Italy

Exchange rate: US$1.00 equals 0.70 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1919.

Current laws: 1952 (pension reorganization), 1981, 1982, 1983, 1984, 1985, 1989, 1992, 1995 (pension reform), 1997, 1999, 2000, 2001, 2002, 2003, 2007, 2008, and 2009.

Type of program: Notional defined contribution (NDC) and social insurance system.

Coverage

NDC: All employed persons, including household employees, whose insurance period began on or after January 1, 1996.

Voluntary coverage for contract and professional workers not covered by any specific fund.

Special systems for public-sector workers and self-employed persons.

Mixed social insurance and NDC: All employed persons, including household employees, with less than 18 years of contributions as of December 31, 1995.

Voluntary coverage for contract and professional workers not covered by any specific fund.

Special systems for public-sector workers and self-employed persons.

Social insurance: All employed persons, including household employees, with at least 18 years of contributions as of December 31, 1995.

Voluntary coverage for contract and professional workers not covered by any specific fund.

Special systems for public-sector workers and self-employed persons.

Source of Funds

Insured person: 9.19% of gross earnings.

The minimum daily earnings used to calculate workers' contributions in industry are €42.14 or the minimum daily wage, whichever is greater.

The minimum daily wage varies by sector category of employment.

For those insured before 1996, contributions are calculated on all earnings. For persons entering the system on or after January 1, 1996, the maximum earnings used to calculate contributions are €92,147 a year.

Self-employed person: Not applicable.

Employer: 23.81% of gross payroll. (A lower contribution rate is paid by some employers, including employers in certain economically depressed areas.)

The minimum daily earnings used to calculate workers' contributions in industry are €43.79 or the minimum daily wage, whichever is greater.

The minimum daily wage varies by sector and category of employment.

For those insured before 1996, contributions are calculated on all earnings. For persons entering the system after January 1, 1996, the maximum earnings used to calculate contributions are €92,147 a year.

Government: The total cost of income-tested allowances and any overall deficit.

Qualifying Conditions

Old-age pension (NDC): Age 65 (men) or age 60 (women) with at least 5 years of paid contributions. The insured must be eligible for a pension of at least 120% of the social allowance (€5,349.89 a year); waived if the insured is aged 65 or older or has 40 years of contributions.

Pensioners may continue in gainful activity.

Old-age pension (mixed social insurance and NDC): Age 65 (men) or age 60 (women) with at least 20 years of paid or credited contributions.

Pensioners may continue in gainful activity.

Old-age pension (social insurance): Age 65 (men) or age 60 (women) with at least 20 years of paid or credited contributions (15 years of contributions if made prior to December 1992); age 60 (men) or 55 (women) if assessed with a degree of disability of at least 80%.

Pensioners may continue in gainful activity.

Seniority pension: Age 59 (gradually rising to 61 by 2013), first insured before 1996, and the sum of the insured's age and contributions years must be at least 95 (gradually rising to 97 by 2013).

Persons with at least 40 years of contributions may continue in gainful activity.

Social allowance (means-tested): Paid if not eligible for the old-age pension, aged 65 or older, and an Italian citizen, a citizen of a member state of the European Union and residing in Italy, or a non-European Union citizen who resides in Italy with a special residence permit. Annual income, including that of a partner, must not exceed a government-set level (€5,342.89 if unmarried; €10,699.78 for a couple).

Disability pension: Paid for a total and permanent incapacity for any work with at least 5 years of contributions, including 3 in the last 5 years before the claim. The insured may not receive any other income, including earnings from self-employment and unemployment benefits.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

Disability allowance (means-tested): Paid for the loss of 66.7% of working capacity with at least 5 years of contributions, including 3 in the last 5 years before the claim. The allowance is paid for up to 3 years; may be extended for additional 3-year periods. After the allowance has been extended for a second consecutive time, the award becomes permanent.

If the insured satisfies the qualifying conditions for the old-age pension at retirement age, the disability allowance is replaced by the old-age pension.

Means test: The person must have an annual income of no more than 4 or 5 times the legal minimum pension.

The legal minimum pension is €5,998.20.

Survivor pension (means-tested): The deceased received an old-age, seniority, or disability pension and had at least 15 years of contributions or 5 years of contributions, including 3 in the last 5 years before death.

Means test: For a survivor pension first awarded after September 1, 1995, the pension is reduced by 25%, 40%, or 50% if the eligible survivor has annual income exceeding 3, 4, or 5 times the legal minimum wage, respectively. The means test is not applicable to children younger than age 18, students, or persons with disabilities.

The legal minimum wage is €5,998.20.

Eligible survivors are the spouse; a separated spouse entitled to alimony; children younger than age 18 (age 21 if a full-time student, age 26 if a university student, no limit if disabled at the time of the insured's death); nephews, nieces, or grandchildren who were dependent on the deceased; or, in the absence of the above, parents older than age 65 who were dependent on the deceased and who are not entitled to a pension.

The survivor pension ceases on remarriage and a lump sum is paid.

Death grant: Paid if the qualifying conditions for the survivor pension are not met. The deceased must have paid at least 1 year of contributions in the previous 5 years.

Old-Age Benefits

Old-age pension (NDC): The pension is based on notional contributions, adjusted annually according to the average rate of increase in gross domestic product during the last 5 years, and an actuarial coefficient that varies according to the insured's age (from 4.720% at age 57 to 6.136% at age 65).

The maximum annual earnings used to calculate benefits are €88,669 a year.

Old-age pension (social insurance): The pension varies according to the level of annual earnings (from 2% for annual earnings not greater than €42,364 to 0.9% for annual earnings greater than €70,327.24 for contributions accrued prior to December 1992 and for annual earnings greater than €80,491.60 for contributions accrued from January 1993 onwards) and is based on average annual earnings during the last 5 years multiplied by the number of contributions up to 40 years.

Annual earnings used to calculate benefits are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

Old-age pension (mixed social insurance and NDC): A social insurance pension is provided for the contribution period before January 1, 1996, and an NDC pension if provided for the period since then.

Reference earnings for the social insurance part of the pension are the average insured annual earnings during the last 5 to 10 years. Annual earnings used to calculate benefits are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

Insured persons with at least 15 years of contributions, including 5 years made before 1995, can opt for an NDC pension only.

The minimum monthly old-age pension is €458.20 for a single pensioner with annual income less than €5,992.61 or for a couple with annual income of less than €17,977.83 (if the person or household's annual income is higher than a certain amount, a reduced benefit or no benefit is paid). The minimum monthly old-age pension is €580 for a single pensioner aged 70 or older with annual income less than €7,540.55 or for a couple aged 70 or older with annual income of less than €12,682.67.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Seniority pension: The pension is based on a decreasing rate of return (from 2% for annual earnings not greater than €42,364 to 0.9% for annual earnings greater than €70,327.24 for contributions accrued prior to December 1992 and for annual earnings greater than €80,491.60 for contributions accrued from January 1993 onwards) of reference earnings multiplied by the number of years of contributions up to 40 years.

Reference earnings are average insured annual earnings in the last 5 years. Annual earnings used to calculate benefits are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Social allowance: The annual benefit is €5,349.89 for an unmarried pensioner with annual income less than €5,517.85 or for a couple with an annual income less than €11,510.46; may be increased to €580 a month if aged 70 or older, unmarried, and with annual income less than €7,540.55 (for one person) or €12,682.67 (for a couple).

Benefits are not payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Permanent Disability Benefits

Disability pension (NDC): The pension is based on notional contributions, adjusted annually according to the average rate of increase in gross domestic product during the last 5 years, and an actuarial coefficient that varies according to the insured's age (from 4.720% at age 57 to 6.136% at age 65). If the disability began before age 57, the coefficient corresponding to age 57 is used.

An increment based on the number of years between the insured's age on the date the disability began and the normal retirement age is added to the pension.

The minimum monthly pension is €460.97 for an unmarried pensioner aged 60 or older with income less than €5,517.85 (€11,510.46 for a couple).

Constant-attendance supplement: €480.47 a month is paid.

If the insured is also entitled to a work injury disability pension, only the part of the disability pension that exceeds the work injury disability pension is paid.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Disability pension (social insurance): The pension varies according to the level of annual earnings (from 2% for annual earnings not greater than €42,364 to 0.9% for annual earnings greater than €70,327.24 for contributions accrued prior to December 1992 and for annual earnings greater than €80,491.60 for contributions accrued from January 1993 onwards) and is based on average annual earnings during the last 5 years multiplied by the number of contributions up to 40 years.

An increment based on the number of years between the insured's age on the date the disability began and the normal retirement age is added to the pension.

The minimum monthly pension is €460.97 for an unmarried pensioner aged 60 or older with income less than €5,517.85 (€11,510.46 for a couple).

Constant-attendance supplement: €480.47 a month is paid.

If the insured is also entitled to a work injury disability pension, only the part of the disability pension that exceeds the work injury disability pension is paid.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Disability pension (mixed social insurance and NDC): The pension for the contribution period before January 1, 1996, is calculated as per the social insurance old-age pension, above. The pension for the contribution period beginning January 1, 1996, is calculated as per the NDC old-age pension, above.

Reference earnings for the social insurance part of the pension are the average insured annual earnings during the last 5 to 10 years. Annual earnings used to calculate benefits are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

Insured persons with at least 15 years of contributions, including 5 years made before 1995, can opt for a pension calculated as per the NDC old-age pension.

Disability allowance (means-tested): Calculated in the same way as the disability pension.

No increment is paid for the anticipated number of years between the insured's age on the date the disability began and the normal retirement age.

The minimum monthly old-age pension is €460.97.

Means test: The disability allowance is reduced by 25% if the insured's annual income exceeds 4 times the legal minimum pension or by 50% if the insured's annual income exceeds 5 times the legal minimum pension.

The legal minimum pension is €5,998.20.

If the insured is also entitled to a work injury disability pension, only the part of the disability allowance that exceeds the work injury disability pension is paid.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Survivor Benefits

Survivor pension (means-tested): 60% of the pension the deceased received or would have been entitled to receive is paid to a spouse without children, 80% for a spouse with one child, 100% for a spouse with two or more children, 70% for one full orphan, 80% for two full orphans, or 100% for three or more full orphans.

The survivor pension ceases on remarriage and a lump sum of 2 years of pension is paid.

Other eligible survivors (in the absence of the above): Each parent, brother, or sister receives 15% of the pension paid to the deceased.

All survivor benefits combined must not exceed 100% of the deceased's pension.

Death grant: A lump sum of the monthly social allowance (€411.53) multiplied by the total amount of paid contributions is paid.

If first insured on or after January 1, 1996, a lump sum of the disability allowance multiplied by the number of years of contributions may be paid under certain conditions.

Administrative Organization

Ministry of Labor, Health and Social Policy (http://www.lavoro.gov.it; http://www.ministerosalute.it) and Ministry of Economy and Finance (http://www.tesoro.it) provide general supervision.

National Social Insurance Institute (http://www.inps.it) administers the mandatory national program through its branch offices and administers a number of special programs for certain categories of insured workers.

Sickness and Maternity

Regulatory Framework

First laws: 1912 (maternity), 1927 (tuberculosis), and 1943 (sickness).

Current laws: 1943 (sickness), 1953 and 1970 (tuberculosis), 1971 (working mothers), 1977 (equal treatment), 1978 (health service), 1980 (sickness), 1983 (sickness), 1987 (tuberculosis), 1999 (sickness benefits), 2000 (maternity and paternity), 2001 (maternity and paternity), and 2006 (sickness).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Sickness benefits: Employed persons and contract workers.

Maternity benefits: Employed persons, contract workers, and self-employed persons.

Tuberculosis benefits: Employed persons and certain categories of self-employed person.

Medical benefits: All persons residing in Italy.

Source of Funds

Insured person

Sickness and maternity benefits: None; some categories of contract workers make variable contributions.

Tuberculosis benefits: None.

Self-employed person

Sickness and maternity benefits: Variable contributions for sickness and maternity only.

Tuberculosis benefits: None.

Employer

Sickness and maternity benefits: 2.68% of gross earnings for industrial blue-collar workers (2.22% for sickness benefits and 0.46% for maternity benefits); 0.46% of gross earnings for industrial white-collar workers (zero for sickness benefits and 0.46% for maternity benefits); 2.68% of gross earnings for employees in commerce and the service sector (2.44% for sickness benefits and 0.24% for maternity benefits). Variable contributions are made for some categories of contract workers.

Tuberculosis benefits: None.

Government

Sickness and maternity benefits: The total cost of maternity benefits for certain categories of workers, including home-based, agricultural, and household workers.

Tuberculosis benefits: The total cost.

Qualifying Conditions

Cash sickness and maternity benefits and parental leave: The insured must be currently covered; self-employed persons and contract workers must also satisfy a means test.

Tuberculosis benefits: The insured must be diagnosed with tuberculosis and have at least 1 year of coverage.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 50% of the insured's average daily earnings is paid for the first 20 days of incapacity; thereafter, 66.6%. The benefit is paid after a 3-day waiting period for up to 180 days a year; may be extended in special cases.

For contract workers, the daily benefit is paid for up to 180 days of hospitalization, and the benefit varies according to the number of contributions made in the 12 months before hospitalization. The daily benefit may be paid under certain exceptions for sicknesses not requiring hospitalization, for up to 61 days a year.

Maternity benefit: The benefit is 80% of the insured's average daily earnings in the last month before leave and is paid for 2 months before the expected date of childbirth and for 3 months after childbirth.

Self-employed persons are entitled to 80% of average insured daily earnings in the last 12 months before the leave period. The benefit is paid for 2 months before the expected date of childbirth and for 3 months after childbirth.

Parental leave: Six months of leave must be taken before the child is age 3 and is paid to either parent; a self-employed mother receives 3 months of leave to be taken before the child is age 1. The benefit is 30% of the insured's earnings. Parents are entitled to up to 10 months of leave (with a possible 1 month extension) before the child is age 8, plus an income-tested allowance of 30% of earnings if the parents' income is less than 2.5 times the minimum pension.

Tuberculosis benefits

Daily benefit: A daily benefit of €12.08 (€6.04 if the beneficiary is a pensioner or the insured's dependent) is paid while receiving institutional care.

Postsanatorium benefit: A daily benefit of €20.12 (€10.07 if the beneficiary is a pensioner or the insured's dependent) is paid for up to 2 years after leaving institutional care that had lasted for at least 6 months.

Care and support allowance: A monthly allowance of €81.16 is paid for a renewable 2-year period if the insured person has an assessed loss of at least 50% of earning capacity.

Christmas allowance: An additional 30 days of benefits are paid.

Workers' Medical Benefits

Services are provided by doctors and pharmacists under contract with, and paid directly by, the National Health Service. Benefits are paid by the Health Service or by hospitals, most of which are public. Benefits include general and specialist care, hospitalization, prescribed medicine, dental care, the attendance of a midwife or doctor at childbirth, specified appliances, and spa treatment. Tuberculosis care includes curative and convalescent care in sanatorium, postsanatorium care, and rehabilitation.

Cost sharing: Patients pay up to 50% of the cost of certain prescribed medicine and up to €36 for each prescribed medical service. Copayments are waived for certain categories of insured persons (including children younger than age 6, persons with disabilities, and persons receiving minimum social benefits) and for persons with certain medical conditions.

There is no limit to duration.

Dependents' Medical Benefits

Services are provided by doctors and pharmacists under contract with, and paid directly by, the National Health Service. Benefits are paid by the Health Service or by hospitals, most of which are public. Benefits include general and specialist care, hospitalization, prescribed medicine, dental care, the attendance of a midwife or doctor at childbirth, specified appliances, and spa treatment. Tuberculosis care includes curative and convalescent care in sanatorium, postsanatorium care, and rehabilitation.

Cost sharing: Patients pay up to 50% of the cost of certain prescribed medicine and up to €36 for each prescribed medical service. Copayments are waived for certain categories of insured persons (including children younger than age 6, persons with disabilities, and persons receiving minimum social benefits) and for persons with certain medical conditions.

There is no limit to duration.

Administrative Organization

Ministry of Labor, Health and Social Policy (http://www.lavoro.gov.it; http://www.ministerosalute.it) and Ministry of Economy and Finance (http://www.tesoro.it) provide general supervision.

National Social Insurance Institute (http://www.inps.it) administers cash sickness, maternity, and tuberculosis benefits.

National Health Service (http://www.ministerosalute.it) administers medical benefits through 20 regional health authorities and respective local health authorities.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1965 (work injury insurance), 1999 (domestic accidents), 2000 (disability benefits), 2000 (injuries), and 2008 (occupational diseases in industry and agriculture).

Type of program: Social insurance system.

Coverage

Manual workers, nonmanual employees in dangerous work, agricultural self-employed persons, household workers, company managers, contract workers, and professional athletes.

Special system for seamen.

Source of Funds

Insured person: None.

Self-employed person: Variable contributions are paid according to the assessed degree of risk.

Employer: 0.5% to 16% of payroll, according to the assessed degree of risk. The average contribution for industrial workers is 3%.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

60% of the insured's average daily wage is paid for the first 90 days; thereafter, 75%. The benefit is paid after a 3-day waiting period. The employer must pay 100% of earnings to the insured for the day of the accident or the date the occupational disease began and at least 60% of earnings for the next 3 days.

The average daily wage is based on earnings in the last 15 days before the accident or the date the occupational disease began.

For certain categories of workers, benefits are calculated based on a reference income fixed by ministerial decree.

Permanent Disability Benefits

Permanent disability pension (for incidents before July 25, 2000): The pension is awarded for an assessed degree of disability of at least 11%.

The pension is based on average earnings during the year before the date of the accident or the date the occupational disease began and the assessed degree of disability.

The minimum annual earnings used to calculate benefits are €14,349.30.

The maximum annual earnings used to calculate benefits are €26,648.70.

Dependent's supplement: 5% of the pension is paid for a spouse and for each child younger than age 18 (age 21 if in full-time education, age 26 if a university student, no limit if disabled).

Constant-attendance supplement: €472.45 a month is paid if the insured requires the constant attendance of others to perform daily functions.

The pension cannot be combined with old-age, disability, or survivor pensions.

The pension is paid abroad.

Benefit adjustment: Benefits are adjusted annually in July by ministerial decree according to changes in consumer prices.

Permanent disability pension (for incidents on or after July 25, 2000): Two types of compensation are paid.

A compensation for an illness is paid either as a lump sum or a pension. The amount is based on the insured's age, gender, and degree of disability. There is no earnings test.

Compensation for an injury to an organ or body tissue is based on the insured's average earnings during the year preceding the date of the accident or the date the occupational disease began and a coefficient, according to a schedule in law.

If the assessed degree of disability is less than 6%, no benefit is paid. If the assessed degree of disability is from 6% to 15%, the benefit is paid as a lump sum. If the assessed degree of disability is at least 16%, a pension is calculated based on both types of compensation.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions. €472.45 a month is paid for an assessed permanent disability of 100%.

The pension cannot be combined with old-age, disability, or survivor pensions.

The pension is paid abroad.

Benefit adjustment: Benefits are adjusted annually in July by ministerial decree according to changes in consumer prices.

Permanent disability pension (domestic accidents after March 1, 2001): Paid to insured persons aged between 18 and 65 who are injured while completing household tasks that result in an assessed degree of incapacity of 33% or more (27%, if the accident was after January 1, 2007). The pension is calculated based on the reference minimum salary in the industrial sector.

Unemployability pension: A monthly payment of €233.76 supplements the permanent disability pension if the insured is younger than age 65, has an assessed degree of disability of at least 34%, has lost all capacity for work, or is a risk to co-workers or workplace safety.

Transitional compensation for silicosis and asbestosis: Benefits are paid for 1 year to compensate insured workers who are forced to abandon a harmful work position to avoid aggravation of a diagnosed disease. The compensation is paid for a degree of disability up to 60%. If the insured has become unemployed, the amount paid is 66.7% of the average daily wage received in the 30 days preceding the abandonment of the harmful work position. If the insured has changed employment, the amount is 66.7% of the difference between the average daily wage received in the 30 days before the abandonment of the harmful work position and the remuneration received in the new employment.

Benefit adjustment: Benefits are adjusted annually in July according to changes in consumer prices.

Workers' Medical Benefits

Benefits include medical, surgical, and hospital care; appliances; and rehabilitation.

Survivor Benefits

Survivor pension: The spouse receives 50% of the deceased's average earnings.

Average earnings are based on earnings during the year preceding the date of the accident or the onset of the occupational disease that resulted in the insured's death.

Orphan's pension: Each orphan younger than age 18 (age 21 if a full-time student, age 26 if a university student, no limit if disabled) receives 20% of the deceased's average earnings; 40% for a full orphan.

Average earnings are based on earnings during the year preceding the date of the accident or the onset of the occupational disease that resulted in the insured's death.

Other eligible survivors (in the absence of the above): Each dependent parent, brother, or sister receives 20% of the deceased's average earnings.

Average earnings are based on earnings during the year preceding the date of the accident or the onset of the occupational disease that resulted in the insured's death.

All survivor benefits combined must not exceed 100% of the deceased's average earnings.

Funeral grant: A lump sum of €1,833.81 is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Labor, Health and Social Policy (http://www.lavoro.gov.it; http://www.ministerosalute.it) and Ministry of Economy and Finance (http://www.tesoro.it) provide general supervision.

National Accident Insurance Institute (http://www.inail.it) administers the program through provincial offices.

National Health Service (http://www.ministerosalute.it) administers medical benefits.

Unemployment

Regulatory Framework

First laws: 1919 and 1945.

Current laws: 1935, 1939, 1975, 1977, 1988, 1991, 1994, 1996, 1997, 1998, 2000, 2005, and 2009.

Type of program: Social insurance system.

Coverage

Private-sector employees. Construction workers are also covered for a special supplementary benefit.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None; except for insured persons working in companies with more than 50 employees who contribute 0.3% of gross earnings for the special wage supplement.

Self-employed person: Not applicable.

Employer: Employers with less than 50 employees make no contributions. Industrial employers with 50 or more employees contribute 1.61% of gross earnings (2.21% of gross earnings for employers in commerce). Industrial employers also contribute an additional 2.8% of gross earnings for the special wage supplement.

There are no maximum earnings used to calculate contributions.

Government: Administrative costs plus subsidies for agricultural workers.

Qualifying Conditions

Full unemployment benefits

Unemployment benefit: The insured must have at least 2 years of coverage with at least 52 weeks of contributions in the last 2 years; construction workers must have at least 43 weeks or 10 months of contributions during 2 years of employment in the sector. Insured persons with at least 2 years of coverage and 78 days of paid or credited contributions during the last year before unemployment are eligible for a reduced benefit. Unemployment must be involuntary.

Mobility allowance: Paid to industrial workers (apart from construction workers) with at least 1 year of coverage and 6 months of employment. Workers must be registered at an employment office and be capable of, and available for, work. Unemployment must be involuntary.

Partial unemployment benefits

Ordinary wage supplement: Paid for a temporary reduction in the work week as a result of a reduction in the firm's activity, with the agreement of the National Social Insurance Institute. The claim is made by the employer on behalf of the employee.

Special wage supplement: Awarded by ministerial decree to insured persons working in industrial firms employing more than 15 employees (50 employees for firms in the commercial sector) if there is a reduction in the work week due to restructuring or a change in activity. The claim is made by the employer on behalf of the employee.

Unemployment Benefits

Full unemployment benefits

Unemployment benefit: Benefits are paid for up to 8 months; 12 months for beneficiaries aged 50 or older. Daily benefits are 60% of the insured's gross average daily wage for the first 6 months and 50% for the 7th and 8th month. Beneficiaries aged 50 or older receive 60% of the gross average daily wage during the first 6 months, 50% for the 7th and 8th month, and 40% up to the 12th month.

The gross average daily wage is based on the insured's earnings in the previous 3 months.

The maximum monthly benefit is €892.96; €1,073.25 if the insured's gross earnings before unemployment were more than €1,931.86 a month.

Construction workers receive 100% of earnings during the first 12 months of unemployment; thereafter, 80% for up to 18 months to 27 months, depending on the location of the workplace.

Insured persons eligible for reduced benefits receive 35% of the gross average daily wage (may rise to 40% for subsequent periods of unemployment). The duration of benefits depends on the number of days that the insured had worked during the last year before unemployment, up to 180 days.

The maximum reduced benefit is €886.31 a month; €1,065.26 if the insured's gross earnings before unemployment were greater than €1,931.86 a month.

Mobility allowance: 100% of the insured's last earnings are paid for up to 12 months; thereafter, 80%. The maximum duration of the allowance varies from 12 months to 36 months (24 months to 48 months in southern regions) and is dependent on the age of the worker and the location of the workplace.

The maximum monthly benefit is €892.96; €1,073.25 if the insured's gross earnings before unemployment were greater than €1,931.86 a month.

Partial unemployment benefits

Ordinary wage supplement: The benefit is 80% of lost earnings caused by a reduction in the work week of between 24 and 40 hours and is awarded for up to 12 months.

The maximum monthly benefit is €892.96; €1,073.25 if the insured's gross earnings before unemployment were greater than €1,931.86 a month.

Special wage supplement: The benefit is 80% of lost earnings caused by a reduction in the work week of up to 40 hours and is awarded for up to 24 months.

The maximum monthly benefit is €892.96; €1,073.25 if the insured's gross earnings before unemployment were greater than €1,931.86 a month.

Administrative Organization

Ministry of Labor, Health and Social Policy (http://www.lavoro.gov.it;http://www.salute.gov.it) and Ministry of Economy and Finance (http://www.tesoro.it) provide general supervision.

National Social Insurance Institute (http://www.inps.it) administers the program through its branch offices.

Family Allowances

Regulatory Framework

First law: 1937.

Current laws: 1955, 1961, 1988 (family allowances), 1999, 2006, 2007 and 2008.

Type of program: Employment-related system.

Coverage

Children and dependents of employees or social insurance and welfare beneficiaries.

Special systems for self-employed persons and for pensioners of the special systems.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 0.68% of gross payroll.

The minimum weekly earnings used to calculate contributions are €184.39 or, if higher, the minimum wage.

Government: Subsidies, including 1.8% of the employer contribution.

Qualifying Conditions

Family allowances (means-tested): The insured must be a salaried worker; a part-time worker; a cooperative member; a pensioner of the general scheme; a recipient of unemployment, maternity, or sickness benefits; or in military service.

Eligible persons are the insured; a nondivorced or separated spouse; children younger than age 18 (age 21 if in full-time education, age 26 if a university student, no limit if disabled); and dependent orphaned brothers, sisters, nieces, and nephews (if not eligible for a survivor pension).

Means test: Total family taxable income (except for pensions and social benefits) must not exceed an amount adjusted annually according to changes in the retail price index. The worker's income and other related income must not be less than 70% of the total family income.

Family support allowance (means-tested): Paid to families with at least three dependent children.

Means test: For a five-member family of which three are dependent children, annual family income must not exceed €23,362.70.

Family Allowance Benefits

Family allowances (means-tested): The monthly benefit varies from €1.07 to €2,294.38, according to the number of family members and certain other criteria (including the number of parents, dependents, and family members with disabilities).

Family support allowance (means-tested): €129.79 is paid a month.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to a government index.

Administrative Organization

Ministry of Labor, Health and Social Policy (http://www.lavoro.gov.it; http://www.salute.gov.it) and Ministry of Economy and Finance (http://www.tesoro.it) provide general supervision.

National Social Insurance Institute (http://www.inps.it) administers the program through the Central Family Allowances Fund.

Employers pay allowances directly to employees (except in agriculture), including household workers, and settle any surplus or deficit in contributions with the local branch office of the National Social Insurance Institute.