

Women's Budget Group

**Second Call for Evidence for the Commission on a Gender Equal
Economy:**

Transformative Policies and Practices

**Two Cases of Transformative Practice on Labour and
Women in Italy**

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Introduction

For the *Second Call for Evidence for the Commission on a Gender Equal Economy*, I offer in what follows a critical reflection on two positive cases of gender equality policies and practices in Italy, with a focus on the workplace. As I do so, I also evaluate what still stands as an obstacle in the path of equality, highlighting negative sides of the two cases considered, and offering some reflections on how they could be further developed.

1. The Case of Corporate Reports on Equal Opportunities

According to the [European Gender Equality Index 2017](#), when it comes to women and work, Italy has the lowest level of gender equality in the EU, attesting at 51% for women's work participation against 71% of men, and at 58.4% for occupational segregation (a vast majority of Italian women is employed in the third sector); 33% of women work part-time, compared to 9% of men.¹ Notwithstanding these persisting negative trends, Italy is attempting to promote equal opportunities as fundamental principles of social, political, institutional, and work life, as legally acknowledged by legislative decrees 5/2010 and 151/2015. Already in 2006, Italy's government established the National Code of Equal Opportunities between Women and Men, harmonising 11 laws on equal opportunities in a single framework.² By doing so, it promoted gender-mainstreaming actions and practices to manage the complex set up of national and local policies, as well as advisory committees for equal opportunities, in the labour market. For instance, in 2011, Italy's policymakers increased gender quotas in corporations' boards of directors and boards of statutory auditors, achieving the goal of 33% women sitting on board by 2015, making Italy in 2018 currently second among G20 nations for the proportion of [women in high-level managerial positions](#).

Which policies or practices, that you know of, have had a transformative impact on gender equality? Was the policy or practice implemented at local, regional, national or international level?

In order to counteract gender discrimination, Italy's government has established a National Committee for Equal Opportunities as well as the position of "[Equal Opportunity Advisor](#)", with representatives appointed at national, regional and provincial level. These bodies verify the actual application of principles of equal opportunity between men and women in all sectors of society, but particularly in the labour market. Furthermore, they are involved in several procedures under the precise scope of identifying possible discrimination against female employees. In this framework with regard to the obligations set forth by the law, and aiming at having a transformative impact on

¹ Instead, the gender pay gap in Italy is one of the lowest in the EU (5.8%) given the prevalence of highly educated women in the female labour force and a strong system of collective bargaining where gender is not taken into account.

² More information on Italy's legal framework in terms of gender equality and equal opportunities can be accessed here: <https://eige.europa.eu/gender-mainstreaming/toolkits/gear/legislative-policy-backgrounds/italy>

gender equality in the labour market, in 2016 Italy's government launched a new initiative, the [Biennial Report on Equal Opportunities](#), calling companies with more than 100 employees to report on their discriminatory patterns against female workers.

Such companies are required to provide a report every two years to the Ministry of Labour and Social Policies Representative and the Equal Opportunity Advisors (one for each of Italy's 21 [administrative regions](#) or "divisions"), and it must be compiled in compliance with the ministerial decree 3rd May 2018 and submitted online on the Ministry's website. The report illustrates the situation of personnel employed (in terms of male and female composition), their training and mentoring, career mobility, use of redundancy instruments, retirement, income level, and so on. Each report must also include information regarding hiring practices and reasons and patterns of contract termination. The aim of the report is to identify and then tackle possible discriminatory actions specifically directed against female employees, shedding light on negative phenomena such as demotion, maternity harassment, transition to part-time work in view of maternity and consequent lack of incentives, and overall a focus on women's career progression.

The law provides significant administrative sanctions, including suspending corporate tax deductions for up to one year, for failure to submit the report. The Equal Opportunity Advisors appointed verify that regional data regarding companies' gender outlook are truthful and reliable, and elaborate results. Findings are then shared with the National Committee for Equal Opportunities, the Ministry of Labour and Social Policies, and representatives for equal opportunities at the Council of Ministers (Italy's government executive organ). Depending on data provided and verified in the reports, appointed labour courts may order a company in fault to remove the effects resulting from discriminatory acts or conduct against a female employee, resorting to criminal sanctions in case of non-compliance. Employees who are discriminated against for gender reasons are also entitled to financial compensation for damages.

What happened as a result of the policy or practice?

Even if the implementation of the dispositions against corporate inequality set out above is quite recent, the impact on the companies' gender balance is evident. The first achieved goal entails that findings on corporate gender inequality at regional and administrative level in Italy are identified, and can be easily consulted and compared with those of other regions. This allows the Equal Opportunities Advisors to fortify links with the economic and gender aspects of the region's companies and productive outlook, as well as the internal organisation and workings of the companies, whose results remain monitored through public sharing of findings. Therefore, the policy offers the opportunity, at institutional level, to intervene and encourage corrective actions against gender inequality in terms of career progression, pay, parental leave, and working duties.

The Equal Opportunity Advisor at national level has also stated in a recent report that, thanks to the implementation of this policy, good practices against gender discrimination have already started to settle into place, highlighting positive actions taken by a total of 2,471 companies in 2015 and 1,585 in 2016. For instance, it has been possible to share [figures](#) about female workers who have experienced and/or filed charges for gender discrimination in the workplace, and relevant action has been taken to support them. Particularly, efforts have been directed to understand working mothers' patterns of labour participation in these companies, analysing the causes behind phenomena such as "non-voluntary part-time" (women transitioning from full-time to part-time work) and resignation in correspondence of childbirth. This focus have been pivotal in order to intervene on cases of harassment and discrimination against female employees with familial and childcare responsibilities and offer adequate support – e.g. in terms of flexibility, remote work, and financial aid. As such, the report implementation is helping to generating awareness by also recognising that often female workers in Italy are the primary figures in the household. Although the gender gap in [domestic and unpaid labour](#) has narrowed, 34% of Italian women have daily care responsibilities for 1 hour+ in contrast with 24% of men. Amongst couples with children, 81% of women spend time on daily care activities, compared to 66% of men. These practices thus reveal a complex reality of gender in the workplace in Italy and its repercussions on private life, which emerges thanks to capillary efforts at regional level and may be improved by the constant implementation of positive institutional and corporate practices.

The report – accompanied by findings from [Sodexo's Group Gender Balance Study 2018](#) - also shows that balancing men and women's presence and roles in large Italian companies appears to bring advantages, both to employees and the economy. Employees' engagement increased +12% in companies which have reported gender balance amongst female and male personnel, as well showing +8% of employee retention and +12% of social security in the workplace, accounting for +8% of operating margins in companies where male and female employees are not negatively affected by gendered assumptions about their roles and career trajectories.

Could the policy or practice be implemented in other contexts? If so, how?

Although figures reported in 2015-2017 (with data available for 2018-2019 currently under examination) show [increased awareness](#) about fighting gender discrimination in large companies, the biannual report obligation in itself is not enough. The policy should be incremented in the Italian labour market on a larger scale. In terms of economic culture, Italy is renowned for its [small enterprises](#), which are extremely active in the economy and account for 81% of the workforce, constituting the backbone of the Italian productive system. In accordance with Eurostat standards, the [Italian National Institute of Statistics](#) defines small and medium enterprises as firms with fewer than 250 employees. In detail, micro-enterprises and small firms have, respectively, less than 10 and 10-49 employees, while medium-sized and large enterprises are defined as those with 50-249 and

250+ employees. As it stands, medium and large corporations in Italy represent only a marginal reality – only 21,867 out of a total of 4,335,448 companies, which means that the ones accounted for by the biennial report are only 0.5% of Italian companies. Consequently, the data reported by companies are not statistically meaningful. Therefore, in order to assess the efficiency and impact of the Biennial Report on Equal Opportunities, small enterprises should be included in the legal obligation to report their gender composition and outlook. The inclusion of small Italian enterprises – and thus the inclusion of the bulk of Italy's economic set up – would offer two major advantages. First, it would provide a clearer and reliable scenario of gender inequality in the Italian workplace at large. Then, it would account for and take relevant measures against the reproduction of patriarchal governance and gendered interactions – [research](#) has shown that these inequality patterns tend to be typical of family-led small enterprises that negatively affects corporate culture and workers' behaviours in terms of collective gender equality.

2. The 2019 Budget Act: For the Protection of Motherhood and Fatherhood

Another equality issue at stake against grounds of gender discrimination in Italy is the protection of motherhood and fatherhood. The [Mediterranean model of welfare](#) views the family as the main, traditional provider of care services and social protection in Italy, which hinders the participation of women in the labour market and makes it complex to reconcile private and professional life, especially when women are the primary carers of children. As a consequence, Italy's total fertility rate remains low, 1.49 in 2019, with the World Population Review ranking Italy [178th on 200 countries](#). Another recent [survey](#) by the National Research Institute for Vocational Education, Training, Employment and Social Policies has shown that 46% of Italian women suffer from work-life balance reconciliation problems. Italy's policy-makers have repeatedly tried to address this issue by expanding the provision of childcare services, extending parental leaves, and by timidly promoting changes with regards to workplace flexibility and smart working, though all initiatives have been seriously constrained by budget cuts.

A compulsory [maternity leave](#) of 5 months for all self-employed and women employees under a social security scheme entitles women to the maternity allowance, which equals to 80% of pay, with the leave prolonged in case of health issues. Men are entitled to up to four days of obligatory paid leave within 5 months of the birth, (introduced by the "Fornero Reform", law 92/2012 to increase fathers' leave and involvement) and are also required to be absent from work in case of requesting paternity allowance, aimed at working fathers with sole custody of the children for issues of maternal death, illness, or child's abandonment. Parental leave allowance is also available, equal to 30% of pay, for working parents who have the right to be absent from work in the first 8 years of the child's life, for a period of up to 11 months. However, [figures](#) show that the majority of fathers do not take advantage of paternal leave: according to the National Institute for Social Security, though 107.369 fathers took advantage of leave in 2017, an increase of 113% in contrast with 2012, when the Law was introduced. Therefore, there is a need for monitoring information and promoting good practices for work-life balance between men and women.

Which policies or practices, that you know of, have had a transformative impact on gender equality? Was the policy or practice implemented at local, regional, national or international level?

Following the Budget Act Law for 2019 (30th December 2018, n. 145) the protection of motherhood, fatherhood, as well as parental leave have gone through some changes, and smart working as been introduced as a priority criterion. At national level, the law is particularly focusing on increasing men's participation in the first stages of the child's life as a measure to increase gender equality and promote men's involvement into domestic life after childbirth. Consequently, the compulsory four-day paternity leave has been increased to five days.

Aside for legislative changes, another area of intervention concentrated on improving employees' reconciliation of private and working life, with the simultaneous aim to improve productivity for companies. As of Act n. 81/2017, smart working has been introduced as a new workplace methods, focused on employees' performance and results rather than time commitment and physical presence, and to be regulated by an individual and voluntary agreement between the employer and the employee. Under the Act, both private and public employers who agree to smart working with the employees must prioritize it as a manner of flexibilisation for working mothers within three years after the end of the compulsory maternity leave, as well as ensuring it to working parents of disabled children (also responding to requirements of Act n. 104/92).

What happened as a result of the policy or practice?

Although so far there has been no extensive debate regarding the amendments included in the 2019 Budget Act, some critical aspects can be highlighted, revolving around the respect of gender equality principles. On a positive side, Italy's legislation has demonstrated renovated awareness in pushing ahead relevant initiatives to tackle issues of gender inequality in the workplace, particularly those affecting working mothers. As such, women's employment and economic independence is being re-shaped by a more appropriate policy framework, which recognises the everyday struggles of women in the labour market. Particularly, women with childcare and domestic duties have been taken into account in this scenario of expanding terms of workplace equality. Previously, issues of domestic and unpaid labour have been seldom taken into consideration as complex dynamics afflicting women's role in the Italian economy. Furthermore, Italy's government is increasingly accounting for the involvement of working fathers into the equation, introducing needed steps towards a change in workplace and normative culture regarding the roles of men and women in and outside family structures. Whether awareness of these issues will help to design next policies about paternal leave will depend also on the possibility of men to get adequate legislative representation in the fight for equality.

Flexibility of smart working time is also currently coming to the fore, with varying degrees of intensity, in Italy. In the Italian context, this surely represents an innovative approach to work and organisations that integrate and operationalise mobile working, teleworking, and remote working. As such, it questions traditional constraints of time, tools, and space in the search for a new equilibrium based on a greater freedom and performativity of workers, which may result in their increased empowerment for both men and women. In the light of these developments, we are left to ask and see if smart working will be, in the next few years, part of the appropriate tools to solve, or at least reduce, the conundrum of balancing everyday life and work, including issues of childcare, return to the workplace of women who have experienced childbirth, and fertility rates.

Could the policy or practice be implemented? If so, how?

The 2019 Budget Act, however, is not without flaws. First, five days of paid paternal leave for working fathers is simply not enough. Especially in view of the far longer periods of time accorded to working mothers for maternal leave, the low number of paternal leave days does not meet the target of promoting fathers' full involvement – including in terms of time commitment – to family formation. Therefore, it rather reproduces traditional roles of men as breadwinners in the Italian family, committed to work and unencumbered by domestic and childcare duties, and of women as primary responsible for domestic and unpaid labour. More efforts to align leave for both men and women in the workplace should thus be implemented, as the positive [Nordic model](#) example of Scandinavian countries show.

On the aspect of smart working, although working mothers within three years after the end of maternity leave and working parents of seriously disabled children are entitled to priority, the policy framework should respond also to other categories' needs for work-life balance. As it stands, working fathers, ill and disabled workers, but also female and male employees not in charge of childcare are not entitled to the same priority (though they are protected by other bits of Italian legislation). The issue at heart here is that new legislation should overcome risks of infringement of equality – including gender equality – for all workers, continuing to protect disadvantaged categories. As it stands, requests for smart working may be differently accepted and managed by companies, leaving open legislative criteria for interpretation, and thus to the detriment of equality.