

Conference "Towards comprehensive social protection for families in Europe"

Round table Recent developments and good practices to improve family support policies in the Member States of the EU"

Issues and new practices in family support policies in Italy

Angelo Marano

*General Director for Pension and Insurance Policies
Ministry of Labour and Social Policies – Italy*

Madrid September 27th, 2023

- ▶ 1) Supporting parenting and caring
 - Obligatory maternity leave
 - Parental leave
 - Recognition of periods of care
- ▶ 2) Supporting families with children. The new “Assegno unico”
 - 2.1) Characteristics
 - 2.2) Financing the Assegno unico
- ▶ 3) 2 other issues
 - 3.1) Monetary transfers vs services and cost of services
 - 3.2) Survivors’ pension

1) Supporting parenting and caring

▶ 1.a) obligatory maternity leave

- Paid leave for maternity has been progressively extended over the years, in a broadly uniform manner among all categories of workers.
 - 5 months (2 months before, 3 months after, flexible)
 - extension to fathers (10 days), just for the employees

▶ 1.b) other parental leaves

- still marks the greatest distinction in benefits depending on the type of work relationship held by the mother and father worker
- In 2022 strengthened for self-employed and professionals

- ▶ 1.c) Recognition of maternity and time spent in care for family members
 - In the new pension system, depending on the number of children, women are entitled to early retirement (4 month for each child) on higher pension.
 - Giving birth also allows for earlier retirement for those that currently access a special early retirement regime.
 - Current caring activities are increasingly being recognized in order to anticipate retirement
 - Caring activities are increasingly being assimilated to formal work (with the caring person having right to be recognized social contribution or having the possibility to pay social contributions for these periods).

2) Supporting families with children. The new “Assegno unico”

- ▶ “Assegno unico” is a new monetary transfer for families introduced in 2022
- ▶ 2.1) Characteristics
 - It is universal, based on resident status
 - It replaces and extends previous allowances for employees
 - Non contributory, although employees continue paying their social contributions
 - Means tested only in its amount
 - 54,1 euro per month per child for means test (ISEE) above 43.240 euro per year
 - 189,2 euro per month per child for means test (ISEE) below 16.215 euro per year
 - decalage in between
 - Till 18 or 21 years of age (if in education)
 - No age limit for people with disabilities
 - Tends to be recognized automatically, to foster pick up rate

- ▶ 2.2) Financing the Assegno unico
 - Budget of 18 billions per year (big increase)
 - A trend is confirmed towards shifting part of the welfare financing towards general taxation rather than social contribution, which allows to switch to an universalistic approach, rather than a categorical one.
 - Which, however, points to the fiscal base and the incidence of taxes among different groups as a crucial issue for the financing of the welfare.
 - Furthermore, due to budget problems, contribution to the old system for employees has been maintained, although the old system now applies only for the dependent spouse, not for children.
 - On the other side, the greatest beneficiaries of the new measure are professionals and the self-employed, to whom benefits are extended without corresponding contribution.

3) 2 other issues

- ▶ 3.1) Monetary transfers vs services and cost of services
 - Cash transfers have a stronger immediate impact but may be less effective than provision of services (like home care) or reduction in the price of services (like free public transportation or text books for students).
- ▶ 3.2) Survivors' pension
 - Make sure it applies to all dependents
 - Pension rights build in more than 40 years...
 - How was Italy (and Spain) 40 years ago?
 - Can we just say that survivors' pensions are non needed anymore, as we point to gender equality in access to work and wages, and in some countries we already are close to it?