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Factsheet for case IT-2020-9/411

Special regulations on ordinary wage guarantees and new regulation of the exceptional wage guarantee fund

Factsheet generated on 24 April 2020, 13:01

| | |
|--------------|-------------------------------------------------------------------------------------------|
| Country | Italy, applies nationwide |
| Time period | Temporary, 23 February 2020 - 31 August 2020 |
| Type | Legislation or other statutory regulation |
| Category | Income support to workers and those laid off – Income support for people in employment |
| Case created | 09 April 2020 (updated 22 April 2020) |

Background Information

This exceptional and temporary measure was set by Decree-Law No. 18/2020 of 17 March 2020 and is finalized to allow the utilization of the ordinary wage guarantee fund (Cassa Integrazione Guadagni Ordinaria, CIGO) and the wage integration fund (Fondo di Integrazione Salariale, FIS) for temporary suspensions of work or reductions of working time due to the COVID-19 pandemic. Moreover, it introduces a new support instrument (Cassa Integrazione in Deroga, CID) which the benefits all companies with even one employee and simplifies the procedures for activating this measure.

Content of measure

Employers who suspend or reduce their activity for events attributable to the Covid-19 epidemic can accede to the Ordinary Wage Guarantee Fund (CIGO) or the Wage Integration Fund (FIS) for a maximum duration of nine weeks starting from 23 February 2020 until the end of August 2020. The periods of utilization of the CIGO and the FIS for "Covid-19" reasons are excluded from the calculation of the maximum duration of ordinary treatments. Moreover, companies making use of the benefit are exempted from the additional contribution that is normally imposed on companies benefiting from wage subsidies. The decree law introduces a special measure (CID) for private employers not covered by the ordinary benefits, i.e. those employing less than 5 employees. However, domestic workers are excluded from the benefit. The amount of the benefit depends on the previous remuneration: for gross monthly wages below €

2,159.48, the benefit amounts to € 939.89; for gross monthly wages above € 2,159.48, the benefit amounts to € 1,129.48.

The maximum spending limit is set at € 1,347.2 million (for CIGO and FIS) and € 3,293.2 million (CID), for the year 2020; once reached, INPS will not consider further requests.

Use of measure

No estimations are currently possible

Actors, target groups and funding

| Actors | Target groups | Funding |
|-------------------------------------------------|---------------|----------------|
| National government Employers' organisations | employees | National funds |

Social partners

| | |
|-------------------------|----------------|
| Role of social partners | No involvement |
| Form of involvement | No involvement |

The measure was supported by social partners

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 17 March 2020: DECRETO-LEGGE 17 marzo 2020, n. 18 (www.normattiva.it)