Italy¹

Tindara Addabbo (University of Modena and Reggio Emilia), Valentina Cardinali (INAPP – National Institute for Public Policy analysis), Dino Giovannini (University of Modena and Reggio Emilia) and Sara Mazzucchelli (Catholic University of Milan)

April 2022

For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>cross-country tables</u> at the front of the review (also available individually on the Leave Network website). To contact authors of country notes, see the <u>members page</u> on the Leave Network website.

1. Current Leave and other employment-related policies to support parents

a. Maternity leave (*Congedo di Maternità*) (responsibility of the Ministry of Labour and Social Policies and, for public employees, Ministry of Economy and Finance)

Length of Leave (before and after birth)

Length of Leave (before and after birth)

• Five months: at least four weeks can be taken before the birth. However, the pregnant woman also has a choice to work up to childbirth, as long as a specialist doctor certifies that this option does not damage the health of the pregnant woman and the child. Those who choose this option are able to benefit from the five months of mandatory Maternity leave after the birth of the child. It is obligatory to take this leave. Absence from work can take place two months before the childbirth if pregnancy is certified as 'at risk,' or if the Territorial Department of Labour certifies that the job is incompatible with pregnancy.

¹ Please cite as: Addabbo, T., Cardinali, V., Giovannini, D. and Mazzucchelli, S. (2022) 'Italy country note', in Koslowski, A., Blum, S., Dobrotić, I., Kaufmann, G. and Moss, P. (eds.) *International Review of Leave Policies and Research 2022.* Available at: https://www.leavenetwork.org/annual-review-reports/

Payment and funding

- 80 per cent of previous earnings with no upper limit for salaried workers. For home helps, self-employed workers, and agricultural temporary labourers, earnings are 80 per cent of conventional earnings determined each year by the law. For non-fixed term workers, Maternity leave depends on accredited contributions, though each professional sector has the potential to determine, with approval by the Ministry of Labour, Health and Social Policies, a higher limit, taking into account income and contribution potential of the professional sector and compatibility with financial availability of the professional fund.
- Payments are taxed.
- Funded by the INPS (National Institute for Social Security), financed by contributions from employers and employees at a rate that is related to the sector and to the type of employment contract (for example, in manufacturing it is 0.46 per cent of earnings for employers and 0.28 per cent for employees). Workers on Maternity leave may be paid directly by INPS or by their employer, who is recompensed by the INPS. These contributions maintain pension rights.
- Pension contributions for women taking Leave are made by the INPS.
 Maternity leave periods outside an employment relationship are counted as social security contributions for retirement pensions, provided that the claimant has at least five years of employment and has paid social security contribution at the time of her application.

Flexibility

• For employees and workers enrolled in the Separate Social Security Fund 'Gestione separata',² the 20-week period is compulsory, but there are two options for taking this Leave: four weeks before the birth and 16 weeks after (upon presentation of a medical certificate); or eight weeks before the birth and 12 weeks after. The allowance is accorded to autonomous female workers from eight weeks before the birth to 12 weeks after. Maternity leave, however, is not compulsory for this category. The Jobs Act provides that, in the case of premature birth, which takes place before month seven of the pregnancy, the amount of Leave not used before birth is added to post-natal Leave.

Eligibility (e.g. related to employment or family circumstances)

• All employees and self-employed women with social security membership, including workers enrolled in *Gestione separata*.

_

² By Law 335/1995, workers must contribute to a separate Italian National Institute of Social Security (INPS) fund for co-workers in order to obtain the right to a pension. They work on the basis of 'contracts of continuous and co-ordinated collaboration' or under contract for a project 'co.pro.,' that lay between employed and self-employed individuals' contracts.

Variation in Leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent) or delegation of Leave to person other than the mother

- In the case of multiple or premature births, the length of leave increases by 12 weeks.
- In the case of a premature birth, the mother may take unused pre-natal Leave after the birth; and if the infant is hospitalised, the mother has the right to suspend her Maternity leave, taking up the Leave again once the child is discharged.
- The mother can transfer one day of Maternity leave to the father, or a longer period if certain conditions prevent the mother from using the Leave.

Additional note (e.g. if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

- Public sector employees receive 100 per cent of earnings.
- In general, national collective agreements guarantee 100 per cent of earnings, with employers paying the additional 20 per cent.

b. Paternity leave (congedo di paternità) (Ministry of Labour, Health and Social Policies)

Length of Leave

- Ten days, which are obligatory. Since 2022 Paternity leave has become permanent; that is, annual renewal of the measure is no longer necessary as previously. The father of the child thus acquires a definitive right to be absent from work for ten days.
- A further one day of optional Leave is available if the mother transfers part of her Maternity leave.

Payment and funding

• 100 per cent of earnings with no upper limit.

Flexibility

- Leave can be used until five months after childbirth.
- Leave can be taken as separate days.

Eligibility

- All employees.
- Same-sex couples are not eligible.

Additional note (e.g. if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

• Employed fathers, including those who are self-employed and enrolled in *Gestione separata*, may take three months' paid Leave after the birth in the following circumstances: the mother's death or severe illness; the child being left by the mother; or the child being in the sole care of the father. An important verdict by the Tribunal of Florence extends the possibility of obtaining Paternity leave, paid at 80 per cent of earnings, to two months before childbirth. This means that the father can take the whole period of Maternity leave in certain circumstances, i.e. if the mother is a housewife, ill or, alternatively, if she is a self-employed worker who cannot take the Leave. The Tribunal is a civil court and its decision acts as an important precedent for other Tribunals, but is not automatically binding. Conditions are the same as for Maternity leave.

c. Parental leave (*Congedo Parentale*) (responsibility of the Ministry of Labour, Health and Social Policies and, for public employees, the Ministry of Economy and Finance)

Length of Leave (before and after child's birth)

- Six months per parent. Leave is an individual entitlement and is non-transferable.
- The maximum total length of leave per family is ten months, unless the father takes at least three months of Leave; in which case, the total length of leave can be extended to 11 months, and the father can extend his leave to seven months. During this period, parents receive pension credits, so that they do not suffer a reduced pension because of taking Leave.

Payment and funding

- 30 per cent of earnings when leave is taken for a child under six years of age; the Leave is unpaid if taken when a child is six to twelve years of age.
- Pension contributions for parents taking Leave are made by the INPS.
- Funded in the same way as Maternity leave.
- Parental leave benefit is not exempt from taxation, and it is taxed in the same way as personal income.

Flexibility in use

- Leave can be taken at any time until a child is 12 years old.
- Leave can be taken as a single leave period up to a maximum of six months; or as shorter periods amounting to a maximum of six months.
- Leave can be taken on an hourly basis, up to half of the daily hours worked during the month immediately preceding the start of Parental Leave; but this 'hourly-based leave' cannot be combined with another kind of permitted absence from work on the same day.
- Parents can take leave at the same time.

Eligibility (e.g. related to employment or family circumstances)

- All employed parents, except domestic workers and home helps. Selfemployed workers are generally entitled to three months, which can be taken only during the first year after child's birth.
- The father is entitled to leave even if the mother is not employed, for example, if she is a housewife. Circular letter B/12-5-2009 from the Department of Labour, Health, and Social Policies extends the right to fathers to make use of the Leave indicated in the act if the mother is a housewife³; previously this right was limited to fathers where the mother was self-employed. This change gives equal financial value to domestic work as labour outside of the home.
- Parental Leave of three months, to be taken within the first year of the child's life, is available to workers enrolled with *Gestione separata* by the INPS.
- Same-sex couples are eligible.
- Unemployed women are eligible to the maternity allowance granted by the National Social Security Institution for five months in place of the unemployment benefit.

Variation in Leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of Leave to person other than the parents

- As the Leave is per child, each parent is entitled to additional Leave in the case of a multiple birth (e.g. the length is doubled for twins, and tripled for triplets).
- A single parent may take ten months of Leave.

Additional note (e.g. if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

Public sector employees receive 100 per cent of earnings during the first 30 days of Leave.

d. Childcare leave or career breaks

No statutory entitlement.

e. Other employment-related measures

Adoption leave and pay

 For adoptive and foster parents, the same regulations for Maternity, Paternity and Parental Leave apply as for other parents. The period of Maternity leave does not depend on the age of the child adopted and must start within five months of them entering the family; in the case of international adoption, the Leave can also be taken for overseas visits in

³ Art. 40c, Act of Law n. 151/2001: right to work reduced hours with full earnings compensation for the first 12 months after childbirth.

connection with adoption. Paternity leave can be taken within five months of a child's entry into the family or into Italy, in the case of national or international adoption. The Parental Leave for adoptive and foster parents can be taken within eight years of the child entering the family but not after their eighteenth birthday; payment, generally, is 100 per cent of earnings for the first 30 days and 30 per cent of earning for the subsequent five months, if taken within three years of the entry of the child into the family.

Time off for the care of dependents

- No limit for a child under three years of age; five days per year per parent for a child aged three to eight years. This Leave is unpaid.
- Employees are entitled to two years' Leave over the course of their entire
 working life in the case of a serious need in their family: for example, the
 disability of a child or other relative, even if not co-resident. The order of
 priority for taking Leave is: spouse, parents, children, then siblings of the
 person who needs care. During the period of Leave, the applicant is entitled
 to receive an allowance of 100 per cent of their previous earnings, up to a
 ceiling of €47,351 per year.

Flexible working

- Until a child is 12 months old, female employees are entitled to work reduced hours for breastfeeding, with full earnings compensation (one hour less per day if working six hours per day or less; two hours less per day if working longer than six hours). Fathers are entitled to use this benefit in certain conditions, for example: if the mother is self-employed or a freelancer; if the mother opts not to use it; if the mother is not employed; or if the father has sole custody of the child. Home helps, domestic workers, and autonomous workers are not entitled to reduced hours, but in this case too the father can work reduced hours.
- Employees of any gender who have parental responsibility for a child under six years of age or a disabled child under 18 years of age have a legal right to apply to their employers to work flexibly (e.g. to reduce their working hours). Employers have a legal duty to consider these requests and may refuse them only 'where there is a clear business ground for doing so [... and must give] a written explanation explaining why.'

Leave for female victims of gender based violence

 Victims of gender-based violence (as certified by municipal social services or anti-violence centres) employed in the public or private sectors, and who have care responsibilities, may request Leave from work for three months, with a right to full pay. For the same period, they are also entitled to switch from full-time to part-time employment.

2. Relationship between leave policy and early childhood education and care policy

The maximum period of post-natal leave is 15 to 16 months (depending on bonus months if the father takes Parental Leave); however, there is only five months of well-paid leave entitlement. There is no entitlement to ECEC, though nearly all children attend ECEC from three years of age.

For ECEC attendance levels, see 'relationship between leave and ECEC entitlements' on cross-country comparisons page.

Despite being recognised as a social right for children and working mothers by Law 1044/1971, provision of ECEC for children under three years of age is much lower and very variable between different regions.

The National Recovery and Resilience Plan (NRRP) includes a specific line (Mission 4) on investing in ECEC infrastructure that is bound to increase ECEC availability in Italy.

3.Changes in policy since April 2021 (including proposals currently under discussion)

Paternity leave

The Budget Law for the year 2022 confirmed Paternity leave. Therefore, as of 2021, the leave is no longer experimental, and employed fathers can take it in the event of the birth, adoption, fostering or temporary placement of children, but also in the event of the perinatal death of the child. Employed fathers, including adoptive, foster or placement fathers, are eligible for leave no later than five months after the birth or entry into the family or into Italy in the case of national or international adoption, or fostering.

Compulsory Paternity leave is taken by the father before the fifth month of the child's life (or from the child's entry into the family/Italy in the case of national/international adoptions or from fostering or temporary placement) and therefore during the employed mother's Maternity leave or afterwards within the time limit mentioned above. This leave is an autonomous right and is therefore additional to the mother's right; that is, it can be exercised regardless of the mother's right to her own Maternity leave. Compulsory leave is also granted to fathers taking Paternity leave pursuant to Article 28, Legislative Decree No. 151 of 26 March 2001. Employed fathers are entitled to ten days of compulsory leave, which may also be taken on a non-continuous basis, for childbirth, adoption or fostering events occurring after 1 January 2021.

Universal allowance fund and family services

The 2020 budget law established the 'Universal allowance fund and family services', in which, from 2021, the resources dedicated to the birth allowance (so-called baby bonus) and the nursery bonus will be transferred. The additional resources of the Fund will be directed to the reorganisation and systematisation of policies supporting families with children.

Starting from 1 July 2021 and until 31 December 2021, a temporary allowance ('bridge allowance') for families with minor children who are not entitled to the current allowances has been established by the Italian Government 22nd Council of Ministries held on 4 June 2021. The 'bridging allowance' is dedicated only to families who do not meet the requirements to access family allowances already in force. The latter will continue to be paid to the families of employees and the like. A new 'bridge allowance' will guarantee support for families of self-employed, unemployed or citizenship income earners who are currently excluded from family allowances. To access the 'bridge allowance', the applicant's family unit must have an ISEE of less than €50,000 per year. In addition, the applicant must comply with one of the following requirements:

- be an Italian citizen or of a member state of the European Union, or a family member with the right of residence;
- be a citizen of a state not belonging to the European Union, in possession of an EU residence permit for long-term residents or a residence permit for work or research purposes for at least six months;
- be subject to the payment of income tax in Italy;
- be domiciled or resident in Italy and have dependent children up to the age of eighteen;
- be resident in Italy for at least two years, even if not continuous, or be the holder of an open-ended or fixed-term employment contract of at least six months

The allowance is paid for each minor child based on the number of children and the economic situation of the family certified by the ISEE; in particular, the amount decreases as the ISEE level increases. If there are more than two children in the household, the unit amount for each minor child is increased by 30 per cent, and for each minor child with disabilities the amounts are additionally increased by €50. The average benefit referable to the period from 1 July 2021 to 31 December 2021 is equal to €1,056 per household and €674 per child.

The single family allowance, officially came into force in January 2022. It is an financial benefit allocated, on a monthly basis, for the period between March of each year and February of the following year, and is determined by INPS based on the economic condition of the household through the indicator of the equivalent economic situation (ISEE). The single-family allowance grants a maximum of 175 euro per month for each minor child (and \in 85 for those between 18 and 21 years old) for ISEE below \in 15,000. The allowance is progressively reduced by 50 cents for every additional \in 100 declared in the ISEE between 15 and 40 thousand Euros, and reaches a minimum of \in 50 (\in 25 for children between 18 and 21 years old) for ISEE from 40 thousand Euros upwards or not reported. The amounts for each child are increased in the case of large families (for three and more children),

mothers under 21 years of age, families with four or more children, if both parents are earning income, and children with disabilities.

Incentive for working mothers

The 2022 Budget Law, has provided for a year, on an experimental basis, a 50 per cent cut in the social security contributions for working mothers in the private sector to be paid upon their return from Maternity leave to the workplace. It is a measure that provides direct payroll support to female workers as it translates into a halving of the 9.19 per cent tax rate of the taxable gross salary payable by them (in some sectors and cases the rate rises up to 9.5 per cent and with that also the tax credit). The measure does not bring disadvantages for the employer, as the employer's tax rate remains unchanged, but the situation changes on the mother's paycheck.

4. Take-up of Leave

a. Maternity leave

Maternity leave is obligatory for employees. The most recent data (INPS, 2021) for the private sector shows that in 2020 there were 271,109 beneficiaries, of whom 21,728 were fixed-term employees and 249,381 permanent workers⁴.

b. Paternity leave

In 2020 in the private sector, 135,097 fathers took compulsory Paternity leave (INPS)⁵. a 25 per cent increase since 2017. Optional leave beneficiaries increased from 868 in 2017 to 3,714 in 2019. However, the majority of fathers do not take advantage of this leave. Monitoring, as well as more information about the right to take Paternity leave, is needed in order to increase the number of fathers taking the compulsory leave. The most recent partial data for 2021 indicate a growth in the use of Paternity leave (155,458 on mandatory leave and 2,782 on optional leave)⁶.

c. Parental Leave

The most recent data (INPS, 2021) for the private sector, including agriculture, show that there were 422,043 Parental leave beneficiaries (93,986 males and 328,057 females).

⁴ INPS (2021) L'innovazione dell'INPS per il rilancio del paese. XX Rapporto Annuale, https://www.inps.it/docallegatiNP/Mig/Dati_analisi_bilanci/Rapporti_annuali/XX_Rapport o_annuale/XX_Rapporto_annuale.pdf

⁵ Preliminary data computed in May 2021 (INPS, 2021, referred to above) ⁶https://servizi2.inps.it/servizi/ComunicatiStampa/DownloadCS.aspx?ID_COMUNICATO= 3065f

Regarding self-employed workers, there were 15,053 Parental leave beneficiaries in 2020. Fathers are still a minority amongst parents beneficiaries of the leaves $(22 \text{ per cent in } 2020)^7$.

Of the 422,043 beneficiaries, 274,222 took at least one day of COVID-19 leave, the special leave activated in the pandemic context, which expanded the ordinary requirements for taking Parental leave and raised the daily benefit from 30 to 50 per cent.

-

⁷ INPS (2021) L'innovazione dell'INPS per il rilancio del paese. XX Rapporto Annuale, https://www.inps.it/docallegatiNP/Mig/Dati_analisi_bilanci/Rapporti_annuali/XX_Rapporto_annuale.pdf