)	+8.2%	0%	-0.5%	-4.9%
Part-time workers				
Italy (A)	29.5%	19.3%	14.7%	30.0%
EU-28 (B)	32.1%	17.5%	20.5%	57.3%
(A)-(B)	-2.6%	+1.8%	-5.8%	-27.3%

Authors' own elaboration on data from Eurostat: lfsa_egaps; lfsa_etgadc; lfsa_epgais. Date of extraction: 03.11.2016. Small differences are due to rounding.

TABLE 6. Self-employed workers in Italy and in the European Union by occupation (ISCO-08) (as a share of total self-employed persons and as a share of total employment) (2015)

	Self-employed persons as share of total self-employed		Self-employed persons as share of total employment in each occupation (ISCO-08)	
	EU-28	Italy	EU-28	Italy
Managers	11.7%	11.7%	29.2%	71.3%
Professionals	20.7%	19.6%	16.4%	31.3%
Technicians and associate professionals	11.6%	17.8%	10.9%	23.4%
Service and sales workers	16.1%	17.8%	14.2%	23.8%
Skilled agricultural and fishery workers	15.7%	6.9%	61.9%	67.8%
Craft and related trades workers	15.4%	17.4%	19.6%	29.7%
Other occupations*	8.8%	8.8%	5.0%	6.7%
Total	100.0%	100.0%	14.9%	23.0%

* Includes elementary occupations, plant and machine operators, clerical support workers
Authors' own elaboration on data from Eurostat: Ifsa_egaps; Ifsa_etgadc; Ifsa_esgais. Date of
extraction: 02.12.2016.

References

- Alleanza contro la povertà in Italia (Alliance against Poverty in Italy), *Reddito di inclusione sociale (REIS)* [Minimum income for social inclusion (REIS)], 2015; http://www.redditoinclusione.it/wp-content/uploads/2014/10/REIS_proposta_marzo2015.pdf
- Barbieri, P. and Bison, I., 'Self-employment in Italy: Scaling the Class Barriers', in Müller, W. and Arum, R. (eds), *Self-employment Dynamics and Social Inequality: a cross-national study of self-employment in advanced economies*, Princeton, Princeton University Press, 2004.
- Castellino, O., *Il labirinto delle pensioni* [The labyrinth of pensions], Bologna, Il Mulino, 1976.
- European Commission, *The 2015 Ageing Report: Economic and budgetary projections for the 28 EU Member States (2013–2060)*, Brussels, 2015.
- INPS (National Social Security Institute), *XV Rapporto Annuale 2016* [2016 annual report], 2016.
- ISFOL (Institute for the Development of Vocational Training of Workers), *Indagine PLUS: Il mondo del lavoro tra forma e sostanza. Terza annualità* [PLUS-Survey: The world of work between form and substance. Third annual inquiry], 2012.
- ISTAT (National Institute of Statistics), *Reddito e condizioni di vita. Anno 2011* [Income and living conditions. Year 2011], 10 December 2012.
- ISTAT, *Interventi e servizi sociali dei comuni singoli o associati – Anno 2012* [Social actions and social services of single or associated municipalities – Year 2012], 6 August 2015.
- ISTAT, *Reddito e condizioni di vita. Anno 2015* [Income and living conditions. Year 2015], 6 December 2016.
- Italia Lavoro (employment agency of the Ministry of Labour and Social Policies), *Guida incentivi all'assunzione e alla creazione di impresa* [Guide on employment incentives and enterprise creation], 2016.
- Jessoula, M., 'A risky combination in Italy: "selective flexibility" and defined-contributions pensions', in Hinrichs, K. and Jessoula, M. (eds), *Labour Market Flexibility and Pension Reforms: Flexible today, secure tomorrow?*, Basingstoke, Palgrave, 2012.
- Jessoula, M., Pavolini, E. and Strati, F., *ESPN Country Profile: Italy 2016*, report prepared for EU Commission Directorate-General for Employment, Social Affairs and Inclusion, 2016.
- Mandrone, E. and Marocco, M., *La variante italiana della flessibilità* [The Italian variant of flexibility], Research Paper No. 1/2012, ISFOL, 2012.
- MEF-RGS (Ministry of Economy and Finance – State General Accounting Department), *Mid-long term trends for the pension, health and long-term care systems*, 2015.
- MLSP (Ministry of Labour and Social Policies), *I contratti di lavoro dopo il Jobs Act* [Labour contracts after the Jobs Act], Quaderno di Monitoraggio No. 1/2016, 2016.
- Pavolini, E. and Arlotti, M., 'Growing unequal: Child care policies in Italy and the social class divide', Paper presented at the Council for European Studies Conference, Paris, 2014.
- Pavolini, E., Ascoli, U. and Mirabile, M., *Tempi moderni: Il welfare nelle aziende in Italia* [Modern Times: Occupational Welfare in Italy], Bologna, Il Mulino, 2013.
- Ranci, C. (ed.), *Partite Iva: Il lavoro autonomo nella crisi italiana* [Self-employment work during the Italian economic crisis], Bologna, Il Mulino, 2012.

Servizio di Bilancio del Senato (Budget Department of the Senate), *Nota di Lettura A.S. 2233: 'Misure per la tutela del lavoro autonomo non imprenditoriale e misure volte a favorire l'articolazione flessibile nei tempi e nei luoghi del lavoro subordinato'*, n. 122 [Reading notes of A.S. 2233: Measures for the protection of non-entrepreneurial self-employed workers and measures to promote flexible work organisation of dependent employment, n. 122], Rome, Senato della Repubblica, March 2016.

