

National plan for access to social protection by subordinate and autonomous workers

Contents

<i>Chapter 1. Social protection of para-subordinate workers: reconstruction of legislative developments prior to the pandemic</i>	<i>3</i>
1.1. The first stage of regulation of para-subordinate work: sectoral extension of protections	3
1.2. Legislative Decree No 276/2003 (Biagi reform) and project-based work.....	4
1.3. Act No. 92/2012 (Fornero reform): ‘assimilation’ and virtual harmonisation of costs with subordinate work	4
1.4. Hetero-organised work and the Jobs Act on non-entrepreneurial autonomous work.....	6
1.5. Act No. 128/2019 (Riders Decree): a sectoral legislation?.....	11
<i>Chapter 2. The lesson of Covid-19 for the workers’ social protection system.....</i>	<i>14</i>
<i>Chapter 3. Objectives and tools</i>	<i>17</i>
3.1. Strategy and objectives.....	17
3.2. The social protection system for dependent and autonomous workers in 2020, definition and dynamics of implementation.....	17
3.2.1. Framework in brief	17
3.2.2. The wage subsidy measures.....	18
3.2.3. Unemployment benefits	23
3.3. Protection and support for parenthood	29
3.3.1. <i>The demographic-family context and the issue of care burden</i>	<i>29</i>
3.3.2. <i>The maternity and paternity benefits for dependent and non-dependent work</i>	<i>30</i>
3.3.3. <i>Measures taken since November 2019 – Maternity and equivalent paternity benefits</i>	<i>31</i>
<i>Chapter 4. Future prospects.....</i>	<i>41</i>
References.....	44

Chapter 1. Social protection of para-subordinate workers: reconstruction of legislative developments prior to the pandemic

After a long period of ‘selective extension’ of protection in favour of a particular type of self-employed workers (continuous and coordinated collaborators, hereafter co.co.co.), culminating in the introduction of project-based work in connection with the *Biagi Reform* (Legislative Decree No 276/2003), the *Fornero Reform* of 2012 (Act 92/2012) initiated a new period based on the ‘assimilation’ method to promote the expansion of subordinate work, which an attempt had been made to counter in 2003. A new stage was entered with the *Code of Contracts* (Legislative Decree No 81/2015), with the abolition of project-based work and the assimilation of hetero-organised co.co.co. with subordinate work and therefore with the passing of the *Jobs Act* on autonomous work (Act 81/2017). Finally, the *Riders Decree* (Act 128/2019) not only inaugurated a return to the concept of hetero-organisation, extending the range of application, but also provided a first set of protections dedicated to autonomous delivery cyclists.

Alongside and in support of case-oriented intervention, protection-oriented intervention has also been built up, in fits and starts and by experimentation, culminating in the aforementioned *Jobs Act* on autonomous work.

1.1. The first stage of regulation of para-subordinate work: sectoral extension of protections

The first and most important work was done by legally recognising an open category of relationships, in favour of which there was a selective extension of a number of typical protections of dependent work. This refers to the concept of ‘para-subordination’, which, while it had already been created by scholars (Santoro Passarelli, 1979), was subsequently taken up in positive law to extend protections, in particular in populations ‘external’ to the regulation of individual work relationships. In particular, Act 533/1973 extended the procedural regime of subordinate work to include “co-operation relationships taking the form of continuous and co-ordinated co-operation, predominantly in a personal capacity, even if not of a subordinate nature”. In so doing, the legislature recognised the existence of relationships characterised by a bond of economic dependence and provided first embryonic protections in their favour. However, in such an open category, precisely because there were no substantial rules, the risks of *misclassification* (bogus self-employment) were high in the absence of substantial regulation. As pointed out by scholars, this came to include not only “professionalised workers moving in a favourable (multi-user) market”, but also “on the other hand, persons placed in a less favourable market and therefore closer to the condition of a subordinate worker (single-user or multi-user in a low-skills market)” (Liso, 2000).

In the meantime, in the absence of a civil law concept of para-subordinate work and confirming that the right to social security is (...) an excellent vantage point for gaining an understanding of the legal situation of subordinate and autonomous workers” (Supiot, 2000), action was taken first by the framers of social security legislation, then of accident legislation and finally of tax legislation.

Without changing the procedural concept in the social security sector, the first important work was done on the ‘selective extension’ of protections. The *Dini Reform* (Act 335/95) set up the “Gestione Separata” within the public social security body INPS, in order to extend IVS general compulsory insurance for co.co.co and subsequently maternity protection, family

allowances and sickness benefits in the event of hospitalisation. Likewise, social insurance for accidents at work was expressly recognised for ‘para-subordinate work’ in 2000 (Legislative Decree No 38/2000).

Finally, in 2001, tax legislators fully assimilated, for tax purposes, income from dependent work with income from co-ordinated and continuous contracts (Act 342/2000).

1.2. Legislative Decree No 276/2003 (Biagi reform) and project-based work

The legislative process of gradual ‘selective’ extension of the protections summarised above gave rise to intensive discussion on labour law scope of application. There was a growing risk of *misclassification*: in situations of excessive weakness of workers, there was a danger that the choice of co.co.co would not be genuine, but would be intended to conceal a subordinate work relationship without the associated protections, entered into in evasion of the law. To take action against these risks, in 2003 the so called project-based work was implemented.

In particular, Legislative Decree No 276/2003 required all co.co.co. to be linked to ‘one or more projects, work programmes or stages thereof’. The formal presence of this element (the ‘project’) became the crucial element: co-operation contracts without a ‘project’ being “regarded as subordinate work relationships of indefinite duration as of the starting date of the relationship”.

Finally, the subject of labour law protections for grey work was considered. Discussion of action to be taken on this started in Italy as early as the mid-1990s. Simplifying greatly, there were three different schools of thought. Various scholars underpinned a new and wider concept of work (*travail sans phrase*), under which all work relationships would be recognised and protected, regardless of whether they were of a subordinate or self-employment nature (Ghezzi, 1996). Other scholars (De Luca Tamajo, Flammia, Persiani, 1997) proposed a new intermediate case (a *tertium genus*), the so called co-ordinated work, which would cover a number of work relationships contiguous with dependent work meriting a certain level of protection, albeit minor. Finally, it was proposed to codify a “Works Code” (Biagi M., Tiraboschi M., 1999), in which protections would be secured “by concentric circles and variable geometry depending on the type of institution concerned”, moving from a minimum nucleus of “essential standards and rights common to all forms of work supplemented by a range of “essential rights *relating* and gradated according to various areas of application available collectively and also individually if agreed at the relevant administrative level”.

Basically, project-based work, as suggested by the promoters of a *tertium genus*, provided protections for self-employed workers, albeit less intensive than those for subordinate work, but still making them a separate category in which they would be more highly protected than other self-employed workers.

1.3. Act No. 92/2012 (Fornero reform): ‘assimilation’ and virtual harmonisation of costs with subordinate work

Through a general reform to make subordinate work the ‘dominant contract’, the rules of project-based work were thoroughly rewritten almost ten years after its introduction.

Act No 92/2012 acted ‘on protections’, but actually preferred to focus on expanding subordinate work overall, with a pragmatically sanctions-based economic approach.

The sanctions for the fraudulent use of project-based work were reinforced and a number of parameters were defined (also in terms of economic dependence, income produced, geographical location of the place of work) for deducing fraud and therefore identifying subordinate work in legal terms.

At the same time, work was done on the concept of a ‘project’, to confirm the autonomous status of project workers. The system of derogations from the authenticity parameters and also the requirement for the project not to comprise “the performance of merely executive or repetitive tasks” seemed symptomatic of the will to confine para-subordinate work to the exercise of highly professional tasks, as if to reinforce the traditional link between them and autonomous work.

But it was above all the new system of remuneration of project workers that completed the ‘change’ to the method of assimilation with subordinate work. In fact, a kind of ‘guaranteed minimum salary’ was provided for project workers (Marazza, 2012): The absence of a specific collective agreement could not actually result in remuneration that was lower, for the time worked, than the minimum remuneration provided in the sectoral collective agreements for subordinate workers (Ccnl - national collective agreements). Inter alia, the action on remuneration reflected the decision to use a new method of combatting *bogus self-employment*, by reducing the asymmetry of its costs in relation to dependent work. To combat the abuse of para-subordinate work merely to reduce labour costs, not only was virtual parity of remuneration established for project-based work by linking it to sectoral collective agreements, but the cost of contributions for project-based work was also raised by providing for a progressive increase in the rates by one percentage point from 2013 to 2018 to reach parity in the tax wedge and ensure the accrual of sufficient pension contributions. The role given to collective agreements is also reflected in the action on social security costs. In the absence of remuneration parameters for para-subordinate work, increasing contributions may actually result in a reduction in workers’ remuneration (since the said increase may be based on the remuneration). The link to collective agreements was cautiously intended to counter this risk.

The 2012 Reform nevertheless implemented, albeit on an experimental basis, a measure already introduced by the Crisis Response Package of 2008 and revised in 2010: an one-off unemployment benefit for project workers (Dis-Coll) exclusively registered with the “Gestione Separata” – i.e. pure project workers¹ – and not receiving income from autonomous work. This original configuration remained unchanged until 2015 (see Table 1.1).

¹ I.e. co.co.co workers who do not have other insurance, are not pensioners and are obliged to pay the increased contribution rate.

1.4. *Hetero-organised work and the Jobs Act on non-entrepreneurial autonomous work*

Notwithstanding the favourable results obtained in terms of *cleaning* the labour market², the punitive-deterrence strategy espoused in Act No 92/2012 was only a *brief stage* in the regulation of para-subordinate work.

Only three years later, it was actually superseded by a new reform carried out in two steps, with Legislative Decree No 81/2015 (*Code of Contracts*) and with Act No 81/2017 (*Jobs Act on non-entrepreneurial autonomous work*).

In this new regulatory phase, para-subordinate work was once again approached “in a case-oriented way”. Firstly, Legislative Decree No 81/2015 provided that, from 1 January 2016, the labour and employment law for dependent workers also applies to co.co.co ones, if the work performed by collaborators is *de facto* hetero-organised, i.e. when “involving exclusively personal ongoing work” and its implementation “is organised by the client, with reference also to working time and the workplace”. Secondly, the same piece of legislation abolished project-based work. The three *cardinal points* that had governed para-subordination for over a decade was over-ruled: time-limited project; transformation into subordinate work in the absence of such a project and recognition of a minimum set of labour law protections for project workers.

Paradoxically, as a result of the abrogation, co.co.co. contracts essentially underwent a sudden *return to the past* (prior to the *Biagi Reform* described in paragraph 1), in that the rules contained in the Civil Code concerning self-employment, which were of a general nature and few in number, were once again applied.

A first attempt to deal with this problem was made in Act No 81/2017, the so called *Jobs Act on autonomous work*³. This Act specifically concerns co.co.co. contracts and in particular its civil law concept, changing the very legislation on which the concept of ‘para-subordination’ has been historically based³. According to Act No 81/2017, the co-operation is autonomous “when, under the co-ordination arrangements determined by mutual agreement between the parties, the collaborator autonomously organises the work”. What might have seemed to be totally excluded, namely the possibility of the client influencing the way in which the work is carried out, was partly permitted, on condition that it was agreed with the collaborator. The risks linked to this latest in a long line of ‘case-oriented’ interventions were obvious: while, *per tabulas* [on paper], the way in which the work is to be carried out is determined by mutual agreement, the client's greater economic power might re-emerge during the contract performance stage.

Act No 81/2017 is also ‘protection-oriented’, however. A new regulatory stage is entered, favouring not just co.co.co. contracts, but self-employment *tout court* (excluding work presupposing entrepreneurial organisation), taking positive measures to promote and protect all autonomous workers.

² The data of the INPS (see <https://goo.gl/TTrHbW>) show that co.co.co workers decreased by almost 12% overall in 2013 and then stabilised in the following two-year period, while continuing to fall. The same effect was recorded by Ministry of Labour data (see Baronio et al., 2013).

³ This refers to the provision of the Code of Civil Procedure extending the procedural rules on work to also cover the holders of co.co.co. contracts (See paragraph 1.1 *above*).

The protection apparatus is developed along three axes (Giubboni, 2017).

The first axis is intended to reinforce the actual position of self-employed ‘on the market’. To achieve this, the civil law rules intended to ensure a substantial balance between the positions of the parties and the correct fulfilment of the client's obligations are extended to cover all non-entrepreneurial autonomous work (Perulli, 2015), in an attempt to combat the abuses that may arise from a situation where one of the parties is economically dependent on the other. This includes extending, to cover the entire autonomous workforce, the rules for combating delays in payments in commercial transactions⁴ and the legislation establishing, in favour of workers, the abusive nature of refusal by the client to lay down the contract in writing and the consequent right to damages and the invalidity of clauses giving the client the power to unilaterally change the contractual provisions or the possibility to terminate without notice or granting terms of payment of over 60 days.

The second axis of protection is the labour and social security axis.

The main measure in this area is still the already mentioned Dis-coll. This unemployment benefit, introduced by Act No 92/2012, was already substantially revised in 2015, albeit on an experimental basis. Act No 81/2017 actually stabilises and extends the features introduced in 2015.

Essentially, in comparison with the past, the new benefit is aligned in some, mainly procedural, respects with the basic unemployment for dependent workers (the so call NASpI) but still different from it in terms of conditions, duration and funding. Firstly, the Dis-Coll become a monthly benefit, while, as a rule (for amounts under EUR 1 000), the former benefit was a lump sum; precisely because it has become continuous, moreover, this benefit is also subject to the rules on work activation⁵, *decalage*⁶, suspension and cumulation with other income, essentially as laid down for the NASpI (see Table 1.1). There is greater coverage than for the initial benefit, thanks to fact that two previous eligibility criteria imposed for the year preceding the request were superseded: the collaborator is no longer required to have operated for a single client and not to have exceeded an income threshold (EUR 20 000). However, there were no significant changes regarding the insurance requirements (which are still not imposed) and contribution requirements (essentially the same), but there were changes to the amount and duration adapted to NASpI, at least from a calculation viewpoint. In this case, too, the actual aim is to make the payment match the contribution history of the beneficiary, as in traditionally unemployment insurance system. The measure for calculating the Dis-Coll is analogous to that applicable to dependent workers: in this case, however, the reference income is the pension-qualifying income (payments of contributions in the final year of work and the preceding calendar year) divided by the number of monthly contributions. The method for calculating duration is also taken

⁴ Giubboni, 2017, recalls that these rules were already applicable if one of the parties exercised a “liberal profession”.

⁵ I.e. People receiving unemployment benefits must remain available for work and actively seek employment. If suitable employment is offered to someone receiving unemployment benefits, they must accept unless there is good cause to refuse the offer.

⁶ I.e. decrease in the amount of unemployment benefit over time.

from the NASpI and therefore corresponds to the paid-up contribution periods (half of the accredited monthly contributions from 1 January of the year preceding the termination of work to the termination date), even if the maximum duration is well below (6 months) that applicable to subordinate workers.

As stated above, Act No 81/2017 establishes and extends these features in particular. As of July 2017, the measure became structural and associates and doctoral students are also permitted to enjoy the benefits. In order to fund the structural intervention, provision was made for a general increase in the contribution rate for collaborators of 0.51%, therefore from 32.72% to 33.23%.

Also along the labour and social security axis, the following further measures were taken (in brief): prolongation and extension of parental leave benefits (see §3.2.2 *below*); extension of sickness benefits to cover further cases of hospitalisation and, finally, extension to all 'pure' autonomous female workers of provisions to safeguard professional continuity during pregnancy that had previously applied only to members of the liberal professions who were registered with social security funds established for specific professions in 1994 and 1996. Pregnancy itself, together with illness and accident, determines, solely for autonomous workers who work 'continuously', suspension of the work relationship without the right to remuneration, for a maximum period of 150 days per calendar year, except in the case of ceased need by the user. Innovative, however, was the introduction of the moratorium on contributions in the case of serious illness: if the illness makes it impossible to work for longer than 60 days, the payment of social contributions is suspended for the duration of the illness, up to a maximum of two years.

The third axis of protection is of a promotional nature and is intended to provide professional support for autonomous workers. This objective is mainly pursued through various measures of a fiscal nature⁷. Finally, this promotional axis of protection also includes the creation of counters dedicated to autonomous work at public and private employment services as policy, at no cost to the State, and rules promoting the participation of autonomous workers in public service contracts or calls for tenders for the award of personal consultancy or research assignments.

⁷ The costs of professional training and retraining are fully deductible (up to a limit of EUR 10 000), including travel and subsistence expenses; in general, the costs of accommodation and food and drink incurred by a worker in discharging his/her task and it is laid down that none of the expenses incurred by the user during performance of the task will constitute remuneration in kind of the worker.

Table 1.1 –Change in unemployment benefit for co.co.co. workers (in grey part, unchanged in comparison with previous rules)

	One-off severance payment (Act No 2/2009)	One-off severance payment (Act No 191/09)	DIS-COLL [unemployment benefit] (Act No 92/2012)	Experimental DIS-COLL [unemployment benefit] (Act No 22/2015)	Structural DIS-COLL [unemployment benefit] (Act No 81/2017)
Beneficiaries	Project workers: – under a single-user system, – Exclusively entered in the separate management register – income between EUR 5 000 and 13 819 in the preceding year	Project workers: – under a single-user system, – Exclusively entered in the separate management register – income no greater than EUR 20 000 and no less than EUR 5 000 in the preceding year	Project workers: – under a single-user system, – exclusively entered in the INPS separate management register – with income in the preceding year not exceeding 20 000 (to be reviewed)	Co.co.co. workers, also project-based, exclusively entered in the INPS separate management register	– Co.co.co. workers, also project-based, exclusively entered in the INPS separate management register – research associates and doctoral students with study grant
Persons excluded	Also receiving income from autonomous work			– Directors and auditors – pensioners – VAT-registered	
Employment situation	Not specified	Without contract of employment of at least two months	Period of continuous unemployment of at least two months in the preceding year	Involuntarily unemployed at time of application	
Contribution requirement	– at least three months credited in reference year – no fewer than three months and no more than ten months credited in the preceding year	– at least one month credited in reference year – at least three months credited in the preceding year		– In the reference year, at least one month credited or one co.co.co. contract with a duration of at least one month and that has generated income at least equal to half the amount that gives an entitlement to a credit of one contribution month. – at least three months during the period between 1 January of the calendar year preceding the termination of work and actual termination	At least three months credited (as of 2019 one month) in the preceding calendar year
Conditionality	No	Yes	No	Yes	
Amount	10% (20% as of 2009) of the income received in the preceding year	30% of the income received in the preceding year and in any event no greater than EUR 4 000	7% of the threshold for taxation for the purposes of the payment of contributions multiplied by the lower of the number of monthly payments credited in the preceding year and those not covered by contributions	– 75% of monthly earnings if they are less than or equal to EUR 1 195 (reviewed annually) – 75% of monthly earnings + 25% of the difference between monthly earnings and this amount if earnings exceed EUR 1 195 (reviewed annually). However, a ceiling of EUR 1 300 is applied (reviewed annually)	
Duration	One-off			Number of months equal to half the accredited monthly contributions from 1 January of the year preceding the termination of work to the termination date, up to a maximum of six months. Contribution periods already counted for the possible disbursement of other unemployment benefits should not be included in the calculation.	
Reduction (Decalage [time-lag])	Not provided for			3% each month as of the first day of the fourth benefit year	

	One-off severance payment (Act No 2/2009)	One-off severance payment (Act No 191/09)	DIS-COLL [unemployment benefit] (Act No 92/2012)	Experimental DIS-COLL [unemployment benefit] (Act No 22/2015)	Structural DIS-COLL [unemployment benefit] (Act No 81/2017)
Suspension	Not provided for			Contract of subordinate work with a duration of less than five days.	
Cumulation with other income	Not provided for			Can be cumulated with autonomous work producing an income of less than the useful limit for remaining unemployed. 80% of the allowance is payable on the basis of estimated income	

1.5. Act No. 128/2019 (*Riders Decree*): a sectoral legislation?

Finally, we consider the legislation through which Italy has recently prepared a basic regime protection devoted solely to self-employed delivery cyclists (*riders*), not the entire platform work sector. The sectoral limit is probably mitigated by another and general innovation. The aforementioned definition of hetero-organised autonomous work has actually been rewritten, since one of the most important applications of this concept arose in connection with the litigation generated by a well-known *food delivery*⁸ platform. However, this is without prejudice to the basic question, which is therefore a matter for case law: is platform work autonomous or subordinate? - However, the new legislation and relevant case law actually seem to indicate a certain preference for classifying platform work as hetero-organised work, resulting in application of the protection regime for subordinate work. As scholars consider, the specific protections for riders should be intended “not of primary importance and (in part) of a supplementary nature”, since the courts consider these work relations to be subject to protective rules reserved for subordinate work (Giubboni 2019).

In brief, Act No 128/2019 introduces three main innovations: it reiterates that if the requirements are met, cases in which “the way in which the service is provided is organised through platforms, including of a digital nature” can be classified as hetero-organised work; it changes the requirements for classification as hetero-organised work, making them less stringent and making it possible to include platform work in this term more smoothly; finally, for cases in which work is classified as genuinely autonomous, on the other hand, it introduces *ex novo* a number of sectoral protections reserved solely for riders that are actually autonomous, anyway⁹.

Let's start with the protections reserved for autonomous riders. A new Chapter (V-bis), headed *Protection for digital platform work* has been added to the Code of Contracts; although the heading refers to a wider population, the mandatory part of the rules clarifies that the minimum levels of protection relate solely to autonomous delivery cyclists (“autonomous workers delivering goods for others in an urban environment using bicycles and motor vehicles through platforms, including of a digital nature”). Solely for these purposes, the Legislature also defines a ‘digital platform’ as follows: “IT programmes and procedures utilised by the user that, regardless of the place of establishment, are instrumental in the delivery of goods, laying down remuneration for this service and determining the arrangements for its performance”. It is interesting, first of all, that the written form is required for individual contracts of employment and the user is obliged to supply workers with all information useful for the protection of their interests, rights and safety. Failure to meet these obligations is severely punished (one year's final remuneration).

One crucial aspect, however, the remuneration, is actually left to the most representative collective agreements at sectoral level¹⁰. In the light of the similar provision contained in Act No 92/2012 on project-based work (see paragraph 3 above), minimum legal regulation is, however, laid down solely in the absence of a collective agreement: riders cannot be remunerated “on the basis of the supplies made” (prohibition on piecework) and minimum hourly remuneration is provided for to be based on the basic pay laid down in the analogous sectoral collective agreements or equivalents,

⁸ This refers to the Piedmontese litigation concerning the Foodora platform. For further details, please refer to De Minicis et al. (2019).

⁹ These are, however, subject to the protections secured by the Jobs Act for autonomous work, which are referred to in the preceding paragraph.

¹⁰ The delegation of power to the collective bargaining is causing disputes. Whereas workers of a specific food delivery platform are assigned, by a company-level collective agreement, the status of dependent workers, a preceding much-discussed sectoral collective agreement, on the other hand, defines riders as autonomous workers.

which must be signed by the most representative trade union and employers' organisations at national level. There can, however, be no derogation from the right to a supplement (no less than 10%) for night-time working, during public holidays or in adverse weather conditions. In such a case, reference must be made to a collective source, in the absence of which a ministerial decree will intervene, and which only concerns the amount.

Also very important is the extension of anti-discrimination rules and the rules to protect workers' freedom and dignity reserved for subordinate work to include riders; one immediate and explicit application of the anti-discrimination rules consists in prohibiting general contract conditions, widespread in commercial practice, excluding from the platform or reducing opportunities for work for failure to accept a call. This point is particularly important because the presence of these punitive clauses actually has a bearing on the "mandatory nature of service", a question that is at the centre of court decisions defining the legal nature of the service provided by riders.

In view of the particular type of work, which involves a large flow of data, the Legislature also took care to reiterate that the personal data of workers working through digital platforms must be treated in conformity with EU Regulation No 679 of the European Parliament and of the Council of 27 April 2016 and the Personal Data Protection Code.

Of particular importance is the provision that "in any case" – regardless of the subordinate or self-employment nature of the contract chosen by the parties – riders must be insured against accidents at work and occupational illnesses and the client is also obliged to apply the rules applicable to health and safety at the workplace. This part of the legislation was tested with a positive outcome in the very first days of the spread of the pandemic, since one of the activities that continued to be carried out during the emergency stage of Covid-19 was that of delivery cyclists providing a delivery service. This case is significant because it essentially ended up defining the rules on health and safety as a universal protection regardless of the type of the (subordinate or autonomous) work relationship, according to an approach suggested by many scholars that should probably also be extended to other labour protection institutions. Thanks to this legislation, in fact, even though the relationship is defined as autonomous (or at least hetero-organised) in the judgment, it is the client and not the worker that bears the cost of personal protective equipment (PPE).

However, the main way of reinforcing the labour law protections of riders and all platform work suggested by the new legislation seems to be to legally define it as autonomous hetero-organised work¹¹. Reference is first of all made to the line taken in a certain judgment (Turin Court of Appeal, judgment No 26/2019), and it is therefore reiterated that hetero-organisation may also include the activities in which "the way in which the service is provided is organised through platforms, including of a digital nature", resulting in the application of the rules for subordinate work. Secondly, and above all, in conversion, the differences between hetero-organised services and co-ordinated and continuous co-operation under Article 409 of the Italian Civil Procedure Code were substantially reduced, causing them to disappear. The expansive effect of these measures was

¹¹ The Court of Cassation supports this view in the judgment (Civil Court of Cassation, Labour Chamber, No.1663 of 24 January 2020) closing the Foodora proceedings, in which it is recognised that these workers have the full protection of the rules applicable to subordinate workers. Once the matter had been considered in relation to hetero-organised work, the Court of Cassation clarified that it was not relevant for the lower court to legally classify these forms of co-operation (as subordinate or autonomous), since "in a middle ground of blurred boundaries, the legal system has expressly provided for the application of the rules on subordinate work to them". In other words, the legislation on hetero-organised work has been interpreted as 'penalty' and 'remedial' legislation, through which the Legislature wished to discourage contractual abuse that might lend itself to use for unlawful purposes, by extending all the rules applicable to subordinate work.

obtained by eliminating two requirements that first of all needed to be defined: the exclusive nature of the personal contribution of the collaborator and the need for the client to organise the way in which the service is provided “with reference also to working time and the workplace”¹². This requirement was fully revoked; and so services in which it is the collaborator who autonomously chooses the place and time of performance, but within the limits predetermined by the client, can be classified as hetero-organised¹³. According to the new definition, therefore, the personal contribution of the collaborator can therefore be just “prevalent”, and so “the existence of organisation of equipment in embryo (for example ownership of a bicycle and a smartphone) does not exclude hetero-organisation” (Martino 2019). The effect of the changes is for the attractive force of hetero-organised co-operations to tend to overcome cases of co.co.co¹⁴. There is the substantial but evanescent difference that in the former “the collaborator autonomously organises the work”, whereas in the latter “the way in which the service is provided is organised by the user”.

Finally, the reduction in the contribution requirements of the Dis-Coll (see Table 1) are still of a general, not a sectoral nature. Act No 128/2019 has also reduced the contribution requirement necessary for access to the benefit. For unemployment occurring as of 5 September 2019 Dis-Coll is accorded to persons who have made at least one monthly contribution, not the three previously required, in the period between 1 January of the year preceding termination of work and the actual time when this occurs.

¹² The Foodora judgment focused on these two points in particular, especially the second one. See in this regard Martino (2019).

¹³ According to Perulli (quoted by Giubboni 2019), the effect is to facilitate: “the inclusion of riders in the area of hetero-organised co-operation in that the previous version might have led to the exclusion from this area of persons free to choose the timing of the service within timeframes indicated by the user and are not obliged to follow a predetermined path”.

¹⁴ Ichino (2019) and Giubboni (2019) agree on this point. However, the latter welcomes the choice, whereas the former is of a completely different opinion and is fiercely critical owing to the future impossibility of using this type of contract.

Chapter 2. The lesson of Covid-19 for the workers' social protection system

The health crisis in 2020 submitting the whole Italian social shock absorbers system to high levels of stress also revealed several historical problems within it: 1) The highly fragmented and sectoral nature of routine activities 2) the existence of an exclusive contributory social security matrix drawing attention to a welfare system based on class. A system that is remote from the needs of a substantial proportion of the workforce originating in a long phase of reorganisation of production and labour in the post-Fordist era¹⁵. New types of working person characterised by extreme heterogeneity and episodicity of the work relationship and the way in which work is performed, a long way from stable and permanent professional statuses (Supiot, 1999).

Against this background, the effects of the health crisis seem to have boosted, even if only accidentally, a number of incentives to redefine the social protection model.

For example, the extension of the area of application or duration of insurance measures (whether or not there is a work relationship) through the introduction of a special cause for wage subsidies (Covid-19¹⁶), the use of general taxation (exceptional social shock absorbers) and carrying out an important emergency income support measure for autonomous work and contingent dependent work (Allowance, Bonus, Fund for the income of last need) have shown the need to simplify and extend the existing social protection model. These emergency measures have also, for the first time, clearly reduced the number of persons marginalised by the normal system: dependent workers of micro-enterprises, highly contingent dependent workers, autonomous workers. Looking at the trends shown by the data on beneficiaries of the measures taken during the pandemic, in a wholly *extraordinary* year (Figure 2.1), we see that the social security system has considerably extended its protective capacity, acquiring a structure that is more oriented towards universal schemes, albeit in a crisis.

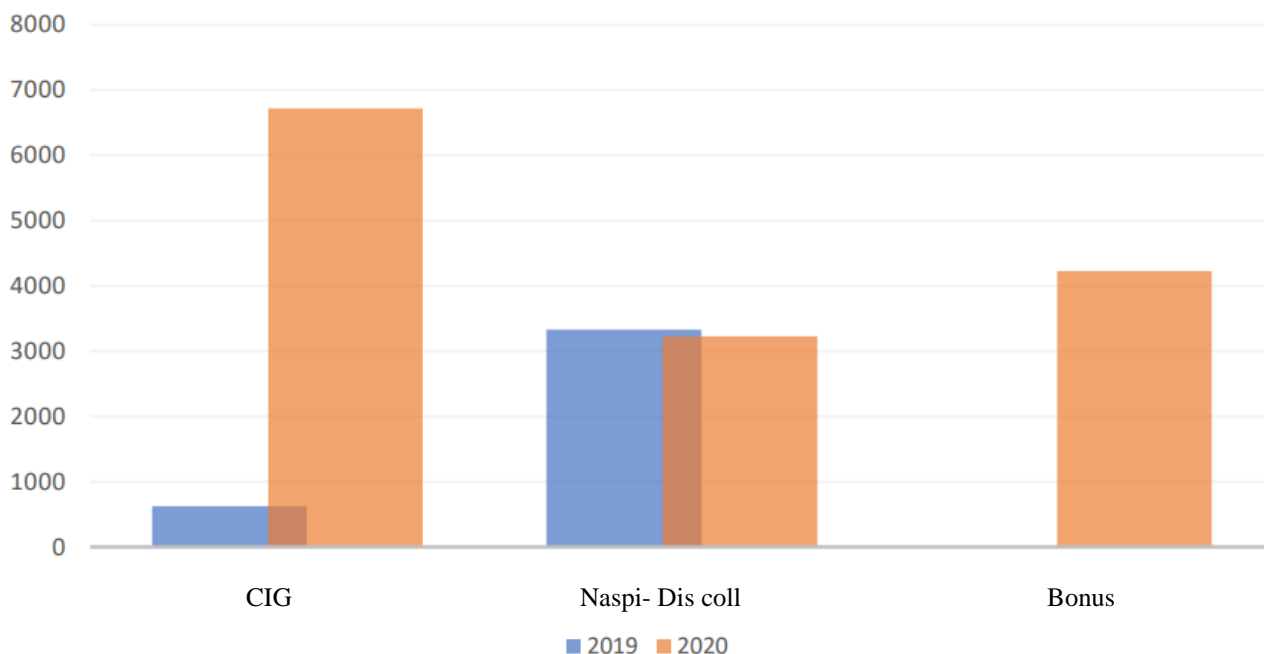
The data relating to wage subsidies in 2019 and 2020 show that although the number of insured workers has not changed greatly (12.3 million in 2019 and 11.8 million in 2020), the beneficiaries of the measure have increased considerably, from 0.6 million in 2019 at a cost of EUR 1.4 billion to almost 7 million in 2020, at a cost over EUR 18 billion, with heavy use of the extraordinary form of the supplement fund for workers of uninsured companies (earnings supplement fund in derogation Cigd) and with over 6 million workers receiving various forms of wage subsidy (Ordinary earnings supplement funds Cigo, special earnings supplement funds Cigs, Cigd, Solidarity funds) for the special cause of Covid-19. Ordinary unemployment benefits are not increasing, however, but are decreasing, albeit only in the subordinate work of indefinite duration sector. This reduction during an employment crisis is due to the type of tool and the special conditions that have characterised its use during the pandemic. The very low impact of ordinary unemployment benefits for collaborators (Dis-Coll) is confirmed, but the other relevant measure, which is supporting a considerable number

¹⁵ The expression 'post-Fordist' is intended to refer to the change in Taylorist production towards new cultural horizons of lean production initially present in Toyotist production and then consolidated into a global, interdependent and digitalised production system (cf De Minicis, 2021).

¹⁶ To deal with the health emergency caused by Covid-19 and to stem its repercussions on employment, enterprises have been given wider, easier and more simplified access to CIG (Earnings Supplement Fund) through introduction of "Covid-19" as a cause. This measure has played a crucial role in supporting enterprises and workers during the emergency and has been carried out in a way common to various forms of the supplement fund (Cigo, Ordinary Earnings Supplement Fund, Bilateral Solidarity Funds, Supplement Fund in derogation).

of workers, concerns emergency allowances/bonuses for over 4 million individuals at a total cost of EUR 6 billion. Not included in the initial crisis scheme, these allowances reflect a temporary extension of the social shock absorbers model towards spaces for the protection of autonomous and contingent work barely explored in the past (Table 2.1).

Fig. 2.1 – Extension of social protection measures in the labour market from 2019 to 2020 (thousands)



Data processed from Inps

Table 2.1 – Number of beneficiaries and total cost of Cig, NAsPI, Dis Coll, Emergency bonuses (2019-2020)

Social security, welfare benefits on the labour market					
2019			2020		
Measures	Beneficiaries (thousands)	Cost (millions)	Measures	Beneficiaries (in thousands)	Cost (millions)
WAGE SUBSIDIES			WAGE SUBSIDIES		
Cigo	420.4	479	Cigo	2 762.1	7 702
Cigd	0	0	Cigd	1 618.4	4 215
Cigs	187.9	939	Cigs	213.3	751
Solidarity funds	12.1	23	Solidarity funds	2 124.4	6 064
UNEMPLOYMENT BENEFITS			UNEMPLOYMENT BENEFITS		
NAsPI (Former non-agricultural dependent workers)	2 754	15 166	NAsPI (Former non-agricultural dependent workers)	2 657	15 932
NAsPI (former agricultural workers)	553	2 097	NAsPI (former agricultural workers)	544	2 194
Dis - Coll	20	44	Dis - Coll	24	46
EMERGENCY BONUSSES			EMERGENCY BONUSSES		
Allowances, bonuses	Not included	0	Allowances, bonuses	4 227.5	6 000
Total	3 947	18 748	Total	14 170	42 904

Data processed from Inps

The effects of the 2020 crisis on the extension of the income support measures for workers, with over 10 million more workers as beneficiaries than in 2019 and at an increased cost of about

EUR 24 billion also seem to indicate the ideal path for a full determination of the social protection model. A comprehensive reform in a search for universal balances able to meet the obvious need to comprehensively rethink public action and the system of protections while also rationalising the contingent reconfigurations of the current crisis. It seems important to emphasise that the evidence produced by the pandemic reproduces, but in a different welfare context, the same problems as were highlighted by the impact of the 2008 financial crisis on the social shock absorbers system, both in view of the need to extend the use of a number of social security shock absorbers also to autonomous workers and for a comprehensive reform able to cover what even then seemed to be the effective composition of the labour market and its segmentation in particular, especially with regard to the presence of atypical or flexible workers, in which not only the different types of employment contracts, but also the sector and the size of the enterprise are no longer preclusive conditions for rights, but simply elements of differentiation¹⁷. Then as now, there was a clear need for simplification and homogenisation of contribution-based benefits,¹⁸ also leading to their extension to more structured autonomous working in terms of the duration of work¹⁹ and the definition of ordinary general allowances for occasional and contingent working in an employment crisis not at the time capable of reaching minimum contribution and working requirements for the organisation of production and work concerned. This activity could also rationalise the measures for supporting all those workers who are still searching for employment after the period for drawing unemployment insurance benefits²⁰.

Creating systemic interaction between these two different concepts of social shock absorbers could be defined as the creation of a new model capable of not departing from the tendential centrality of work, guaranteeing an effective differentiated universal social safety net for all permanent, fixed-term, contingent and autonomous workers.

The following paragraphs, after an overview and general classification of the measures will individually analyse the contribution-based and assistance-based and ordinary and emergency measures taken in 2020.

¹⁷ Zilio Grandi, Sferrazza, 2013 – Liso, 2014 – De Minicis, 2021.

¹⁸ It should be remembered that at present, each of the different types of wage subsidies (Cigo, Cig in Derogation, the 13 different Bilateral funds) provides for different access to the application for assistance.

¹⁹ In this regard, the use of the European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) and the ISCRO (Extraordinary Income and Operational Continuity Allowance) experiment for autonomous workers concerning which see *below*.

²⁰ Such as, for example, the reform dynamic of the late 80s of the Dutch welfare model for responding to the need for the protection of temporary, flexible and part-time workers in a post-industrial economic context. The Dutch system is actually based on two types of integrated measures, one insurance contribution-based and the other assistance-based funded from general taxation and subject to means-testing Hoogenboon, 2018 – Clasen and Clegg, 2011.

Chapter 3. Objectives and tools

3.1. Strategy and objectives

The framework that has been put back in place by the crisis, notwithstanding recent but evidently insufficient efforts to reform it, is characterised by unjustifiable fragmentation of the levels of protection of workers. The Italian Government has faced the crisis by putting in place extraordinary measures intended to save jobs and the productive capacity of enterprises as far as possible: It has attempted to use general taxation to extend the protection afforded by social shock absorbers, guaranteeing general support for workers' income. The support measures have focused on all kinds of workers, introducing extraordinary indemnity schemes both for subordinate workers, using the Earnings Supplement Fund for Covid-19 and for atypical and discontinuous seasonal workers, professionals and autonomous workers.

Thanks to this extension of protections, it has also become possible to introduce the blocking of layoffs as a temporary, exceptional measure.

The data show that these measures have been fundamental in stemming the effects that the pandemic could have had on the labour market. Compared with a fall of just under 9% in GDP in 2020, the employment rate fell by less than one point in December in relation to the previous year. In a dramatic year, the labour market showed unexpected resilience thanks to these extraordinary measures: there were only 42 thousand more redundancies than recruitments.

3.2. The social protection system for dependent and autonomous workers in 2020, definition and dynamics of implementation

3.2.1. Framework in brief

The economic crisis triggered by the Covid-10 epidemic is structurally of a different nature from the 2008 crisis in terms of the speed with which it spread and the transversality of the sectors affected. To stem the fall in workers' employment and income, the Italian government has consistently increased public expenditure in order to reinforce and extend the current social protection model as an emergency measure. This development occurred during the consolidation of the ordinary institutions by extending the various forms of wage subsidies (Supplement fund, Bilateral solidarity funds, Wage subsidy fund), increasing the time of income support through unemployment benefits and introducing specific emergency income bonuses for all the situations that were not covered by the ordinary protection mechanisms. All the measures (Table 3.1) have concerned persons whose incomes have been negatively affected on the labour market and the first two can be identified as ordinary insurance measures in existence before the crisis, while the third is an assistance contingent measure on the time of the pandemic crisis.

Table 3.1. Classification of the social protection measures on the labour market in the 2020 pandemic

Measure	Type	Nature	Recipients	Effectiveness
1) Wage subsidies ➤ Cigo ➤ Cigs ➤ Cigd ²¹ ➤ Solidarity funds	Ordinary (pre-existing)	Insurance-based	Dependent work in the work relationship	– Temporarily extended – Suspension of work principle – Simplification of administrative and financial procedures
2) Unemployment benefits	Ordinary (pre-existing)	Insurance-based	Dependent work after the end of the work relationship	– Temporarily extended – Suspension of work principle – Suspension of reduction in period of compensation
3) Allowances/Bonus	Emergency (innovative)	Assistance-based	Specific groups of autonomous and contingent dependent workers	<i>One-off</i> income support

The first two measures are intended to cover the area of subordinate, permanent and fixed-term working, being able to fulfil the principles of contributions and work. In the first measure, income support is also associated with employment protection, in that the total or partial wage subsidies occur during the work relationship, but in the second case, the income replacement scheme is only activated after the effective cessation of the work relationship. The third kind of income protection shown in Table 2.1 is intended for working persons not at the time capable of meeting minimum contribution and working requirements and therefore without any form of insurance-based income protection during the pandemic. Persons engaging in autonomous working that is structured in terms of temporal continuity of the activity (entrepreneurs, collaborators, occasional workers, self-employed) and non self-employed working of a highly contingent nature (seasonal, agricultural and intermittent workers). Working individuals outside the current income protection capacity of the system, for whom a considerable emergency effort has been made to guarantee their incomes in a very short time.

An overview of these measures is provided below, which are contained in particular in Decree-Law No 18 of 2020, which has extended to the entire national territory the measures initially provided solely for certain areas (the *red areas*), Decree-Law No 34 of 2020 (the *Recovery Decree*), Decree-Law No 104 of 2020 (the *August Decree*), Decree-Law No 137 of 2020 (the *Relief Decree*), Decree-Law No 183 of 2020, Decree-Law No 41 of 2021 (the *Support Decree*) and Decree-Law No 73 of 2021 (the *Support-bis Decree*).

3.2.2. The wage subsidy measures

The wage subsidy instrument is a multifunctional measure able to support enterprises and workers at the same time, used to prevent the crisis from immediately turning into a dramatic collapse in levels of employment and sources of income. The benefits in question have been granted to a wide range of enterprises and workers, extending ordinary subsidies through various forms of derogation to several legal provisions (beneficiary workers, types of enterprise, cover periods, methods of payment). The protections have therefore been extended to employee dependent workers not included in persons entitled to ordinary income support (through activation of the Supplement fund

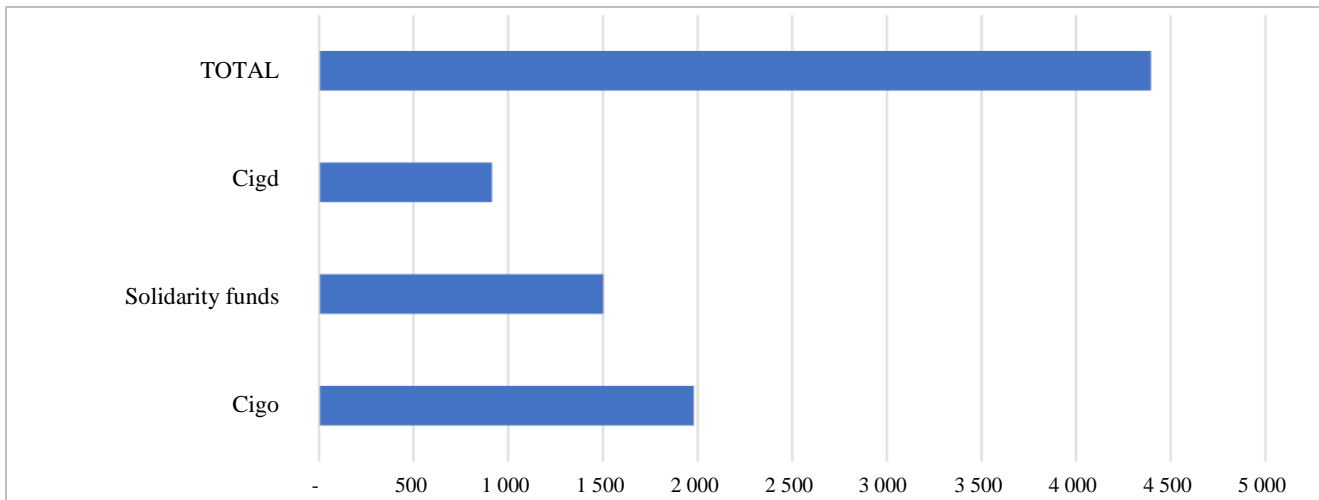
²¹ It is important to point out that the Supplement fund in derogation (Cigd) is the form of wage subsidy that is not linked to insurance schemes but is funded only through taxation, strictly in emergencies.

in derogation Cigd²² and to workers who have exceeded the duration limits provided for in the legislation concerning the Earnings Supplement Fund Cig or the further limits provided for by solidarity funds under Legislative Decree No 148/2015. Therefore to face the health emergency provoked by Covid-19 and limit its repercussions on employment, enterprises have been granted wider, easier and simpler access to Cig through the introduction of a specific cause, Covid-19, transversal to the various types of ordinary wage subsidies and wage subsidies in derogation, releasing after initial problems the use of the solidarity funds from the prohibition on payment of benefits in the absence of available funds, considerably reactivating the wage subsidies in derogation (Cigd) funded by general taxation for uninsured companies and introducing at the same time a prohibition on economic dismissal, making it necessary to use the Cig funds for companies suffering the effects of the crisis. This complex and substantial set of measures for extending wage subsidies in 2020 produced a negative balance of contribution income and expenditure of 12.4 billion, compared with a positive balance of 3.4 billion in 2019²³.

Simplifications were introduced to the procedure relating to the effective payment of wage subsidies through the special cause of Covid-19²⁴, also, regarding the supplement fund in derogation Cigd, which was initially allocated through involvement of the regions for beneficiary undertakings located solely in a single regional context.

The effect of this legislation started to have a strong impact in terms of hours authorised and workers involved from April 2020, in which a total of 855 million hours were authorised, which is like the number of hours authorised in 2009 as a whole, the first year in which the economic effects of the 2008 financial crisis were felt. If we specifically analyse the different types of wage subsidy hours authorised for the special cause of Covid-19 (2020), they come to over 4 billion in total (Figure 3.2).

Figure 3.2 – Wage subsidy hours authorised for the cause of Covid-19 by type. 2020 (millions)



Data processed from Inps

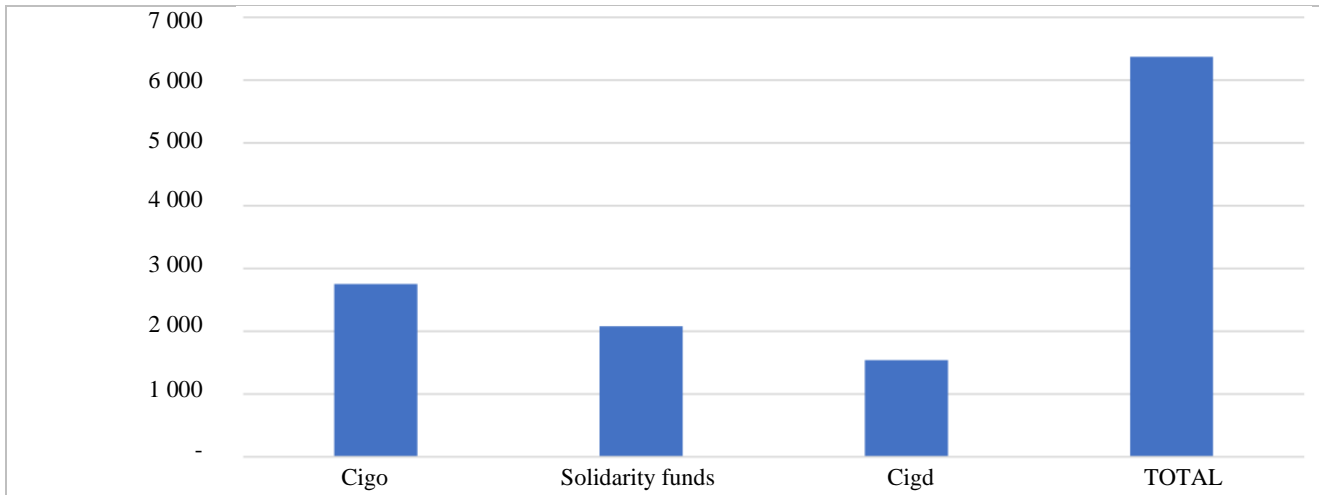
²² For workers at enterprises with under five workers not covered by the ordinary supplement fund, the bilateral solidarity funds or the wage subsidy fund.

²³Inps Report, 2021.

²⁴ For the purpose of offering a further possibility of making payments to workers more immediate, an ad hoc instrument, or anticipation of 40% of the supplement fund on request at the time of authorisation was actually introduced in the Recovery Decree.

If we specifically analyse the worker beneficiaries of the special crosswise cause of Covid-19, we find that there are over six million, with a similar distribution between direct payment and adjustment supplements. The trend in targeted workers by type of support clearly follows the trend in authorised hours (Figure 3.3).

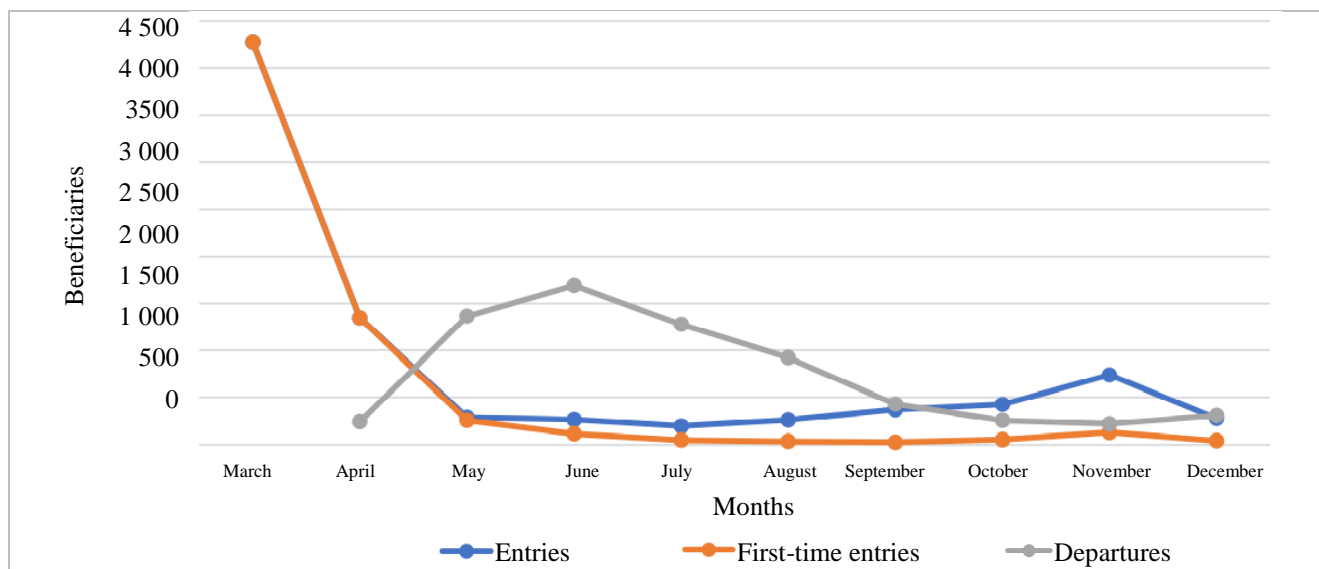
Figure 3.3 – Beneficiaries of wage subsidies for the cause of Covid-19 by type. 2020 (thousands)



Source : Data processed from Inps.

Looking at the entry and departure flows in income and employment support, the monthly numbers of furloughed dependent workers became high after immediate definition of subsidy for special cause, approved in March, since the figures for the March-May three-month period are 4 277 million temporarily laid-off workers supported by wage subsidies in March, 5 383 million in April and back to 4 301 in May). The number of beneficiary workers then fell rapidly, reaching its lowest point in September, but then rose again with the arrival of the second pandemic wave in November 2020 (Figure 3.4).

Fig. 3.4 – Flows of dependent workers benefitting from Covid-19 wage subsidies (Cigo, Cigd, Solidarity funds) per month. 2020 (thousands)



Source: data processed from Inps.

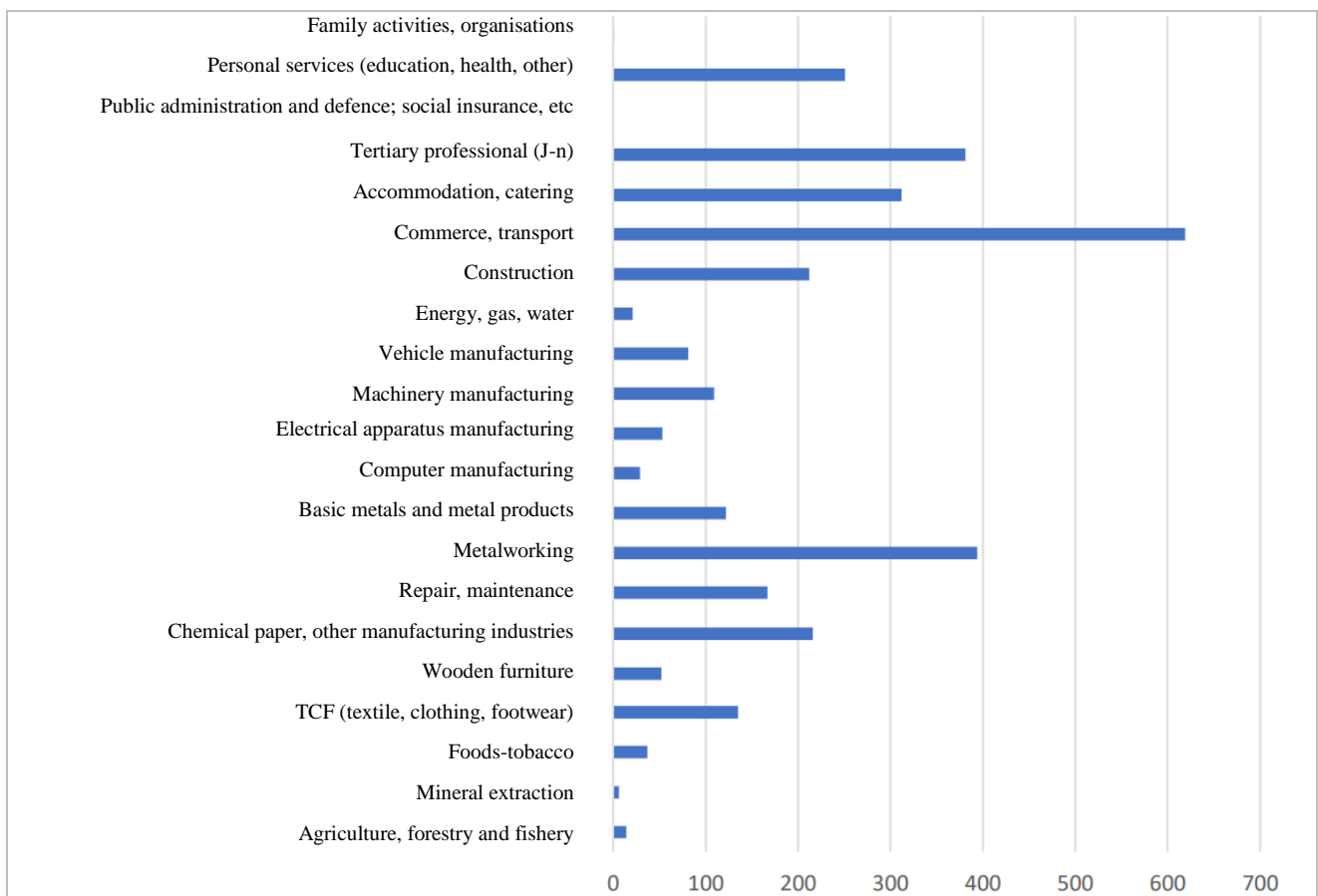
Entries = beneficiaries in month x, non-beneficiaries in month x-1.

Departures = beneficiaries in month x-1, non-beneficiaries in month x.

First-time entries = beneficiaries for the first time in the period observed.

If we analyse the distribution of wage subsidy hours for each sector of economic activity, we see that 57% were applied for in the sectors closed by the Prime Ministerial Decree of 22 March 2020, whereas 43% were applied for in the active ‘essential’ sectors, indicating that these activities too have been affected by the lockdown, even though indirectly (lack of movement of persons, fall in induced jobs). As Figure 3.5 shows, about 63% of the hours are authorised in the commercial and transport, tertiary professional, accommodation and catering, personal services and construction sectors. Metalworking alone accounted for 14% of the hours granted.

Figure 3.5 – Wage subsidy hours authorised from 1 April 20 to 31 August with Covid-19 as the cause for each sector of economic activity. 2020 (millions)

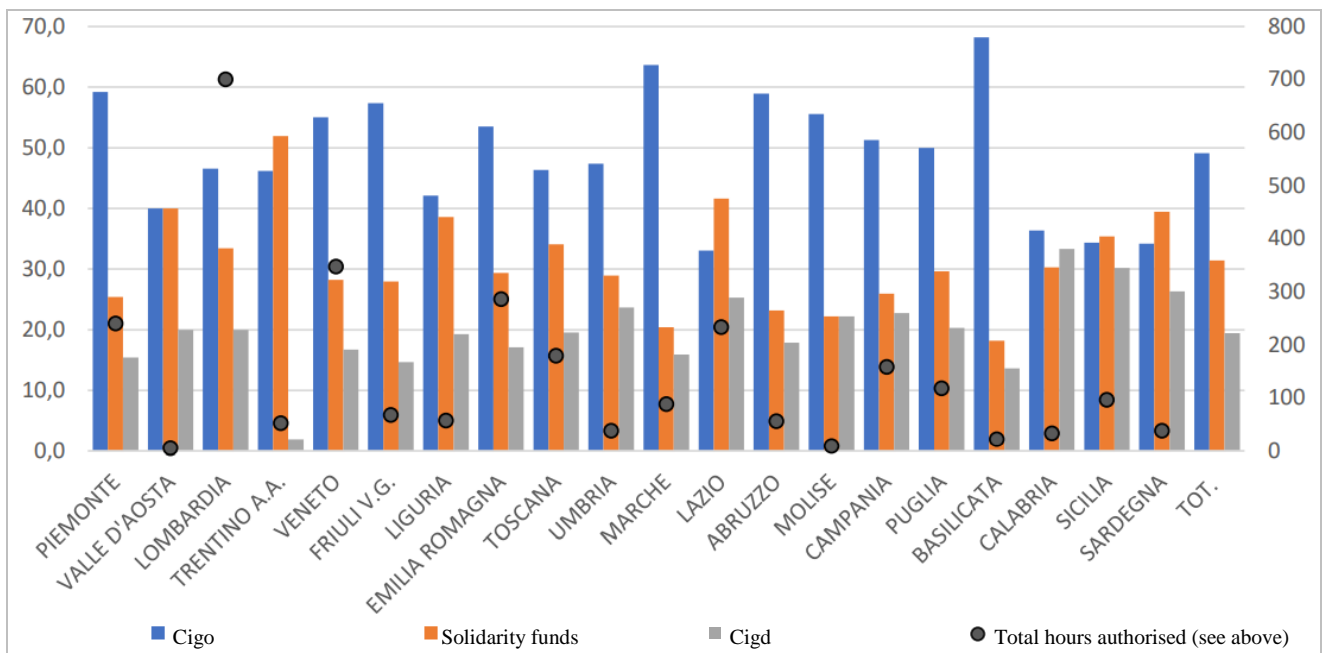


Source: data processed from Inps

The sector of economic activity is derived from the Ateco code of the company, while authorisation for wage subsidies is operated by Inps on the basis of the contribution statistical code and the authorisation codes of the company.

Looking at the various types of hours authorised for each region, we immediately note the prevalence of the north-east and north-west geographical area. In particular, 56% of total hours were authorised in Lombardia, Veneto, Emilia-Romagna and Piemonte, in which are concentrated most of the production activities that have received ordinary wage subsidies (Figure 3.6). In these regions, most supplement fund applications actually seem to have been made by industrial and building enterprises. In Lombardia, Cigo hours account for 47% of the total hours authorised, and they exceed 50% in Piemonte, Veneto and Emilia-Romagna. Conditions leading to the use of the subsidies that are very different from other production contexts, such as in Lazio, where 67% of the hours were authorised with wage subsidies characterised by solidary funds for enterprises with over five dependent workers and the fund in derogation for micro-firms with fewer than five dependent workers.

Figure 3.6 – Wage subsidy hours authorised from 1 April to 31 August 2020 (in millions) with Covid-19 as a cause by composition of the type of measure (% , left axis) and total authorised hours (see above, right axis) by region.



Source: data processed from Inps

With some limitations²⁵, the use of public wage support in a work relationship ensured substantial support for dependent workers of Italian enterprises and micro-firms. One initial problem was, however, linked to the simultaneous existence at the institution of a set of measures differentiated according to the production sector of the company, its size and the reason for the subsidy: on the one hand the Earnings Supplement Fund in a number of specific sectors (industry and building) and on the other hand the solidarity funds for the other companies, with over five dependent workers allocated. In such a fragmented framework, while the ordinary wage subsidies have shown substantial resilience, the solidarity funds have shown the excessive weakness inherent in their very nature. The diversified bilateral solidarity funds could not initially secure benefits beyond the level of the total contributions collected (also considering accumulated assets), being legally obliged to ensure an annual financial balance, obviously placing limits on the system, and so they were released from the obligation on paying benefits without having the funds to do so²⁶. The discourse regarding small companies was more diversified and complex (at least if they did not operate in the industry and building sectors) and for commercial companies with under 50 dependent workers, for which there was no ordinary wage subsidy instrument, which meant that the emergency Cig in derogation was consistently used, based on taxation.

The diversified implementation dynamics discussed therefore confirm that full standardisation of the various ordinary supplements for all types of firms would be desirable in the current production

²⁵ Experience over these months has shown problems in the coverage system of the income supplement instruments in the event of suspension of the work relationship, showing, as previously in the crisis starting in 2008, the fragmented nature of these measures conceived for corporate or at most sectoral shocks to the economy. The crises of the first decade of the 21st century, of a financial nature and caused by the pandemic, were, on the other hand, of a general nature, immediately involving all the production sectors and therefore requiring measures capable of giving immediate general support for dependent workers from various types of enterprise.

²⁶ Inps Report, 2021.

context, with differences in implementation arising not through the nature of the instrument but at the level of funding of the benefits (ordinary and additional).

3.2.3. Unemployment benefits

The pandemic has not had a marked impact on the use of the ordinary instrument for insuring against unemployment, especially if we take account of the drop in employment caused by the measures to contain the pandemic. The number of beneficiaries among dependent workers excluding agricultural workers (NASpI) has actually fallen: from 2 754 million in 2019 to 2 657 million in 2020, the fall relating solely to permanent dependent work²⁷. This development is due partly to the nature of the instrument, designed to catch only persons whose employment has been interrupted, in order to fulfil the principles of contributions and work and partly to the series of legislative measures to combat the crisis, which have changed its incoming and outgoing flows²⁸.

The number of entries actually fell (theoretically limited exclusively to disciplinary dismissals) also because of the prohibition on dismissal on economic grounds introduced by the legislation from March 2020²⁹ and subsequently extended by other emergency measures, the number of beneficiaries as a result of dismissal being 811 000 in 2019 and having fallen to 654 000, while entries through the ending of fixed-term relationships increased, initially at least, as a result of the radical decrease in extensions and conversions of fixed-term dependent employment contracts and then fell as a result of the reduction in fixed-term employment³⁰.

Regarding the conditions for leaving the insured income support period, on the other hand, leaving due to relocation slowed down substantially owing to the marked reduction in recruitment³¹, while leaving because the end of the indemnity period had been reached was eliminated by the legislation temporarily extending cover. The data on the paths taken by persons who have left the path of drawing on unemployment insurance are also of interest. About 6% found income support from the minimum income measure (the ‘Reddito di Cittadinanza, RDC [citizenship income]’) measure, compared with 4% in 2019, while professional relocation actually fell to 47% from the 54% recorded in the previous year and the percentage returning to NAsPI rose from 10% to 13% (Inps, 2021a). An income support instrument such as RDC that is not directly linked to the labour market seems, therefore, to have acted with ever greater intensity internally, in a kind of complementarity with labour market traditional workers’ support measures, such as unemployment insurance. The RDC actually succeeded in ensuring income support for workers with precarious contracts, who were in poverty on termination of the final fixed-term work relationship, showing a trend rise in the phenomenon of the *working poor* also for more structured atypical work in Italy.

Overall analysis of the data showing implementation of the measure in 2019 and 2021 (Figure 3.7) reveals an increase in beneficiaries exclusively for dependent workers with fixed-term or apprenticeship contracts (Inps, 2020).

²⁷ Inps Report, 2021.

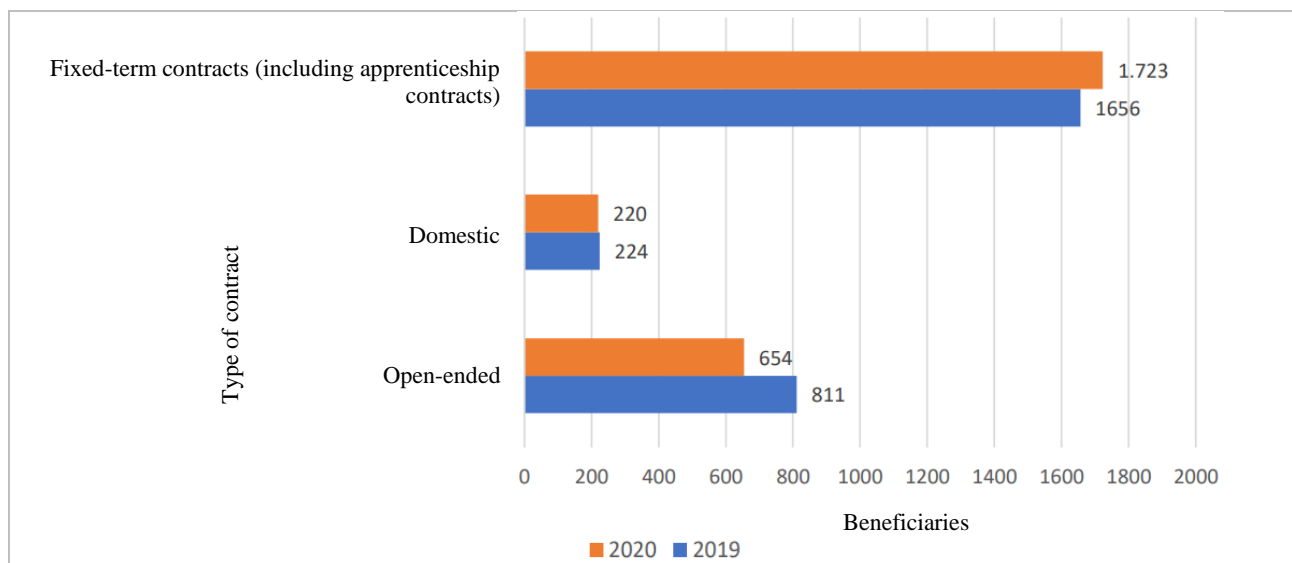
²⁸ As of 1 January 2022, Article 3(3) of Legislative Decree No 22/2015 will be fully in force and the amount of benefits payable with effect from 1 October 2021 will be calculated applying the reductions corresponding to the months spent in suspension.

²⁹ Decree-Law No 18 of 17 March 2020 (‘Cura Italia’ [Care Italy]) for the first time precluded the possibility of dismissal on economic grounds (from 17 March to 16 May 2020).

³⁰ For further details of the effects of the health crisis on autonomous and contingent work, see De Minicis, 2021

³¹ Early departures from NASpI owing to return to work fell from over 1 million in 2018 to about 900 000 in 2021

Figure 3.7 Number of NASpI beneficiaries 2019-2020 (thousands)



Data processed from Inps

According to the last previous work contract

The implementation trend data for the NASpI confirm a particular persistent impact dynamic of the general crises on the labour market and its social protection systems, an impact that only initially affected fixed-term, contingent and autonomous workers in terms of loss of employment³².

The evidence available therefore suggests that, in the absence of adequate social shock absorbers, the intense loosening of the rigidity in post-industrial labour markets has had consequences for a long time, particularly for some components of the workforce, effects that might be summarised as the historic and persistent phenomenon of dualization and segmentation of the Italian labour market (Barbieri et al. 2018). Therefore, the negative effects of economic shocks resulting from general crises continue to be focused on a number of groups in the workforce, such as young people and women, mainly characterised by contingent work relationships and activities. Furthermore, the protection from the ordinary social shock absorbers system, through access to unemployment insurance, is provided for only some of the persons concerned, dependent fixed-term workers with a more consistent professional status, while highly contingent work and various forms of autonomous working were completely marginalised by ordinary protection measures in income and employment crises. This situation, affecting millions of workers, has made it necessary to immediately define new public income support measures on the labour market, as a matter of urgency: allowances, bonuses and fund of the last income need .

³² The net fall in employment meant a downward trend in relation to April 2019 (-2.1% equivalent to +175 thousand units) verified for both men and women for temporary dependent workers (-480 thousand) and autonomous workers (-192 thousand), the sole exceptions being the over-50s and permanent dependent workers (+175 thousand). The employment rate fell by 1.1 percentage points (Istat, 2020). Moreover, this development is also confirmed by the ISTAT data for December 2020 indicating a persistent drop in employment by 444 000 units in relation to the same month in the previous year. The drop in employment once again confirms that the trend revealed actually only concerns non-standard, contingent and autonomous workers. The drop in employment actually recorded over the twelve months does not concern permanent workers, which actually showed a 1% increase, but only dependent fixed-term workers (-13.2%) and independent workers (-4%). Women and young people suffered the most acute quantitative effects as a result of the systematic problems with regard to income from non-standard work. They are mainly subject to flexible contractual conditions and employed in the economic sectors with greater exposure to the effects of the pandemic: tourism, care and catering (Istat, 2020).

3.2.4. Allowances, bonuses and Fund for the income of last need In addition to the insurance support measures under or outside the work relationship similar to those taken in the 2008 financial crisis, in the 2020 health emergency introduced innovative actions, allowances and a fund for income of last resort fund of last resort characterised by general public income allocations³³ not subject to contributions or taxation. Support measures that are transversal in terms of employment status (employee, self-employed) and not insurance-based. This income substitution scheme was introduced to support categories of autonomous and contingent dependent workers with no pre-existing income support and employment protection institutions: 1) professionals and workers with a co-ordinated and continuous co-operation relationship (para-subordinates) 2) self-employed workers entered in the INPS special management register 3) seasonal workers also belonging to sectors other than tourism or thermal establishments 4) workers in the agricultural sector 5) workers in the entertainment sector 6) intermittent workers 7) fixed-term workers in the tourism and thermal sectors.

These measures are a set of support actions for specific groups of workers³⁴, measures that are absent from the pre-pandemic set of income support instruments. About the personal data for the seven groups of autonomous and contingent workers receiving the allowances, bonuses and Fund for income of last need , the professionals/collaborators are mainly aged between 30 and 49 and entertainment workers show the same pattern in terms of the central age category. Contingent seasonal employee (from the tourism and thermal sectors and various sectors) and intermittent workers account for a significant proportion of the under-thirties. Finally, almost half autonomous workers belong to the 50 years or above age category. The largest proportions of dependent seasonal and agricultural workers were born abroad, at 24% and 30% of recipients respectively (Inps, 2020).

A total of 8.8 million payments were made, amounting to EUR 6 billion in total. Payment for autonomous and seasonal workers exceeded 70% of the total. There were 4.2 million beneficiaries, each of whom received about EUR 1 400 on average, women accounting for 35% (Table 3.3).

Table 3.3 Details by category and gender of beneficiaries of 500, 600 and 1 000 euro bonuses

Category	Men	Women	Total	Average amount
Professionals/collaborators	203 342	209 134	412 476	EUR 1 450
Autonomous workers	2 007,792	840 683	2 848,475	EUR 1 196
Seasonal workers	132 735	143 848	276 583	EUR 3 000
Agricultural workers	334 737	217 962	552 699	EUR 1 099
Entertainment	30 455	19 464	49 919	EUR 4 031
Intermittent workers	23 576	33 660	57 236	EUR 3 906
Fixed-term tourism-thermal	10 307	9 324	19 631	EUR 2 430
Other categories	5 654	4 899	10 553	EUR 3 435
Total	2 748 598	1 478 974	4 227 572	EUR 1 407

Data processed from Inps

³³ In the 2008 financial crisis, an attempt was made to create a one-off allowance for co-ordinated and continuous co-operation , subsequently included in the 2012 Fornero reform, in an attempt to provide ordinary Dis-Coll insurance allowances for collaborators, subsequently redefined by the measures of the 2015 Jobs Act. For further details of this see chapter 1 of this plan and Zilio Grandi, Sferrazza 2013.

³⁴ Various types of autonomous work and highly contingent forms of dependence specifically for the production sector, seasonal and agricultural workers.

Data processing: March 2021 This table only includes persons (unique tax codes) with claims paid. The amount is the total of all disbursements received - the category indicated is shown on the last one. 'Other categories' includes occasional autonomous workers, door-to-door salespersons, autonomous workers of the 'red areas', autonomous fishers and seafarers. Changes owing to administrative reviews are possible.

The extension of public income support to these working persons is affirmed by a strategy that can be defined as *targeted measures to subgroups*³⁵, rather than through the introduction of a single universal assistance measure for unemployment on the labour market, transversal with regard to the different types and contracts of workers not covered by any insurance. This development therefore displays successive contingent, legislative and administrative measures for extension of the allowances shown to include new working persons at a time of crisis³⁶.

Although belonging to a macro-type of labour market for autonomous and contingent working, the groups are highly heterogeneous in terms of income and working, containing professionals entered in the Inps separate management register, professionals belonging to associations and highly temporary autonomous and dependent workers (seasonal, intermittent, agricultural and entertainment workers). This diversity also brought about a differentiation in the disbursement of allowances in terms of quantity and conditions, for professionals not belonging to associations, for example, while the first phase of support, in March and April was of a general nature, the second allowance, in May, rising from EUR 600 to EUR 1 000, provided for a means test, which considerably reduced the number of beneficiaries from 318 000 in March-April to 110 000 in May³⁷. The new social protection measure contingent on the pandemic has ensured income stability for various types of workers and has been particularly effective in a fragmented section of the dependent working sector: that of seasonal, entertainment and intermittent workers. The experience of emergency allowances obtained in the pandemic could therefore be crystallised in an ordinary measure of the social protection system in the labour market, by being included with but distinguished from unemployment insurance and minimum income, therefore defining a set of measures able to extend the rights to social protection into universal schemes, also including persons currently marginalised on the labour market and in access to welfare, making the system of social security and assistance shock absorbers increasingly universal, transversal and accessible.

³⁵ Ilsøe et al. (2021)

³⁶ The Care Italy Decree has provided for a one-off allowance of EUR 600 for the month of March in favour of the following five categories:

1. Professionals and workers with a co-ordinated and continuous co-operation relationship (Article 27)
2. Autonomous workers entered in the INPS special management register (Article 28)
3. Seasonal workers in tourism and at thermal establishments (Article 29)
4. Workers of the agricultural sector (Article 30)
5. Workers in entertainment (Article 38)

Article 44 of the 'Cura Italia' decree has also provided for the establishment of a last-resort income fund for workers affected by the Covid-19 virus. Under the said Article 44, Interministerial Decree No 10 of 30 April 2020 determined the following subsequent categories for the month of March:

1. Seasonal dependent workers belonging to sectors other than tourism and thermal establishments.
2. Intermittent workers.
3. Occasional autonomous workers with no VAT ID entered in the Separate management register.
4. Door-to-door sales representatives holding VAT ID entered in the Separate management register. Other measures that have increased either the number of monthly payments or the number of categories of workers or the possible amounts are Interministerial Decree No 12, the Recovery Decree, the August Decree and the Relief Decree.

³⁷ To obtain the new allowance of EUR 1 000 for May 2020, professionals had to prove that they had active VAT ID as at 19 May 2020 and had suffered a drop of income of at least 33% in the second two-month period of 2020 in relation to the second two-month period of 2019. The Revenue Agency [Agenzia delle Entrate] was requested to verify observance of this requirement.

Also noteworthy is the introduction during the pandemic of a further income support measure not associated with a previous occupation, but only if strict means test requirements were met, the Emergency Income (REM). Introduced in the most difficult months of the crisis, in May 2020, and subsequently re-proposed several times during its existence, this measure covered a section of the population that had been unable to benefit either from the earnings support instruments used or meet the strict citizenship income requirements.

3.2.5. ~~The ISCRO experiment~~ Experimentation of social protection for self-employment: the ISCRO

Another experimentation is also reported, intended to protect professional self-employment innovatively. The suspension of work or the fall in revenue resulting from a reduction of work combined with a low level of digitalization has brought about a wide range of forms of passive policy specifically aimed at the various categories of self-employment, as indicated in the preceding paragraph.

This situation, occurring over such a wide range for the first time, has proved to be particularly fertile soil for the positive outcome of the work carried out for two years by the Council of Autonomous and Professional Work established within CNEL [National Council for Economics and Labour] on 24 January 2019 and composed of experts and members nominated by the trade union associations identified as being the most representative of the sector³⁸.

The reference is to the legislative proposal of this body, entitled Protections for workers and members of the liberal professions entered in the INPS separate management register, which, following approval at the CNEL Assembly, became Draft Law No 36 of 28 July 2020. The Draft Law, first of all, provided for implementation of the maternity and sickness protection measures already provided for in Law No 81/2017³⁹ (see also § 3.3.2 *below*). However, these measures have not received any regulatory recognition, even though they relate to a process aiming to universalize priority welfare measures. Otherwise article 3 of the cited Draft Law, introduced the Extraordinary Income and Operational Continuity Allowance (ISCRO), which is included in the Law of 30 December 2020, namely the *Stability Law for 2021*. The ISCRO will provide, on an experimental basis, for the 2021-2023 three-year period, also because it has been adopted “pending reform of the social safety nets”⁴⁰.

The first observers of the measure already detected the difficulty in defining period of unemployment for the autonomous job, with consequent recognition of the right to social protection and demonstrate that Law No 178/2020 does not regulate such cases, but rather the event of reduction of income received (Feltrin, Rosato, 2021).

³⁸ This body bringing together the social partners most representative of the sector may be regarded as a counterpart of the standing technical round table on autonomous working established by Article 17 of Law No 81/2017, which has received little attention up to now (for further details, please consult Zucaro (2018a and 2018b).

³⁹ In particular, Article 1 contains the provision by means of which Article 68 of the Consolidated Maternity and Paternity Law was supplemented by paragraph 2-ter, which provides for 100% maternity cover for autonomous professionals entered in the INPS separate management register, while Article 2 provides for the amendment of Article 8(1) of Law No 81/2021, laying down, for the same category of autonomous workers, that periods of illness certified as resulting from treatment for cancer or serious, deteriorating degenerative diseases or that in any case give rise to 100% incapacity for work are not only treated as hospitalisation but are also clearly counted as notional contribution periods, calculated proportionally on the basis of the minimum contribution laid down for separate management. For further details of the delegations relating to these matters see Nunin (2018).

⁴⁰ Article 1(386).

The measure application's area restricted to members of the liberal professions, including participants in associated partnerships or private companies entered in the separate management register referred to in Article 2(26) of Law No 335/1995 working autonomously through the exercise of a trade or profession as their regular occupation. Expressly excluded, however, are liberal professions with a professional association, registration with which generally entails an obligation to use the relevant private fund, as in the case of lawyers, for example (under Article 1(387) of Law No 178/2020).

The registration in the "Gestione Separata" is an essential requirement for receiving the allowance, so this must already occurred when the submitted application

Also, the applicant must meet specific requirements provided by Article 1(388) of the 2021 Budget Law, namely⁴¹:

- a) not to be in direct receipt of a pension and not to be covered by other forms of obligatory social security.
- b) not to receive citizenship income.
- c) to have produced income from autonomous working in the year preceding submission of the application of less than 50% of the average income from self-employment working in the three years preceding the year preceding submission of the application.
- d) to have declared, in the year preceding submission of the application, income, not in excess of EUR 8 145 reviewed annually based on the change in the ISTAT index of consumer prices for blue and white-collar-collar households in relation to the preceding year.
- e) to have made any obligatory social security contributions.
- f) to have had an active VAT ID for at least four years on the date of submission of the application for the activity that has given rise to entry in the current social security management register.

The amount of the ISCRO allowance under Article 1(391) of Law No 178/2020 is equal to 25%, on a half-yearly basis, of the most recent income from autonomous working certified by the Revenue Agency and sent by it to the INPS as at the date of submission of the application. Furthermore, the monthly payment must be no less than EUR 250 and no greater than EUR 800. This allowance is, moreover, paid only once for no more than six months, does not cause notional contributions to be credited, and does not contribute to the formation of income for the purposes of the Income Tax Law (TUIR).

An increase in the rate of the potential beneficiaries themselves funds the measure.

An interesting ISCRO aspect is a connection to active policies. So, therefore, taking the form not as a simple assistance measure, but having the prospect of being 'generative welfare' (Zucaro, 2021), placing itself over furrow by the guiding principles of the social safety nets in the course⁴².

⁴¹ For details of individual points, please consult the recent INPS circular No 94 of 30 June 2021, viewable in *inps.it*

⁴² The draft reform proposal submitted by the Commission attached to the Ministry of Labour and Social Policy can be consulted in *lavoro.gov.it*. For a comment see Magnani (2021).

In particular, Article 1(400) of Law No 178/2020 makes it obligatory for recipients of the allowance to participate in professional development courses that it must be adequate for a professional development attractive on the market.

The details of this training pathway must base on the criteria provided in an interministerial decree adopted by the Ministry of Labour and the Ministry of Economic Affairs and Finance [MEF] in agreement with the Conference of the State, Regions and Autonomous Provinces.

Because of its institutional function, the National Agency for Active Employment Policies [ANPAL] has the priority task of monitoring the effective participation in these training courses by workers receiving the allowance.

Although this measure does not appear adequate, in terms of coverage and application's area - for example, there is the complete exclusion of professions with a professional association - anyway, it has the positive aspect of having drawn attention to the social protection gap of self-employment. So, in our opinion, careful monitoring of this measure could provide relevant elements, also for systematic alignment with the European framework.

In fact, as also INPS indicates, in its last report, the objective is: “(...) an overall measure able to balance the (legitimate) aspirations of all categories of workers to a guarantee of a continuous income through access to benefits in case of adverse events, against the possible risks of tax and contribution evasion, owing to the positioning of income thresholds and/or regarding the loss of earnings”.(Inps, 2021a).

3.3. *Protection and support for parenthood*

3.3.1. *The demographic-family context and the issue of care burden*

In 2020⁴³ the resident population of Italy stood at 59 258 000, which is 384 000 fewer than at the beginning of the year because of the effects of the pandemic. There was a 3.8% drop in births, with 404 104 children entered in the population register, nearly 16 000 fewer than in 2019. The average number of children per woman was 1.24, the lowest figure since 2003. Despite the pandemic, there has been no slowdown in the ageing of the population: there were 13 923 000 over-65s at the start of 2021 (+64 000), accounting for 23.5% of the total population, compared with 23.2% the previous year. There was an increase (+61 000) in over-80s, however, to 4 480 000, representing 7.6% of the total population. There was a drop in people in working age and young people, however: 15- to 64-year-olds fell from 63.8% to 63.7%, while young people up to the age of 14 fell from 13% to 12.8% of the total. There was a 17.6 % rise in deaths, with 746 146 persons erased from the population register, nearly 112 000 more than in 2019.

Against this background, the care of children and old people, dependants and people in needs for assistance took on considerable importance, for two reasons: protection of parenthood and support for fully targeted care. The pandemic has increasingly shown that care tasks require a number of different approaches, simultaneous management and extreme flexibility and reactivity to the changes in the health and legislative context. This background has brought to the centre of the political agenda the reconciliation of ever broader and more diversified care needs and work needs with a specific focus on instruments for sharing the *care burden* between men and women in order to rebalance the historical gap between the genders with regard to care, which has mainly been

⁴³ Istat, 2021a; Istat, 2021b.

provided by women. The question, notwithstanding the period of close family life in lockdown, has not had the desired effects, however. On the contrary, the health emergency has actually shown that women, even at a time of smart working, have been the family members who have borne most of the care burden (Cardinali, 2020) and that it has actually been women whose participation in the labour market has been curtailed as a result of this complex management, raising the possibilities of reducing working time or resignation (Inapp, 2020).

In Italy, out of a population of 18 512 000 women and 18 342 000 men, one third (36.7%) of women and 32.5% of men regularly care for children of under 15 years, dependants aged 15 or above or ill, disabled or old people⁴⁴. 80% of this care function concerns children of under 15 years (whether or not cohabiting). The gender gap is obvious both with regard to giving care (+4% more women than men) and with regard to the range of care options (+2% for children, +9% for ill, disabled or old people). Care therefore appears to be a typically female function according to a *care giving* model exacerbated during the pandemic⁴⁵. The burden of caring for dependants is not reduced with advancing age. About half (49.7%) of women in employment aged 45-65 are responsible for caring for ill, disabled or old people, of whom almost 60% are located in the North, followed by 55% in the Centre and 34% in the South, in proportion to total women in employment in these areas. In terms of level of education, a burden of care is borne by 80% of women graduates in employment (who account for about 20% of the total nationally) and by about 56% of women in employment who have completed secondary education, accounting for over 30%. This fact, which is linked to the previous information concerning the giving of care strictly linked to the presence of children, leads to the phenomenon known as the *sandwich generation*, a term used to describe women of over 40 who, as if in a sandwich, are squeezed from both sides by the need to care for children and other family members. This dual effect inevitably has repercussions on participation, establishing a direct link between policy choices concerning support for the care function and changes in the figures showing the relative participation of the two genders in the labour market.

3.3.2. *The maternity and paternity benefits for dependent and non-dependent work*

Maternity and similar paternity benefits apply in this scenario of increasing complexity. These are instruments of protection and financial support available to parents during the periods of maternity and paternity. The allowances are a form of economic support and are paid to:

- parents who are dependent workers on either on parental leave or maternity/paternity leave;
- parents who are domestic workers (home helps and carers) registered at the "Gestione Separata" on parental leave or maternity/paternity leave;
- parents who are self-employed in periods subject to maternity/paternity protection;
- mothers who are self-employed on parental leave;
- fathers who are dependent or autonomous workers on paternity leave [‘congedo papà’] (under Law 92/12).

With regard to the beneficiaries of the various maternity and equivalent paternity allowances, there are different access conditions (including periods and conditions of entitlement) for dependent and self-employed workers and workers registered in the "Gestione Separata" (i.e. not registered for other obligatory forms or in receipt of a pension). While obligatory maternity leave and the associated allowance has been progressively extended over the years, in a broadly uniform manner, from dependent work also to other categories of workers previously excluded, the parental leave, on

⁴⁴ Istat, RFCL 2019, Inapp *Gender policies report 2019*

⁴⁵ INAPP A public health emergency year: Gender policies report 2020

the other hand, still marks the greatest distinction in benefits depending on the type of work relationship held by the mother and father worker.

Specifically: the already mentioned *Jobs Act on autonomous work* depicted a number of substantial changes to the rules for obligatory maternity leave for workers registered in the "Gestione Separata", providing, in particular, that:

- a) workers may receive maternity benefits regardless of whether they actually refrain from work (as already laid down for autonomous workers in general), also with regard to the maternity allowance receivable for the two months preceding and the three months following the date of confinement.
- b) the duration of parental leave is extended from three to six months and the leave must be taken before the child reaches the age of three and may not exceed a total period of six months (even if benefits are received under different social insurance fund).
- c) the new rules shall also be applied in cases of adoption or pre-adoption foster care.

In particular, therefore, members of the liberal professions who are registered with a professional association (lawyers, accountants, engineers, etc) are fully entitled to maternity allowance for the obligatory period of absence, for a maximum duration of five months. The allowance, which is not recognised by INPS, but by the social insurance and assistance funds of the professional association with which the worker is registered, is equivalent to 80% of the professional remuneration reported in the year preceding the event, adjusted to five months (therefore 5/12 of the 80% of income in the preceding year) and is payable even if there is no effective absence from work. For professionals not belonging to a professional association, therefore registered in the *Gestione Separata*, a maternity allowance is laid down for the two months preceding and the three months following the effective date of confinement or for five months directly following confinement, subject to specific contribution requirements. The protection of maternity for some particular categories of workers (legal and research activities) is governed by specific provisions. The Budget Law for 2018 (Law No 205/2017) establish a legitimate impediment for the lawyer during the period comprising the two months preceding the expected date of confinement and the three months following confinement; fixed-term employment contracts for research activities signed by universities are suspended for the obligatory period of absence because of maternity and the expiry date is postponed for a period equal to the period of absence.

Regarding implementation, 271 109 beneficiaries of obligatory maternity allowance were registered in 2020, 6 330 of whom were under "Gestione Separata".

3.3.3. *Measures taken since November 2019 – Maternity and equivalent paternity benefits*⁴⁶

Table 3.4 – Maternity and equivalent paternity benefits

A) Ante Covid measures	<ol style="list-style-type: none"> 1. Universal allowance and family services Fund 2. "Assegno Unico" ("Universal child allowance") 3. Transposition of Directive (EU) 2019/1158 4. "Fondo Famiglia" (Family Fund)
B) Covid related measures	<ol style="list-style-type: none"> 1. Covid Leave 2. Baby sitting bonus 3. Right to smart working

⁴⁶ For description of the measures: www.inps.it; Inps, 2020. Research Department, Chamber of Deputies, 2021a; Research Department, Chamber of Deputies, 2021b; Inapp 2019, 2020.

A) Ante Covid measures

1. **Universal child allowance and family services Fund**

The Fund was established in Article 1(339) of the 2020 Budget Law with an allocation initially equal to EUR 1 044 million for 2021 and EUR 1 244 million per year as of 2022. The Fund supports measures for families and helps the reorganization of aid policies for families with children. The 2021 Budget Law (Article 1(7) of Law No 178 of 2020) increased the Fund by EUR 3 012.1 million for 2021. For subsequent years, the 2021 budget law also assigned to the Universal Child Allowance (see *below*) and family services between 5 000 and 6 000 million from a new Fund of the Ministry of Economy and Finance. The Fund is devoted to the implementation of measures relating to the reform of the tax system, with an allocation of EUR 8 000 for 2022 and EUR 7 000 million as of 2023.

A monthly contribution of up to EUR 500 net is also provided for each of the years 2021, 2022 and 2023 for unemployed or single-income mothers who belong to single-parent households with dependent children with a recognised disability of no less than 60%.

2. **Universal Child Allowance**

Act No 46 of 1 April 2021 provides that, in order to “promote higher birth rates, support parenthood and promote employment, in particular among women”, the Government has the legislative power to reorganise, simplify and enhance, including progressively, the measures to support dependent children through the single and universal allowance. An universal family support called ‘Assegno unico’ [Universal Child allowance] from January 2022 will replace all previously aids, including the one-off bonus at birth and tax-relief for dependent children. The allowance, based on the universal principle, is an economic benefit allocated progressively to all households with dependent children within the resources of the universal allowance and family services Fund and cost savings.

When fully implemented, the Allowance will be paid from the seventh month of pregnancy for each dependent child up to the age of 21. Specifically: a) for each dependent child up to the age of 18 as of the seventh month of pregnancy, with a supplement for children following the second child; b) for each dependent child from the age of 18 to 21 (monthly allowance of an amount less than the amount recognised for minors) with the option for direct payment to the child at his/her request in order to encourage his/her independence. Payment will be conditional on personal activation, such as participation in an educational or vocational training course, university course, internship, international civil service, or short work experience with an income less than a total annual amount, or unemployment status and job searching registered by a public or private Jobcentre.

The monthly allowance will be:

- increased for mothers up to the age of 21;
- increased by no less than 30% and no more than 50% for each disabled child, with a supplement graduated according to the classification of the disablement;
- retained also after the age of 21 has been reached, if the disabled child is still dependent.

The allowance is granted in the form of a tax credit or a monthly payment of a sum of money.

It will comprise a minimum base rate and a variable rate depending on the economic situation of the household based on the ISEE (Equivalent Economic Situation Indicator). If there are children up to the age of 18, the amount provided will range from a minimum of EUR 40 per month as a fixed rate to EUR 250 for those with an income falling below the ISEE rate of EUR13 thousand, plus 20% for

children after the first child. The amounts are reduced, on the other hand, for children still dependent from the age of 18 to 21. The allowance, moreover, does not affect the calculation of subsidised social benefits, welfare benefits and citizenship income (RdC).

The potential population of application of the Single Allowance is about 12.5 million children, including 10.1 million minors⁴⁷.

On a temporary basis, from 1 July 2021 to 31 December 2021, the ‘Temporary allowance for minor children’ (hereinafter the temporary allowance)⁴⁸ will cover categories currently excluded from tax deductions and allowances for households for dependent children (autonomous workers, the unemployed and the insolvent). The reference population is estimated at 1.8 million families making a total allocation of EUR 3 billion.

The temporary allowance is granted for children up to the age of 18 years, including adopted and provisionally adopted minors. Applications may be submitted by:

- self-employed;
- unemployed;
- farmers, settlers and sharecroppers;
- self-employed pensioners;
- households failing to meet one or more of the requirements for the ANF (Family Allowance).

Up to 31 December 2021, all other categories will benefit of a supplement of already existing subsidies; at this end one billion and 390 million were allocated for 2021.

The requirements for receipt of the allowances are as follows:

- Italian or EU member citizenship (or having a family member who holds such citizenship), right of residence (or a right of permanent residence). Non-EU citizens must hold an EU long-term residence permit (or a residence permit for at least six months for reasons of work or research);
- be subject to the payment of income tax in Italy;
- be resident and established in Italy with dependent children up to the age of 18;
- be resident in Italy for at least two years, even non-continuous, or hold a permanent or fixed-term contract of employment for at least six months;
- hold a valid ISEE.

Variable amounts of the allowance are provided for according to the ISEE. With a minimum ISEE threshold of up to EUR 7 000, the amount is EUR 167.5 for each child in the case of households with one or two children: EUR 217.8 per child in the case of larger households. It is not possible to apply for the temporary single allowance with an ISEE in excess of EUR 50 000.

A supplement of EUR 50 is laid down for each disabled minor child.

⁴⁷ Istat estimate on data concerning residents 2020

⁴⁸ The allowance will be paid by the INPS up to 31 December 2021 by a simplified procedure (cf INPS circular No 93 of 30 June 2021). The temporary allowance is compatible with “Citizenship Guaranteed Minimum Income” [Reddito di cittadinanza] (or other subsidies paid by the regions) and under other existing measures, such as: allowance for households with at least three minor children; childbirth allowance; birth bonus; birth support fund; tax deductions; family allowances (farmers, settlers and sharecroppers, small farmers, pensioners of these pension schemes and special pension schemes for autonomous workers). The temporary allowance instead cannot be combined with the Family Allowance [Assegno per il Nucleo Familiare (ANF)].

The allowance is paid to the parent who applied for it. If parents are separated or divorced, moreover, the payment of the single allowance is split 50-50 between parents who are legally separated and effectively having joint custody of the minor if divorced; a single requesting parent can receive the payment if agreed between separated or divorced parents.

3. Transposition of Directive (EU) 2019/1158 on paternity leave

The Directive (EU) 2019/1158 of 20 June 2019 on work-life balance for parents and carers and repealing Directive 2010/18/EU has affected Italian paternity leave (defined as ‘congedo di paternità’), as defined by Article 4(a) of Law No 92/2012.

The term ‘paternity leave’ covers two different instruments: a) the aforementioned ‘congedo di paternità’, both mandatory or on voluntary basis; b) paternity leave under Article 28 of Legislative Decree No 151 of 26 March 2001, on the basis of which the father replaces the mother in the cases provided for in the legislation.

Father who is a dependent worker, including adoptive fathers and fathers having custody within but not beyond the fifth month of the child's life (or following entry into the family/Italy in the case of national/international adoptions or foster care), are eligible for mandatory ‘congedo di paternità’. During the leave, the fathers receive 100% of remuneration and the leave is qualified as an autonomous and different right in addition to the mother's right. Mandatory leave is also granted to the father on paternity leave under Article 28 of Legislative Decree No 151 of 26 March 2001. ‘Congedo di paternità’ on a voluntary basis is, on the other hand, depends on the working mother’s choice concerning maternity leave, independently of the end of the mandatory period of absence.

The length of the mandatory leave was equal to one day in 2013-2015 and was extended to: two days for 2016⁴⁹; four days for 2017-2018⁵⁰; five days for 2019⁵¹; seven days for 2020⁵². Finally, for the present year, 2021 Budget Law further increased to ten days the length of mandatory leave – implementing the requirement of the aforementioned EU Directive 2019/1158⁵³.

Law No 178/2020 has also confirmed the option for a single day leave instead of the mother and the extension of the leave even in the event of the perinatal death of the child.

Paternity leave as defined in Article 28 of Legislative Decree No 151 of 26 March 2001, however, allows dependent fathers, even if self-employed and registered in the “Gestione Separata”, to be absent from work for the entire duration of maternity leave or for the residual part due to the working mother in specific cases (death or serious illness of the mother or of abandonment including in the event of exclusive custody of the child falling to the father).

In 2019 there were 13 507 recipients of ‘congedo di paternità’ and paternity leave between workers in the private and agricultural sectors, 3 714 of which were on voluntary basis and 135 654 on mandatory basis, with an increase from 128 937 in 2018⁵⁴.

⁴⁹ Stability Law 2016 (L. 208/2015).

⁵⁰ Budget Law 2017 (L. 232/2016).

⁵¹ Budget Law 2019 (L. 145/2018).

⁵² Budget Law 2020 Article 1(242) L. 160/2019.

⁵³ The length extension only applies for those becoming fathers from 1 January to 31 December 2021. For births and adoptions or foster care commencing in 2020, the number of days obligatory leave is still seven.

⁵⁴ INPS Report, 2021. The figures relate solely to men and include ‘congedo di paternità’ and paternity leave.

For 2021, the refinancing of paternity leave (EUR 106.1 million) will come from the Universal allowance and family services Fund.

4. New rules of the family policies fund

The family policies Fund was set up under Article 19(1) of Decree-Law No 223/2006 to promote and implement family protection measures and support the National Family Observatory. The fund was amended by Law No 296/2006 (2017 Budget Law)

The 2019 Budget Law (Article 1(482) of Law No 145/2018) introduced new rules and duties for the fund, including: measures intended to enhance the role of the Family Centres; definition of the criteria and conditions for reorganisation of the Family Counsellors (in agreement with the Joint Conference); support services, also of an economic nature, for minors orphaned by domestic crimes and their foster or adoptive families; projects for protecting and caring for minors who have been victims of witnessed violence; fighting the phenomenon of cyber-bullying; measures to support separated and divorced parents; measures to help households at risk in order to prevent the abandonment of minors; adoption and fostering measures.

For 2020, the provisioning of the fund is EUR 74.5 million, increased by Decree-Law No 34 of 19 May 2020 from EUR 150 million in order to channel resources to the municipalities to reinforce (also in co-operation with private institutions) summer day centres, local socio-educational services and centres with an educational and recreational function during the summer for children aged between 0 and 16 (extending the age range originally provided for of between 13 and 14 years) and to fight educational poverty with targeted initiatives.

For 2021, the fund has added a final allocation of EUR 155.9 million, with an increase of 50 million provided for in the 2021 Budget Law (Article 1(23) of Law No 178 of 2020) to support the return to work of working mothers and promote the work-family life balance.

B) Covid-related measures

1. Covid-19 leave

In the epidemiological emergency created by Covid-19, Article 23 of the Care Italy Decree referred to several times above introduced special parental leave, called Covid-19 leave, for the care of minors during the suspension of educational services for children and the educational activities of ~~schools~~ at all levels (provided for by Prime Ministerial Decree of 4 March 2020). This type of leave, which does not replace ordinary parental leave but is combined, is granted to employed parents in the private sector; and workers entered in the "Gestione Separata", self-employed registered with INPS and public sector employed⁵⁵.

^[1] For separated or divorced spouses to constitute two different households, it will be necessary for them to have two different residences or for only one of the parents to have been given exclusive custody of minors; in the latter case, the leave may be taken by the sole parent having exclusive custody regardless of the reason for the absence of the other parent.

⁵⁵ The implementation arrangements are regulated in INPS circular No 45 of 25 March 2020.

^[2] Also considered to be unemployed is a worker whose income from dependent or autonomous work corresponds to gross tax less than or equal to the deductions allowable under Article 13 of the Consolidated Law, amounting to EUR 8 145.00 and EUR 4 800.00 respectively.

The leave can be taken by only one of the parents or by both belonging to the same household^[1]. However, it may not be enjoyed on the same days and benefit within the overall individual and couple limit of 15 days per family (subsequently increased to 30 by the Recovery Decree), regardless of the number of children. Use is also subject to the condition that nobody parent in the family is benefitting income support instruments in the event of suspension or termination of work, and nobody is an unemployed or jobless parent^[2].

INPS message No 1621 of 15 April 2020 sets out the specific conditions for compatibility of the leave with other institutions or terms, such as: suspension of work⁵⁶, maternity and paternity leave⁵⁷ also if there are further children⁵⁸, furlough⁵⁹. Furthermore, Covid-19 leave is also compatible with the take-up, either by the applicant or the other parent, of the specific Covid-19 allowances for autonomous or seasonal workers, collaborators, professionals or agricultural workers or for the shutdown of business activities as a result of the Covid-19 emergency. Similarly, the leave is compatible with the obligatory suspension of self-employment activities because of the pandemic.. The Covid-19 leave is moreover incompatible with the other parent engaging in smart working and with the leave of absence under Law No 104/92, being taken by the other parent also for the same child with a disability. The Covid-19 leave may also enjoyed on a split-day basis on the same conditions as ordinary parental leave, alternated with work or other compatible leave types

Covid-19 leave introduces new functionalities in comparison with ordinary parental leave.

- a) A higher allowance is paid to beneficiaries (cover increases from 30% to 50% of guaranteed minimum income (GMI) for parents of children up to the age of twelve, whereas no financial allowance is provided for children between 12 and 16 age
- For workers entered in the separate management register, allowance equal to 50% of 1/365 of income;
 - For autonomous workers registered with the INPS, allowance is 50% of the agreed daily wage laid down annually by law, depending on the type of self-employment carried out.

b) extension of the reference population:

⁵⁶ If one parent receives a wage subsidy for a reduction in hours worked and the reduction in hours worked by the said parent persists, the other parent is eligible for Covid-19 leave. A parent who is a dependent worker receiving a wage subsidy during the reduction or suspension of work may take Covid-19 leave instead of the social shock absorber. If the work relationship is terminated during the taking of Covid-19 leave, take-up is interrupted when the said relationship is terminated and any subsequent days will not be counted or compensated for.

⁵⁷ If one of the parents who is a dependent worker is eligible for maternity/paternity leave, the other parent cannot take Covid-19 leave for the same child. If there are children in the household other than the child for which maternity/paternity leave is taken, Covid-19 leave may be taken by the other parent for the care of the other children. If one of the parents who is entered in a separate management register or is an autonomous worker is receiving maternity/paternity benefits, the other parent may take Covid-19 leave if the parent taking up the maternity/paternity allowance is working during the period for which the allowance is payable. If there are further children in the household, the taking of Covid-19 leave by the other parent is compatible if it is for children other than the child for which the other parent is receiving maternity/paternity allowance under separate management or for autonomous work.

⁵⁸ The taking of Covid-19 leave is compatible with the simultaneous taking of the same days of holiday by the other parent belonging to the household.

⁵⁹ The taking of Covid-19 leave is compatible with the simultaneous taking of the same days unpaid leave by the other parent belonging to the household.

– parents who have already reached the individual and couple limits laid down in the specific legislation on parental leave can receive it, however⁶⁰.

Decree No 18/2020 made it possible for parents of children with a disability registered with schools at any level or early childhood services to benefit from Covid-19 leave for children over the limit of 12 years of age. This measure regards, as in the case of dependent workers, parents registered in "The Gestione Separata" and parents who are self-employment registered with INPS.

Because of the compatibility between Covid Leave and ordinary parental leave, it was possible to take ordinary parental leave for the same child on different days than enjoyment Covid-19 parental leave. However, if one parent takes Covid-19 Leave, it is not possible for the other parent in the same household to take ordinary parental leave for the same child simultaneously on the same days. Any periods of parental leave or prolongation of parental leave taken between 1 January and 31 December 2021 may be converted into Covid Leave without necessary cancellation.

'Extraordinary leave for quarantine of a child' introduced by Article 21bis of Decree-Law No 104/2020 as amended by Decree-Law No 137/2020 for the period from 9 September 2020 to 31 December 2020 falls within the scope of Covid Leave. This provision applied if a cohabiting child under the age of sixteen has been quarantined following verified contact at school (or while engaging in grassroots sports activities, physical activity or activity at establishments regularly frequented for the purpose of taking music and language classes) or in a period in which a child is affected by a measure suspending teaching in presence. Solely if the parent could not work flexibly, as an alternative to this measure, one of the parents of the child, as an alternative to the other, is entitled to extraordinary 50% paid leave for some or all of the period corresponding to the duration of the quarantine ordered by the locally competent Department of Prevention of the Local Health Unit (ASL) following verified contact at school (or while engaging in grassroots sports activities, physical activity or activity at establishments regularly frequented to take music and language classes, as specified in point 1 of INPS circular No 132 of 2020) or in cases in which the same cohabiting child aged less than 14 is affected by a measure suspending teaching in presence activities.

In the case of children aged between 14 and 16 years, the parents were entitled to be absent from work without remuneration or allowance or recognition of notional contribution, without being laid off and with the right to keep their job.

In March 2021, there were 310 142 applicants for Covid Leave in the private/autonomous sector, comprising 243 358 women and 66 748 men⁶¹. In 2020, there were 1 058 applicants for the prolongation of parental leave until a disabled child reaches the age of three and 227 106 applicants for the extension of Law No 104/92⁶² because of Covid.

⁶⁰ The leave is also extended to include the following persons:

- Parents registered for separate management who have already reached the individual and couple limits in the specific legislation on parental leave, i.e. six months for children less than three years of age;
- autonomous workers registered with INPS who have already reached the individual limit in the specific legislation on parental leave, i.e. three months for children less than one year of age;
- autonomous workers registered with INPS recognised as being entitled to parental leave.

⁶¹ Inps, 2021.

⁶² As provided for by Article 24 of Decree-Law No 18/20 and Article 73 of Decree-Law No. 34/2020.

2. Baby-sitting voucher and bonus

As an alternative to parental leave, it is possible to opt for the payment of a bonus for the acquisition of babysitting services, as provided in the case of ordinary parental leave.

The baby-sitting bonus, introduced by Decree-Law No 18/2020, was extended and reformulated by Article 72 of the subsequent Decree-Law No 34/2020, which makes it possible to receive one or more bonuses for baby-sitting services if teaching in presence is suspended for a minor for the duration of infection by Covid-19 or quarantine of the child ordered by the Department of Prevention of the territorially competent ASL. Solely for Covid-19 baby-sitting bonus, the possibility was confirmed of employing persons with whom the user maintained a current subordinate work or co-ordinated and continuous co-operation relationship or had terminated one less than six months previously. The other limits laid down for occasional working remain in place. The bonus is not valid to pay for services provided by relatives up to the third degree. Regarding the allowance measure for dependent workers registered for Separate Management and for autonomous workers, the baby-sitting bonus initially provided in Decree-Law No 18/2020 was for up to a maximum limit of EUR 600 in total to be used for services provided during the period. However, in the case of staff working in the security, defence and civil defence sectors and employed to meet needs linked to the epidemiological emergency, the bonus is granted up to a maximum limit of EUR 1 000 in total. Decree-Law No 34/2020 (Article 72) defined the doubling of the maximum limit payable from EUR 600/1 000 to EUR 1 200/2 000 depending on the category to which the workers belonged. As the emergency resulting from the pandemic developed, Article 14 of Decree-Law No 149/2020 introduced one or more bonuses for baby-sitting services payable, up to a maximum of EUR 1 000, limited to areas in Italy characterised by a situation of the greatest seriousness and a high level of risk identified by orders of the Ministry of Health based on Article 3 of the Prime Ministerial Decree of 3 November 2020.

As an alternative to the baby-sitting bonus, there is the bonus for registration for summer centres and complementary childhood services that can be granted in the absence of the situations described above, which is provided for in Decree-Law No 30 of 13 March 2021, as amended by Decree-Law No 61/2021. These bonuses, up to a maximum of EUR 1 000 per household per week, are granted to parents of cohabiting children under fourteen age or of children certified as having a severe disability⁶³, regardless of child age⁶⁴. The recipients include parents belonging to the following categories:

- exclusively entered in the INPS separate management register
 - autonomous workers registered with INPS;
 - self-employment registered with the respective social insurance funds;
 - staff belonging to the security, defence and civil defence sector;
 - Dependent workers in the public and accredited private health sector.
-
- The worker does not access the bonus for days on which the other parent:is engaging in smart working;
 - is absent from work on extraordinary Covid-19 leave.
 - is not working at all or is s off on the job.

⁶³ Under Article 3(3) of Law No 104/1992.

⁶⁴ INPS Circular No 58 of 14 April 2021

The persons entitled to the bonus include "parasubordinate" workers, members of the liberal professions and persons registered under special management for craftsmen, traders and farmers on condition that they are not registered for other forms of obligatory social security, such as pensioners or employees because referring exclusively to persons registered for separate management and autonomous workers. The bonuses are granted by the Family Book referred to in Article 54-bis of Decree-Law No 50 of 24 April 2017 as amended by Law No 96/2017⁶⁵. It is a prefinanced registered book of payment orders with a specific nominal value specifically created to pay for occasional services.

In March 2021, the baby-sitting bonuses in the private/autonomous sector numbered 621 654, 435 785 of which were granted to women and 185 869 to men. Out of the 99 657 bonuses granted in the public sector, 60 685 to women and 38 972 to men. As in the case of Covid Leave and the baby-sitting bonus, the applicants are above all women (78% on leave, 70% bonus in the private/autonomous and 61% in the public sector), showing the feminisation of the care function.

Table 3.4 – Data concerning use of Covid-19 leave and the baby-sitting bonus

Gender Citizenship Age range	Covid Leave private/autonomous sector	Baby-sitting bonus private/autonomous sector	Baby-sitting bonus public sector
Women	243 358	435 785	60 685
Men	66 784	185 869	38 972
EU	297 067	603 067	96 880
Non-EU	13 075	18 587	2 777
Up to 24 years	1 311	1 572	66
25 to 34 years	62 538	92 233	11 405
35 to 44 years	177 787	362 166	55 593
45 years and above	68 506	165 683	32 593
Total	310 142	621 654	99 657

Data processing: March 2021 This table shows numbers of persons who have made an application that has not been refused, cancelled or given up. Changes owing to administrative reviews are possible.

Source: Inps, 2021b.

Over time, the emergency measure has become repeatable based on the funds available. The development of the pandemic, showing the usefulness of the flexible 'bonus' instrument, has made it possible to also perfect, through regulation, the definition of the population of recipients, the reasons and the payment arrangements.

The benefits regulated by Article 2 of Decree-Law No 30/2021 (2021 leave and bonus for the acquisition of baby-sitting services) are approved up to a limit of EUR 282.8 million for 2021.

⁶⁵ To use the bonus, the parent beneficiary (user) and the service provider must first of all register themselves on the occasional services platform accessible at www.inps.it. The user must take ownership of the bonus and record the bonuses for services effectively provided under the arrangements set out in Circular No 44/2020 and Message No 2350/2020. Unlike the baby-sitting bonus, the summer centre bonuses are paid directly to the applicant.

3. Right to smart working

For the period from 9 September 2020 to 31 December 2020, parents who are dependent workers in the public or private sectors are granted the right to smart working for some or all of the period corresponding to the period of quarantine of a child if a cohabiting child under the age of sixteen has been quarantined following verified contact at school (or while engaging in grassroots sports activities, physical activity or activity at establishments regularly frequented to take music and language classes), or to a period in which a cohabiting child under the age of sixteen is affected by a measure suspending teaching in presence.

Solely if the work cannot be carried out by smart working and as an alternative to this measure, one of the parents of a child aged less than fourteen years, as an alternative to the other parent, was entitled to Covid-19 leave.

For the public sector, the Prime Ministerial Decree of 2 March 2021 concerning measures valid up to 6 April 2021 provided that, throughout Italy, the public authorities would guarantee the right to smart working to vulnerable workers and parents of children up to the age of 16 years in quarantine, including through assignment to different duties.

. A public or private employee and the parent of a cohabiting child of 16 age or having a severe disability, regardless of the age of the child, as an alternative to the other parent, is granted the possibility to engage in smart working for some or all of the period corresponding to the duration of suspension of a teaching or educational activities in presence, of infection by Covid-19 or of quarantine of the child ordered by the territorially competent ASL following contact anywhere, up to 30 June 2021. Up to 30 June 2021, the right to smart working is granted cumulatively to both parents regardless of age in the case of disabled children, with specific learning disorders (SLD) or special educational needs (SEN) in distance learning, in quarantine or infected by Covid or in the case of closure of daycare centres.

Up to 30 June 2021, in the case of children between 14 and 16 age, and if it is not possible to engage in smart working or take extraordinary leave, one of the parents, as an alternative to the other, is entitled to be absent from work without the payment of remuneration or allowance or recognition of notional contribution, without being laid off and with the right to keep their job.

Chapter 4. Future prospects

As an accompaniment to the resumption of activity in an epidemiological phase that is as yet uncertain, it is necessary to create the basis for reinforcing the social protection system in such a way as to provide it with instruments capable of facing the challenges imposed by the current dynamics.

4.1 In this light, the first of the emergencies to be faced is **to reform the social shock absorbers**, moving towards the universalisation and simplification of measures. The reform being prepared by Italy is intended to define a system of shock absorbers that is more equitable, sustainable and capable of facing the changes and instability of the labour market, supporting employment transitions and softening the impact of crises.

– It is first of all necessary to **simplify the disbursement procedures** for more rapid access to support when the employer is unable to anticipate the benefit, also by using the possibilities offered by the new technologies.

– Regarding the extension of protection, it seems necessary, regardless of the sector of operation and size of the enterprise, for there to be **adequate cover making it possible to overcome brief crises without the risk of job losses**. For this reason in particular, the reform aims to guarantee all workers dedicated ordinary and extraordinary wage subsidies, distinguishing the duration and extent of the income support measures in a relationship. This will make it possible to create a protection system that is universal but able to capture the structural elasticity of the dynamics of the production sectors, in so doing making it possible to adjust the wage subsidies in line with the characteristics of the sector and the sizes of companies.

– Another essential factor characterising the reform of the social shock absorbers will be its close **connection to active labour policies**. The pandemic has accelerated processes of structural change already under way, causing misalignments between the demand for and the supply of labour. The instruments put in place in recent years have not always worked and the considerable resources placed at the disposal of the employment centres, especially in terms of expanding and upgrading staff, have not yet been fully put to use. Now is the time to make the change effective, innovating the instruments, improving the measures, reinforcing the territorial dimension and providing support in situations of the greatest difficulty. Active labour policies are understood broadly, including vocational training policies: need to obtain perfected instruments that capture the dynamics of the labour market on time and are able to reorient the training provision on the basis of the needs, giving great care to the various starting points: addressing, for example, basic skills for workers more distant from the labour market and, on the other hand, providing more advanced training for the more highly skilled workers, who might nevertheless find themselves in a situation of transition in the coming months, making relocation support necessary.

4.2 In more general terms, experience over recent years has clearly revealed **a number of general characteristics or problems common to many welfare systems** that need to be addressed, including at a European level. The goal should be to secure forms of protection that are extensive and universal on the one hand, but also meet the needs of people in a world of work in continuous development: with regard to such changes, the system of social protection must be able to perform its own role, adapting but not moving backwards and valorising its proper function as a key element of welfare and of the overall productivity of the economic system.

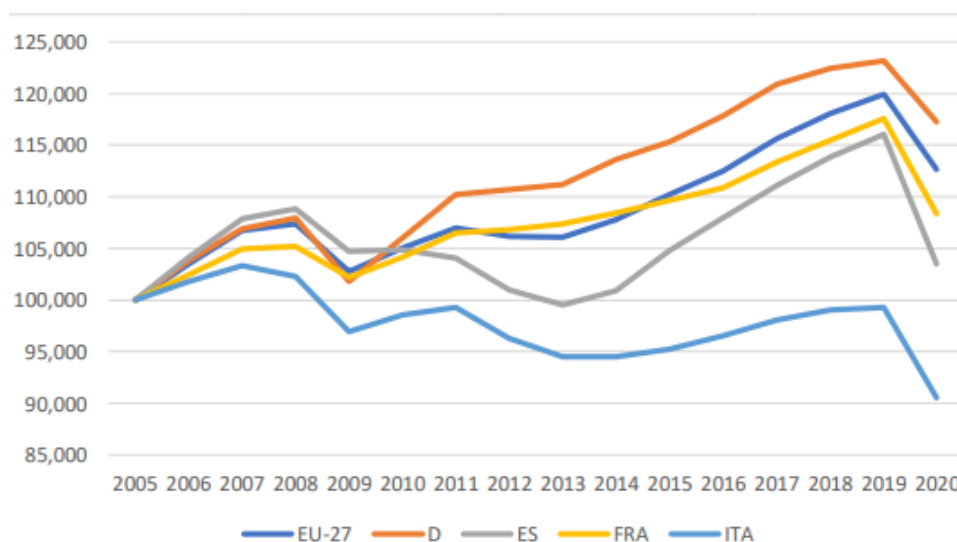
– An initial criticism of a general nature is linked to the fact **that the social protection systems cannot be considered independently of general economic performance**. Without satisfactory economic performance, it is not possible to assume a strong social protection system indefinitely.

While this is generally true regardless of the specific public/private mix chosen, in particular, in welfare systems such as the Italian one, this link is expressed in at least two distinct aspects.

Firstly economic performance has a significant impact on revenue and expenditure. On revenue, because a low economic dynamic limits both contribution income and tax revenues. On expenditure, because in a situation where expenditure items tend to be downwardly rigid in nominal terms, as pension expenditure typically is, poor economic performance affects the increase in expenditure for all forms of social shock absorber and all assistance-based income support benefits.

Secondly, in international comparison, expenditure on welfare is generally examined mainly by referring to GDP ratios. However, when the change in the indicator is wholly determined by the denominator (the change in GDP), as frequently witnessed in the past decade and once again in 2020 and 2021, it is the problem of growth or economic development that comes to the fore, rather than problems associated with the social protection system. For example, a 10% fall in the denominator with expenditure remaining the same produces a 10% increase in the expenditure/GDP ratio. In this regard, chart 4.1 shows Italian economic performance over the past quarter of a century in relation to the performance of the EU and of Germany, France and Spain. Taking 2005 as 100 and regardless of the crisis starting in 2020 because of the pandemic, there is clearly a substantial deterioration in the situation in Italy linked to the two crises of 2008-2009 and 2012-2013 in comparison with the other countries.

Table 4.1 – EU – Performance of GDP, 2005-2020, indices, 2005=100



Source: Eurostat, National Accounts, chain linked volumes.

2) A second general criticism is linked to contribution or non-contribution funding of social protection benefits While the contribution is naturally associated by workers with the activation of the associated forms of social protection, the question that certainly arises is whether it is conceivable, in view of the labour market developments of recent decades, to construct benefits that are purely insurance-based, in which not only the right to, but also the amount of the benefit, is strictly linked to the contributions paid. In particular, with reference to autonomous workers, the new types of atypical work and youth employment, the problem regarding the actual possibility of imposing contribution rates sufficient to adequately cover pension and income protection, when remuneration is already rather low, has repeatedly recurred. The temporary fiscalisation of the associated social security costs has actually been repeatedly requested and conceded by the Legislature, while in sectors such as health and income protection it has finally been decided to formally change to universal protections funded by general taxation. Also in this regard, the mix of

contribution and tax funding of social protection benefits and the development of the labour market calls for discussion of the most effective forms of protection and adaptation of the welfare systems of EU Member States, not reducing, but actually reinforcing protection.

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