

A child is seen from behind, holding a large, glowing paper lantern. The lantern is lit from within, casting a warm orange light. The child's silhouette is dark against the bright, colorful sky of a sunset or sunrise. Another smaller lantern is visible in the background to the right.

# THE PROPOSALS OF WORK AGENCIES FOR ITALY'S RESTART

#ValuableWork



**ASSOLAVORO**  
Associazione Nazionale delle Agenzie per il Lavoro



---

# INDEX

---

|   |    |
|---|----|
| Premise   | 1  |
| Proposal 1 - Flexicurity                          | 4  |
| Proposal 2 - Training Promoting Access Work       | 6  |
| Proposal 3 - An Open Badge for transitions        | 8  |
| Proposal 4 - Benefits for Business Reorganization | 12 |
| Proposal 5 - Safety at work                       | 15 |
| Proposal 6 - Making PA more Flexible and Digital  | 17 |
| Proposal 7 - Digital Literacy                     | 19 |
| Proposal 8 - A Plan against Undeclared Work       | 21 |



## Premise

The seriousness of the impact of COVID-19 is there for all to see, as are the many recommendations and propositions suggested for a 'safe' restart of the economy and work.

As for this proposal, it has been put forward by Work Agencies and aims neither to be a mere formal contribution nor to provide the 'perfect formula'. The ambitious goal of this proposal is to share the wealth of expertise developed by Italy's employment agency industry in more than two decades, paving the way for those measures which are deemed necessary or advisable.

This has been an unprecedented crisis, with effects on the economy which are still unknown, as they are mostly linked to the duration of the pandemic. This state of affairs calls for considerable forward-planning, which should reflect current reality. We must start again, fully aware of the many constraints and issues that – even prior to the crisis – affected work and production. In this sense, a new and sustainable future should be built through a fresh 'way of thinking'.

Specifically, together with institutions, social bodies and employers – we must be able to cushion as much as possible the social costs resulting from the unavoidable and progressive erosion of old sectors, concurrently supporting the rapid rise of new ones.

We will have to support businesses' value creation and people's earnings capacity, ensuring the latter decent jobs and a network of employment services that is finally able to provide full assistance in relation to training and occupational transitions.

As a country, we are called on to attend to a significant number of people, supporting them in a major process, which entails re-training and skills updating (*i.e.* up-skilling and re-skilling).

Besides filling the digital divide, which in this crisis has reared its ugly head, this process is also intended to meet and anticipate the demand for new occupations.



# PREMISE

A macroeconomic framework marked by shrinking public resources, along with the inability to implement targeted support policies in the long term (so-called helicopter money), call for a thorough review of the relationship between institutions – operating at local, national, and European level – and civil society, through a perspective which considers modern forms of subsidiarity. In the labour market context, this offers an unprecedented opportunity to reconsider the public-private relationship and to review the current system of rules. This move would help to overcome merely ideological contrapositions, and to escape the ephemeral but comforting illusion that laying down rules might be sufficient to fill clearly structural divides.

Increasing in-work poverty and inequalities in Italy – which also include long-standing gender gaps; the lack of quality jobs; the massive

and unacceptable presence of undeclared work; inadequate forms of welfare which further exacerbate the divide between protected and unprotected individuals; high rates of illegal work; stifling bureaucracy. These are old phenomena, which now risk exacerbating and call for a new, inclusive and solid 'Alliance' to build a socially and economically sustainable labour market.

Reality is stubborn, as someone used to say, and the challenge we face is unprecedented. However, it is precisely this the *raison d'être* leading to this proposal.



# PREMISE



### The impact of the COVID-19 Emergency in Italy

- Employment contraction 2020: -2.1% ("Documento di Economia e Finanza" - DEF).
- Average unemployment rate 2020: 11.6% (DEF).
- Reduction of employed workers in the labour market: **-500 thousand** (in addition to approximately 2.5 million reported unemployed workers in 2019, and approximately 2.8 million potential ones) (DEF).
- **Employment reduction in terms of full-time equivalent working units: -6.5%** (DEF).
- **Reduction of employment expressed in hours worked: -6.3%** (DEF).
- Unemployment rate from 10% to 11.8% (European Commission).

### Sectors at risk: a European analysis

At European level, the estimated impact of the emergency is more serious if one jointly considers the **hospitality, catering and coffee sectors, as well as the wholesale and retail, construction and manufacturing sectors**. In these industries, the unemployment risk ranges from 75% in the catering and hospitality sector, to 45% in commerce, up to just over 20% in manufacturing. The incidence of the jobs which are likely to be lost is also high in the performing arts and entertainment sector, with 50% of jobs which face this risk, as well as among those employed in other sectors (including family-related services) where a third of the total number of employees are at risk of being laid off/having their working hours reduced. (Source: Global Institute McKinsey).



## 59 MILLION

WORKERS AT RISK IN EUROPE.

(SOURCE: GLOBAL INSTITUTE MCKINSEY)

## -9,5%

REAL GDP 2020 IN ITALY (SOURCE:  
EUROPEAN AND ECONOMIC FORECAST)



# PREMISE



**Proposal 1 - Work and flexibility: safeguarding employment, promoting contracts – including fixed-term ones – with higher protection for the worker.**

When the most serious phase of the emergency ends, employers will take a more cautious approach, which presumably will translate into a massive use of temporary contracts, while waiting for demand to consolidate and become less volatile.

Against this backdrop, there is an actual risk that unstable employment will increase. For economic reasons, the possibility might also arise that the recovery phase will bring about the rise of illegal forms of employment, which provide workers with less protection.

For this reason, the debate on flexibility and on temporary work arrangements must quickly move on from an ideological – and therefore simplistic – approach to a more practical perspective, which considers real data analysis.

Among the flexible working schemes available, priority should be given to

those ensuring decent remuneration - in compliance with legal and contractual provisions – and safeguarding those rights characterizing salaried employment. This also applies to agency work and to fixed-term employment contracts concluded directly with the employer.

Therefore, it is necessary to eliminate the legislative limitations applying to the use of these contractual schemes, among which are the need to specify the reason for concluding these contracts and the additional costs to be borne in case of extension. This move would also avoid losing the wealth of specific skills developed when performing activities in a given context because of turnover, which in turn increases the likelihood that many people take up less protected employment.

Concurrently, an additional effort must be made to prevent the further proliferation of undeclared work, including bogus self-employment and spurious cooperatives, which are only set up with the purpose of paying workers up to 20% less.

# PROPOSAL 1 FLEXICURITY



Accordingly, two recommendations can be put forward: encouraging the transition from less protected flexible working schemes to fixed-term employment contracts and to employment contracts concluded for the use of agency labour, while stepping up monitoring activities.



# 18,1 %

THE STABILIZATION RATE FOR YOUNG PEOPLE HIRED THROUGH AGENCY WORK IS 3 TIMES HIGHER THAN THAT REPORTED FOR WORKERS ENGAGED IN ON-CALL WORK AND COLLABORATIONS (FOR FIXED-TERM CONTRACTS, THIS RATE IS 13.6%) [1]



### Young People and Work Agencies

In Italy, the contract for the use of agency labour is mainly concluded by young people. In 2018, people under 35 made up the majority of those hired with this type of contract, *i.e.* 51% of all those engaged in agency work (22% of the total workforce).

According to the Report "The labour market: an integrated reading" young people who enter the labour market with a contract for the use of agency labour are more likely to move into stable employment than those who are offered a fixed-term contract for their first job, and than those initially engaged through collaborations or on on-call contracts.

Contracts for the use of agency labour are widespread particularly among very young people. **The share of those up to 24 years old employed through this working scheme – viz. 19.7%** of the total number of people employed through agency work – is significant if one considers that very young people account for just 4.5% of the total number of people in employment.

[1] Source: "The labour market: an integrated reading"; Ministry of Labour and Social Policies, ISTAT, INPS, INAIL and ANPAL, 2017.

# PROPOSAL 1 FLEXICURITY



## Proposal 2 – Vocational training: public funds awarded only to those ensuring access to employment

Once again, the crisis has brought to the fore the urgency to make proper use of public resources and funding allocated to training with a view of accessing the labour market.

Work and its content are constantly evolving, and so are organizational contexts and social settings, thus professional value has become workers' only distinctive trait.

Due to the existing critical situation, the impact on required skills is unprecedented.

According to the OECD [2], more than 13 million Italian adults (e.g. 40% of the population) have poor basic (maths, reading and writing skills) and digital skills, so they are potentially at risk of marginalization in the current, ever-changing labour market.

In order for our economy and workers to deal with this state of affairs, training:

- must be designed and planned with companies, delivered quickly and focused on the provision of digital skills. Workers, especially senior ones, need to be aware of what the market is looking for, which activities will require an investment in digitization and which production tasks should be discontinued as they are no longer worth investing in;
- must be organised by setting up a voucher system, which is made available to the worker and can be used to purchase targeted services;
- must be designed so that it can be provided face-to-face and remotely, and its effectiveness should be assessed through evaluation systems. Financed training schemes cannot be paid only based on their mere provision.



40%

OF THE POPULATION

IN ITALY HAS POOR BASIC AND DIGITAL SKILLS AND IS AT RISK OF LABOUR MARKET MARGINALISATION

[2]: Competence's Strategies OCSE, Italy, 2017.

# PROPOSAL 2 TRAINING PROMOTING ACCESS TO WORK





Consequently, a new, comprehensive training project should lay down a subset of related actions, including:

- the mapping of existing skills in different production settings, with targeted actions in medium- and large-sized companies;
- the regular identification of the production sectors that report positive growth rates in terms of labour and expertise;
- the identification of skills mismatches, with a focus on digital expertise, especially for workers operating in companies facing a slowdown;
- the setting up of targeted actions (e.g. skilling, re-skilling and up-skilling) in order to prevent workers from being phased out of the labour market.

An actual proposal, which is easy to implement, does not bear any additional cost and might contribute to an extraordinary improvement in public resource allocation, should consider the criteria for selecting the projects to be financed for training.

In this connection, a mechanism is needed that allocates public funding depending on the results in terms of placements. Only those providers who can demonstrate significant success rates (e.g. 30%) in terms of job placement for participants to their training schemes will have access to public resources.



#### Vocational Training provided by Work Agencies

More than 270 thousand people are trained yearly in the agency work industry. Subsequently, at least one third of them must be given a job opportunity, otherwise the resources used for training – all private ones – might be lost. In 2019, the percentage of placements at the end of training was around 50%.

Forma.Temp, the fund for training and income support provision targeting agency workers, manages a training system that must respond timely to the continuous and significant changes in professional needs (i.e. skill upgrading) and to companies' new training requirements. During the first half of 2019, the training financed by Forma.Temp involved some 135 thousand agency workers, amounting to 119 million euros.

During the COVID-19 emergency, Forma.Temp employability initiatives addressing agency workers were not discontinued. More than 3 thousand courses were activated remotely, involving over 26 thousand workers, with training contents that were adapted to the evolving scenario.

# PROPOSAL 2

## TRAINING PROMOTING ACCESS TO WORK



**Proposal 3 - Placing the individual centre-stage in occupational transitions: creating an open badge to trace training and provide targeted and flexible employment services, which are funded according to results achieved.**

Well before the crisis, the global labour market had shown a progressive tendency to develop complex and non-linear professional paths, made up of employment spells and periods in which income support and funded training had to be provided.

In the context of the macro-changes currently underway, it is therefore necessary to focus on people's life, especially on those transition phases which, if not properly supported, might give rise to individual vulnerability, market inefficiencies and social costs.

School-to-work transition, work-life balance, the management of a long and active life and gradual retirement are the main phases to consider.

We are therefore dealing with "transitional labour markets", that is, changing contexts in which people will have to be supported in their career through different phases and passages (transitions) not only between jobs, but between statuses (*i.e.* occupations, professions, care and training provision) which may occur consecutively or simultaneously.

Preserving one's job is now an old concept and has been replaced by the obvious need to protect "workers", properly assisting them in developing expertise.

This state of affairs calls for a reflection on employment services, which should be conceived considering the point of view of both people and employers, thus taking account of service accessibility, skills needed, timeframes and results. It will be necessary to come up with a viable solution for those men or women who intend to engage in a professional path featuring time flexibility and little physical presence in the workplace, for reasons related to family or caring responsibilities.

# **PROPOSAL 3 AN OPEN BADGE FOR TRANSITIONS**

Designing services starting from the beneficiary's point of view entails moving the focus from administrative procedures to the occupational outcomes which have been set, within a timeframe that is useful to companies and workers, without losing any opportunity.

A comprehensive "Employment Services Programme" should thus be implemented, based on two recommendations:

- immediately re-employing all those who, because of their skills or the situation of the sector/company they operate in, can quickly find another job, following a careful analysis of real job opportunities through an individual activation project;
- supporting, even through extensive retraining, the most vulnerable workers, to provide them with the tools that enhance their employability, reviving their ability to make themselves more marketable in the labour market.

Evidently, good employment policies consist of process-based activities (e.g. guidance and training; services reimbursed for the hours worked) and

result-based activities (services reimbursed depending on the number of people who manage to find employment).

Particularly vulnerable groups of beneficiaries need continuous and specific services. Especially in today's ever-changing context, retraining workers who are phased out of the labour market will become increasingly important, through structured and targeted services.

The absence of recognized and consolidated services confines the action of Work Agencies to mere matching, somehow belittling workers' active role in job search, which should also be performed autonomously. The acquired ability to look for a job represents the first result of active policies and is useful in any transition between jobs.

Today's challenge is to strike the right balance between the fair remuneration of 'process-based activities' and result acknowledgment, regarding the latter as the element upholding the effectiveness of the initiative itself.

# PROPOSAL 3 AN OPEN BADGE FOR TRANSITIONS

The payment of the services offered by specialized public and private operators (employment and Work Agencies) must be assessed mainly in terms of the job opportunities provided.

In this context, one option to consider is the use of open badges. In addition to containing the employee's personal data and documents necessary to access a job opportunity, these badges keep track all the (formal and informal) training they participated in, together with a bonus, which can be used to purchase guidance and training services.

The skills gained are certified through blockchain technology and recorded through the open badge. This way, people can store in one place documentation which can be useful along their professional life.



**PROPOSAL 3  
AN OPEN BADGE  
FOR TRANSITIONS**



### Remote services: Seizing the Opportunity

Employment services too can enter the digital revolution and start benefitting from all the opportunities made available by new interfaces, algorithms, social network data, new assistance and learning models.

These months have shown that the implementation of remote services has provided:

- an effective response to the needs of people with high time flexibility;
- widespread distribution of services and their closeness to beneficiaries;
- more time for operators, so they could offer beneficiaries more targeted services and greater support;
- easier access to face-to-face services for the most vulnerable groups;
- the opportunity to offer assistance, so beneficiaries were supported remotely on a more continuous basis, encouraging the autonomy needed in future occupational transitions.

Undoubtedly, digital instruments benefit all actors, in that they:

- help managing authorities to access analytically-tracked data to be checked any time, so the information produced cannot be questioned;
- offer users higher time flexibility, greater proximity to one's place of residence, more regular support, a substantial reduction of time and participation costs;
- reduce release times, allow for greater organizational flexibility and increase the efficiency of service providers, enabling them to attend to more users;
- allow using tools and content that can supplement the services already provided to beneficiaries.

Obviously, those who do not have suitable tools and applications must always be ensured the opportunity to go the employment office (or to an authorized body) in person to seek support for the management of certain procedures.

Face-to-face interaction, i.e. when the worker meets the operator to participate in talent enhancement projects and access possible job opportunities, must be a valuable one and generate a positive experience for the participant.

# PROPOSAL 3 AN OPEN BADGE FOR TRANSITIONS

## Proposal 4 - Tax Credit Extension to Professionals in order to deal with work reorganization

Due to the pandemic, workplaces and the relevant processes will have to be re-organised thoroughly. The "Re-launch Decree" is therefore a timely measure, as it makes provisions for facilitating the purchase of equipment and the adaptation of one's place of work to new needs.

The measures specifically devoted to COVID-19 should be supplemented by promoting the designation of a new professional – with the necessary skills to manage these adaptation processes properly – as the sole point of contact at the time of putting in place prevention measures: "the COVID Manager".

The "COVID Manager" is the one in charge of deciding how to design the new workplaces, organising entrances, shifts, cafeterias, working times, productivity spells, and breaks. This means managing everyday work operations in the current recovery phase. The COVID Manager will also define flows and new processes, as well as the policies and procedures to

be implemented should a pandemic risk arise.

The way paved by the Decree must therefore be further expanded and put into perspective.

This is so because some processes will accelerate significantly and it will be necessary not only to take steps to ensure their safe implementation in the short term, but also to promote more structured reorganization processes in the long term.

Furthermore, some implications are already well-known. The establishment of remote work will give operators more responsibilities, prompting them to engage in result-based performance while keeping track of their work, with all the issues which might ensue in terms of privacy.

A significant boost will be given to management and production process automation. Sanitization robotics is already expanding; an example of this is its use when moving around components in production settings so as to ensure distancing. Yet there are many sectors which are experiencing significant growth.

Some changes will be less apparent



**PROPOSAL 4**  
**BENEFITS FOR BUSINESS**  
**REORGANIZATION**

and will occur at a deeper level. Working on digital platforms makes it possible to transform data, information and instructions, even those which are difficult to find, into formalized, structured and readily available company know-how.

Organisations will be able to learn while operating and, thanks to their know-how, facilitate new staff integration, job rotation and the professional growth of their human resources. The learning organization will rely on a set of tools enabling it to be fully implemented.

Management and production processes will also have to change. Making the company's know-how available and easy to access enables organization to be based on parallel processes and not only on sequential ones. This will have significant effects in terms of productivity, with an increasing need for collaboration between managers overseeing different processes.

Productivity can increase in those services which are no longer delayed by the time needed to reach one's place of work or customers. While the spread of digitization and automation will continue pervasively, changes will involve the methods for monitoring the

performance of workers who will tend to naturally work by objectives, with less control but increased responsibility.

In order to manage the relationship with collaborators, it will be necessary to apply new leadership models in a flatter organisation, where the know-how will be distributed more evenly and higher levels of delegation are needed. Customer assistance may be provided on a regular basis and data on customer satisfaction can be collected.

Companies will be required to adopt new ways of organizing activities and work.

Especially for small- and medium-sized enterprises, a rethinking is therefore necessary as far as tools, times and the methods used to assess results are concerned, which will benefit from the support of specialized operators and *ad-hoc* training.

## COVID MANAGER AND RE-START MANAGER

NEW PROFESSIONALS DEALING WITH THE SAFE AND THE QUICK RESTART OF PRODUCTION ACTIVITIES.

# PROPOSAL 4 BENEFITS FOR BUSINESS REORGANIZATION



What illustrated above is in line with the principles underlying the setting up of the voucher system for the "Innovation Manager" and further supplements the measures laid down for the tools and initiatives needed for the pandemic ("Relaunch Decree" DL no. 34 of 19 May 2020, published in Gazzetta Ufficiale no. 128). Based on this, it is necessary to define specific tax measures (e.g. tax credit) promoting the development of skills and expertise for those professionals who will need to deal with this emergency situation (the "COVID Manager") and effective business organization ("The Re-start Manager"), which also ensure that all workers engaged in new processes receive proper training.

A decorative footer featuring a white background with several colorful spheres (green, orange, blue) and hand-drawn black arrows pointing in various directions.

## **PROPOSAL 4**

### **BENEFITS FOR BUSINESS REORGANIZATION**



## Proposal 5 - Restarting safely, adopting consistent organizational models through proper skills

Employee health protection is the starting point for resuming production activities. In the next future, a new normality is being envisioned, in which physical distancing, sanitary measures, new work organization and regular checks will become crucial.

In the agency work sector, a consolidated set of safety regulations are already in place whereby prevention measures have to be ensured by both the agency and the user undertaking, based on the principle of effectiveness. These measures are made available to agency workers.

According to this system, the user undertaking has to ensure that agency workers comply with the same safety obligations laid down for its employees, as set forth in legislation and collective agreements. Concurrently, the work agency has to inform workers about the health and safety risks linked to production activities. Under the

commercial contract concluded for the use of agency labour, the agency delegates to the user undertaking a number of tasks (e.g. training and equipment provision).

The general training provided to those carrying out assignments and agency workers is concerned with the provision of general notions about the concepts of damage, risks, prevention, current legislation and monitoring bodies in charge of occupational health and safety.

On the contrary, specific training concerns "risks related to duties and possible damage, and the consequent prevention and protection measures and procedures in place in the sector one operates in". This form of training targets agency workers performing an assignment and is regularly repeated and amended, in the event of "a worsening of existing risks or the emergence of new ones".

Work Agencies are currently supporting companies to ensure business continuity, *i.e.* through the correct application of health protocols and by training and making available new professionals (the "COVID Manager").



**PROPOSAL 5  
SAFETY AT WORK**

This COVID Manager – who would commence work upon re-opening of production plants – is tasked with coordinating and monitoring the implementation of prevention and control measures at the company, serving as a link between the company and regional health authorities in relation to occupational health and safety.

Work Agencies can provide their expertise and know-how to make sure employers and workers go back to work safely.

Work Agencies can also provide their contribution to the application of guidelines and protocols, advising

advising on the adoption of new organizational models and on the availability of new professionals.

On its website, Assolavoro has created a section dedicated to COVID-19 ([www.assolavoro.eu/covid19](http://www.assolavoro.eu/covid19)), which can be accessed free of charge by companies and citizens and illustrates good practices implemented by Work Agencies, companies and stakeholders, as well as useful protocols and rules to deal with the emergency.

#### The work agency sector and the rules safeguarding workers' health and safety

One of the fundamental aspects of the contract for the use of agency labour, which must be concluded in writing, is the **indication of the possible risks in terms of health and safety workers might face and the prevention measures which have been adopted.**

**The number of work-related accidents affecting agency workers has decreased constantly over the past 10 years.** According to a survey carried out in the first quarter of 2019, the number of claims received by E.Bi.Temp concerning work-related accidents was almost 54% lower than those reported for the same period in 2018. This reduction was accompanied by an increase in the number of people hired through agency work, which affected the rate of occupational accidents. Based on INAIL's latest data, **the percentage of accident claims out of the average monthly employment rate went from 8.4% in 2003 to 2.8% in 2015.**

The reasons for this trend are many and can be attributed to a number of factors. The first is certainly linked to the **significant amount of training and information provided to workers.**



**PROPOSAL 5**  
**SAFETY AT WORK**

## Proposal 6 - Public Administration: digital skills, simplification and subsidiarity to overcome bureaucracy.

The prolonged lockdown has not only affected business organizational models. Compelled to work remotely, public-sector employees had to deal with the technological advances already available to them. In this sense, some 80% of public-sector employees were asked to work remotely, either at national or regional level.

According to the Ministry of Public Function, this significant growth and its consequent positive effects will lead to arrange for at least 30% of the workforce to operate remotely, even after the end of the lockdown.

If one examines those standard tasks making up today's services or policies, either at national or regional level, it is easy to notice the significant amount of activities and tasks which can be moved to digital platforms or performed remotely,

totally or in part.

Radical and systemic reform is absolutely needed. It is urgent to digitalise all administrative tasks, concurrently promoting the use of self-declaration forms.

The aim is to reduce prevention and control measures, making users accountable for their statements, so checks can take place on a random and ongoing basis.

Furthermore, public-sector employees' massive data which are contained in public-sector databases should also be made available – be them contact or past information – finally moving on from long-standing cultural resistance.

Finally, it is fundamental to provide adequate skills in order to master AI technology. The relevance of cross-cutting, technical skills in the digital field will increase, as will the set of digital literacy skills necessary to work in innovative processes in those services where robotics technology will be required to understand.

Big Data analytics and to operate in contexts where the Internet of Things provides information on work environments and settings.

Prior mapping (e.g. through selection procedures) and ongoing evaluation of soft skills during one's professional career should also take place in Public Administration, in order to foster productivity and reduce the risk of being self-referential.

Any recovery in terms of competitiveness in other areas might be undermined if this aspect is not dealt with.

To sum up, what is needed is: a new “White Paper for Public Administration” to facilitate the ongoing mapping of skills and the identification of those needed in each department; a consistent framework of simplified and online procedures, together with a massive recourse to subsidiarity; a network within the public sector, which promotes effective dialogue between departments and gives access to information to all authorised operators concerning workers or those looking for a job.



### The significant growth of remote work in Italy

Looking at the most structured components of labour demand, i.e. companies with at least 10 employees, ISTAT's data for 2019 report that in such sectors as telecommunications, information technology and publishing there was a high number of workers making use of devices and internet connections made available by the employer even prior to the lockdown.

The services sector is the one reporting the highest share of workers who are given the opportunity to use remote work equipment. Significantly, 30% of employees in the building sector are also provided with this opportunity, particularly in increasingly relevant tasks, like planning and software development.

Conversely, the manufacturing sector recorded on average the lowest percentage of workers operating remotely in 2019 (19.7%).

The same can be said of more traditional activities in the services sector – e.g. delivery, care, healthcare, trade, retail and catering – as here the human component still plays a key role in production and service provision.

# PROPOSAL 6 MAKING PA MORE FLEXIBLE AND DIGITAL

## Proposal 7 - A 'Digital Literacy Plan': from schools to the older population, with formalized courses and marketable skills

The crisis has made more evident the need for a plan promoting digital literacy and know-how, targeting people from all ages and involving lifelong skills development.

The so-called "Skills Revolution" focuses on digital skills, understood as the specific skills featuring new occupations in digital settings – which face constant change – and as a response to the spread of the Internet of Things, to increased calculus capacities, to access to significant amounts of data (Big Data) and to labour demand and supply interaction (so-called digital disintermediation).

The demand for digital skills features any work setting and is likely to affect all career and occupational paths.

Against this backdrop, one might consider existing structural factors – e.g. the technological equipment of

families and businesses, workers' skills and the country's infrastructure – which prevent our economic system from making the most of the increase in the use of network technologies resulting from the lockdown and social distancing.

The fragmentation of production in different sectors has produced rather different responses in relation to the recourse to remote work imposed by business closures and nationwide lockdown restrictions.

Some sectors were already equipped in operational and structural terms to implement remote work. So they used this form of employment massively. Others, also because of their business models and type of production, did not even make an attempt at implementing it.

The greatest challenge when making use of remote work arrangements has been observed in more traditional manufacturing sector or in those where technological innovation based on industry 4.0 is still struggling to establish.

# PROPOSAL 7 DIGITAL LITERACY



Examples of this include: wood and paper products, the food, beverages and tobacco sectors, metallurgy and the production of metal products – save for equipment and machinery – and traditional Italian products. Online teaching, too, has been an opportunity for most students. Yet many of them were left behind, especially those whose families were poorly equipped in technological terms or those living in areas not connected with digital highways.

Consequently, a ‘Comprehensive Plan for Digital Training’ must be put in place, which must start from the education system and provide an inclusive and well-integrated path, in line with individual abilities. This will help to adjust training courses which can be accessed by as many people as possible through user-friendly platforms. This is a sound investment which will produce benefits in the short term, reducing waiting times and burdensome processes.

#### The demand for digital skills

The 2019 Excelsior Survey reported that digital skills transversely concern all professional profiles:

- Digital skills are required in 92% of the profiles sought after among executives, highly-specialised professions, and technicians;
- among white-collar workers and workers in the sales and services sectors (slightly lower than 40% of overall demand) digital and technical skills are highly required, concerning 62% of the professionals sought after;
- Already in 2019, among specialized workers, plant and machine operators (27% of demand), the share of specialised professionals with digital skills required by companies was significant (50%);
- Even among unqualified professions (which account for just 15% of demand), the need for workers with digital skills was relevant (31%).



62% OF PROFILES  
SOUGHT AFTER

CONCERN DIGITAL SKILLS FOR WHITE-COLLAR  
WORKERS AND THOSE OPERATING IN THE  
SALES AND SERVICES  
SECTOR

**PROPOSAL 7**  
**DIGITAL LITERACY**



## Proposal 8 - A plan for formalising undeclared workers financed with the resources of the inspection activity

Undeclared work is the main contributing factor to the crisis of legality which for decades has affected economic relationships in Italy, thus undermining citizens' active labour market participation, a decisive aspect in any economic development process.

While ISTAT has calculated that the hidden economy is worth some 200 billion euros – more than 11% of the country's GDP – its value in terms of hidden wealth is 78 billion euros, e.g. 40% of GDP.

According to the Ministry of Economy and Finance (MEF), the loss tax revenues resulting from the recourse to undeclared work in 2016 was equal to 16.5 billion euros, if direct taxation and unpaid contributions are factored in. Furthermore, the loss of revenues resulting from failing to pay the Value Added Tax (VAT), the personal income tax due for self-employment (IRPEF) and the tax on business income has resulted in a shortfall worth more than 70 billion euros. The MEF has also found that 3.2 million workers

engage in undeclared work (13.1% of all those in employment).

In terms of Full Time Equivalent Units, this translates into 3.7 million units, amounting to 15.6% of the total.

Undeclared work affects our community in important respects:

- a) those engaged in this form of employment are forced to live without protection and are paid extremely low remuneration;
- b) compliant companies are affected by the unfair competition of those engaging undeclared workers;
- c) the government loses significant resources, which might be used for collective benefit, giving rise to public deficits and unfair competitive advantages for those who do not pay taxes.

**The COVID-19 emergency could have an impact on undeclared workers which is not yet quantifiable.**

The lockdown – which imposed business closures and prohibited movements – together with social distancing, have produced dramatic consequences for the most vulnerable groups of the population.



# PROPOSAL 8 A PLAN AGAINST UNDECLARED WORK

The social costs generating from the recovery phase and the increase of the undeclared economy would be unsustainable for the deprived public resources and for the families involved, who would be forced to face demeaning working conditions.

When undeclared work is unearthed by inspection activities, those responsible pay a fine. Yet no measures are put in place to help those workers who previously engaged in illegal activities to access formal employment.

It is necessary to further expand what is provided for in the "Relaunch Decree", setting in motion a formalization process by certifying existing skills and developing those needed. It is also necessary to assist those engaged in undeclared work in entering formal jobs, by also making use of resources set aside through inspection activities.



### Undeclared work in Italy

According to ISTAT's most recent data, **the number of Full Time Equivalent Units (FTEU) engaged in undeclared work in 2017 was 700 thousand**; they were mainly hired as salaried employees (2 million and 696 thousand units). The irregularity rate, calculated as a percentage of the incidence of FTEUs hired illegally out of the overall number of FTEUs, has been steady in the last two years (15.5% in 2016 and 2017).

Also, the latest data on labor inspections for 2019 provide a bleak picture in relation to the use of undeclared work. Last year, **inspection bodies reported 356,145 workers hired illegally, among whom 41,544 were undeclared ones** (i.e. 12% of the total number of people engaged in illegal employment). According to the estimations of Italy's Labour Inspectorate, **almost half of the companies where illegal situations were reported hired at least one irregular worker.**

**€ 2 BILLION IN 2019**

TAX REVENUES FROM WORK AGENCIES (MORE THAN 23BN EUROS IN THE LAST 20 YEARS)



**€ 2,7 BILLION IN 2019**

SOCIAL SECURITY REVENUE FROM WORK AGENCIES (32MN EUROS IN THE LAST 20 YEARS)

**WAGES: € 4BN IN 2019**

REMUNERATION PAID BY WORK AGENCIES (51BN EUROS IN 20 YEARS)



**PROPOSAL 8  
A PLAN AGAINST  
UNDECLARED WORK**





---

# THE PROPOSALS OF WORK AGENCIES FOR ITALY'S RESTART

- 1 Work and flexibility: safeguarding employment, promoting contracts, including fixed-term ones, with higher protection for the worker**
- 2 Vocational training: public funds awarded only to those ensuring access to employment**
- 3 Placing the individual centre-stage in occupational transitions: creating an open badge to trace training and provide targeted and flexible employment services funded according to results achieved**
- 4 Tax Credit Extension to Professionals in order to deal with work reorganization**
- 5 Restarting safely, adopting consistent organizational models through proper skills**
- 6 Public Administration: digital skills, simplification and subsidiarity to overcome bureaucracy**
- 7 A 'Digital Literacy Plan': from schools to the older population, with formalized courses and marketable skills**
- 8 A plan for formalising undeclared workers financed with the resources of inspection activity**



Assolavoro is Italy's National Association of Work Agencies.

It brings together Work Agencies that produce over 85% of the total turnover resulting from Agency Work, with more than 2,500 branches nationwide.

Assolavoro is a member of Confindustria and in Italy represents the World Employment Confederation (WEC) - Europe, the European Confederation of Employment Agencies.



## Work Agencies which are members of Assolavoro

**Adecco**

**Agenzia *fiù***  
AGENZIA PER IL LAVORO

**aizoon**  
AUSTRALIA  
EUROPE  
USA  
TECHNOLOGY CONSULTING

**apis**  
agenzia per il lavoro

**areajob**  
AGENZIA PER IL LAVORO S.p.A.

**arkigest**  
AGENZIA PER IL LAVORO

**Atempo**

**axl**  
Agenzia per il Lavoro

**BEST ENGAGE**

**CBSLAVORO**

**ccoperjob**  
Agenzia x il Lavoro

**ETJCA**  
AGENZIA PER IL LAVORO

**EUROINTERIM**  
Agenzia per il lavoro

**e-work**  
agenzia per il lavoro

**Experis**  
ManpowerGroup

**fmts**  
AGENZIA PER IL LAVORO

**generazione vincente**  
Agenzia per il Lavoro

**GESFOR**  
AGENZIA PER IL LAVORO

**Group**  
YOUR JOB. OUR WORK.

**HAYS**  
RESPONSE

**in.HR**  
AGENZIA PER IL LAVORO

**intempo**  
gruppo randstad

**IQVIA**

**JobItalia**  
agenzia per il lavoro

**KELLY**  
SERVICES

**LAVORO MIO**  
AGENZIA PER IL LAVORO

**lavoropiu.**

**Life in S.p.A.**  
Agenzia per il Lavoro

**4**  
LOVEFORWORK

**Manpower**

**MANUTENCOOP**

**MW**  
awesome people, great results

**MEDIATICA**  
good morning future

**mister temp'**  
il futuro del lavoro oggi

**NETMI**  
people meet work

**OGGI LAVORO**  
PROFESSIONISTI PER IL Tuo FUTURO  
AGENZIA PER IL LAVORO

**Only Job**

AGENZIA per il lavoro

**Opportunity Job**

**Orienta**  
AGENZIA per il lavoro

**Page Personnel**

**QUANTA**  
NEXT TO YOU

**randstad**

**RELIZONT**

**RISORSE**

**Sapiens**  
AGENZIA PER IL LAVORO

**Serenità**  
AGENZIA PER IL LAVORO

**smartjob**  
AGENZIA PER IL LAVORO

**SYNERGIE**

**TEMPOR**  
SOLUZIONI AL LAVORO

**UMANA**

**VALORI**  
S.p.a.

**WESTHOUSE**