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► Rethinking training and active labour policies in Italy: exercises in resilience in times of COVID-19

The pandemic represents at the same time a difficult crisis in the global economies and a challenge to innovate policies devoted to education and Vocational Training. The advent of distance learning and agile working, born in the first emergency period and rapidly accepted as solutions at hand, concretely boosted the development of digitisation in all the sectors, while the stop to mobility revamped the debate around the need for greener economies and protected environment. Despite of that, the current crisis in the short and medium terms represents a loss of competitiveness, from labour to education, if policies do not use the opportunity to reskill and upskill the parts of population at risk of social exclusion and if the school system does not integrate skills anticipation methods. To face this situation, Italy is exercising the resilience through a systemic approach outlined in the National Plan for Recovery and Resilience that is declining the Next Generation EU at the national level. In the next five years, investments are provided to revamp active labour policies and reshape lifelong learning policies with a focus on upskilling and reskilling in digital and green economy. Vocational Education and Training will be also supported through dedicated funding with the aim of consolidating the very positive trends noticed in dual education systems since their formal birth in 2015.

In more than a year that passed since the start of the COVID-19 pandemic, the lives of Italian students and workers have changed profoundly. Distance learning and agile working (i.e. remote working) is now a widespread reality in the country. These solutions were born and grew rapidly to stop the spread of the virus. Today, they pose significant technological challenges, while also representing great opportunities for the transition of systems as well as unprecedented scenarios in the context of lifelong learning policies. The current pandemic has fundamentally reshaped the landscape of lifelong learning policies, highlighting a need for new skills, from digital to “green”. Furthermore, it has activated more coordinated and effective measures in terms of outreach. In the wake of the European policies of the Next Gen-

eration EU programme, Italy is also strengthening measures aimed at combating job losses and school and training dropouts.¹

1. The context: the crisis sparked by the pandemic and the challenges in front of us

The “Next Generation EU” programme and the green and digital transition highlighted against the backdrop of the future European economies are a historic opportunity for Italy. The reforms outlined within the Italian PNRR place a strong emphasis on the digital transformation of the Country and involve both public administrations and companies, with major system repercussions on general competitiveness (ITALIAN GOVERNMENT 2020). The health crisis has turned the spotlight on some pre-existing chronic problems of our economic system, exacerbating some systemic challenges for the world of education and Vocational Training and for the world of work. Dramatic youth unemployment and a significant proportion of inactive people² on the domestic labour market contribute to a very heterogeneous and destructured labour market. In general, human capital in Italy is characterised by low levels of qualification corresponding to limited mathematical and language skills with low overall competitiveness³ and, despite Italy being Europe’s second largest manufacturing economy, lacking policies for the structural consolidation of Technical Vocational Training. A truly “dual” system of education and training, comparable to that of other manufacturing countries, only began to take concrete shape in 2015, with the government’s revival of Vocational Training – the “Italian approach to the dual system” (BOBBA 2015). This has led to a reservoir of excellence and good practices in the regions with the greatest industrial and artisan vocations, resulting in a first generation of young people entering the dual system, which now totals an average of around 10,000 per year (MINISTRY OF LABOUR AND SOCIAL POLICIES 2021). The outbreak of COVID-19 has imposed restrictions on freedom of movement and led to the closure of production and commercial activities not considered essential, including the suspension of school and training services, professional training courses and

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- 1 Although “official” data on early school leaving in the pandemic period are not yet available, it is estimated that the phenomenon is increasing to a worrying degree, especially in some regions. For a short regional overview see: <https://www.tecnicadellascuola.it/con-la-dad-e-fuga-dalla-scuola-dispersione-scolastica-a-livelli-record> (Retrieved on 21.05.2021).
 - 2 About 1.2 million young Italians “under 35” are unemployed, while more than 6 million are inactive. Refer to: https://www.istat.it/it/files/2021/02/Occupati-e-disoccupati_dicembre_2020.pdf (Retrieved on 21.05.2021).
 - 3 According to the 2012 OECD PIAAC survey of 16–65 year-olds in 28 countries, 54 percent of the Italian population has an educational qualification below the diploma, 34 percent has a diploma, and 12 percent a post-diploma qualification (the OECD average is 27, 43, and 29 percent respectively). OECD PIAAC country survey notes: [https://www.oecd.org/skills/piaac/Country%20note%20-%20Italy%20\(ITA\).pdf](https://www.oecd.org/skills/piaac/Country%20note%20-%20Italy%20(ITA).pdf) (Retrieved on 21.05.2021).

workshops, including academic courses. In the first six months of the state of emergency (starting in March 2020), the suspension of classroom teaching and the widespread use of distance learning was not accompanied by a simultaneous resumption of production activities considered non-essential. It caused difficulties in rebuilding the links in the production chain on which the dual education and training experiences of young people were based.⁴

On the other hand, the public health situation undoubtedly affected the survival of some businesses, especially small and medium-sized enterprises – the core of our production system – which must now consider making substantial investments in digitisation and digital skills in order to ensure their survival.

2. Support for an economic upturn: short, medium, and long term

Today, the focus of the recovery on the policies that support employability and enhance Vocational Education and Training is central to the debate on the country's "restart". The issue is essentially split into two major areas of priority which are to be addressed in the short to medium and in the medium to long terms:

1. Support for corporate transition through the creation of a consolidated outreach network both in the short term, for workers who have experienced direct effects on their working status (terminations, transfer to other production sectors, drop in productivity for the self-employed, etc.), conveyed through a comprehensive reform of social shock absorbers; and in the medium to long terms through the support of mechanisms anticipating the need for new skills by strengthening the "New Skills Fund" already established in 2020 on an experimental basis to cover company investments in new skills.
2. In the medium to long terms and over the five-year implementation period of the National Recovery and Resilience Plan (NRP), a set of national structural reforms of active policies is to be launched, in coordination with a systemic strengthening of the National Network of Employment Services called "GOL: Guarantee of employability for workers" and together with the definition of a "National New Skills Plan" (PNC) promoted by the Ministry of Labour and ANPAL in agreement with the regions.

The resources earmarked for the two initiatives are substantial: EUR 4.4 billion, plus EUR 600 million to strengthen job centres, and EUR 600 million to strengthen the dual system. This is an important innovation for the world of active policies, which aims to overcome the logic of duality between Vocational Training and active policies and which will support com-

4 The dynamics of the percentage changes in the activation of new contracts broken down by type of employment contract, recorded on an annual basis by the system of Compulsory Notifications of the Ministry of Labour and Social Policies, shows that the "Apprenticeship" type recorded the worst decrease compared to other types of contract: -31 percent in 2020 compared to -11.9 percent for permanent contracts and -18.8 percent for fixed-term contracts (MINISTRY OF LABOUR AND SOCIAL POLICIES 2021).

plementarity, the integration of measures, and the cooperative method of shared governance between the state and the regions.⁵ The GOL programme will finance upskilling and reskilling measures for about 800,000 people, paying special attention to the demographics particularly affected by the pandemic (women, young people, and those at risk of exclusion from the labour market) and focusing systematically on Vocational Training in synergy with the dual system and emphasising the consolidation of the highly specialised tertiary technical education sector.⁶

3. The importance of Vocational Training in active labour policy revival programmes and the revival of the support of the Italian dual system

The pandemic has certainly caused disruptions not only in the economic cycle but also in education and training policies. The launch of distance learning has been an emergency within an emergency, highlighting the need for infrastructural investments (patchy network and connectivity across the country, difficulty of access in inland and mountainous areas, lack of affordable high speed internet for the less well off, etc.) and also a strong demand for digital skills, especially on the part of school teachers, educators in Vocational Training, and tutors. That is also why the European Commission has adopted a new Digital Education Plan 2021–2027 which aims to create “high-performance digital educational ecosystems”, i.e. systems equipped with infrastructure and connectivity but also with human capital having high digital skills and capable of supporting training for trainers and future sustainability (EUROPEAN COMMISSION 2021).⁷ It is clear from the policies highlighted that the scenario of digital teaching in all areas of learning is a point of no return and, therefore, needs consolidation and strategic strengthening around ambitious objectives in the near future.⁸ Italy’s National

5 The scenario to which the programme refers is that of the National Recovery and Resilience Plan (PNRR), Mission 5, Component 1, where the envisaged GOL programme is defined as the pivot of active labour policies accompanied by a National Strategic Plan on New Skills (PNC), combined in an integrated logic and in synergy with the Extraordinary Plan for strengthening job centres which are also part of the PNRR.

6 4.2. Public–private cooperation, i.e. institutions and industry, is a virtuous synergy in the creation of innovative training ecosystems, as recently highlighted by the OECD: “Fostering ecosystems: Cooperation between industry, institutions and academia can also incentivise investment in human capital within the private sector, and promote the transfer of knowledge. In this context, various programmes and policy strategies have been used to ensure partnerships that involve stakeholders from all relevant sectors” (OECD 2021, paragraph 4.2 – p. 38).

7 For more details, see the survey conducted by Inapp during the first lockdown in March 2020 (FERRITTI 2020).

8 In drawing up their National Next Generation EU Plan, Member States will have to define reforms and investments up to 2026, taking into account the priorities identified by the EU on the basis of the national contexts for each individual country. Among these recommendations, each country will have to devote at least 20 per cent of its budget to digital transition.

Digital School Plan put in place before the pandemic⁹ will have to undergo a systemic shift in perspective and, progressing beyond the emergency mindset,¹⁰ will have to take into account the lessons learned during the spring 2020 emergency while simultaneously supporting the opportunities that will arise in the new context of lifelong learning and the relaunching of active labour policies.

As for the dual system, it is worth noting the government's renewed commitment to supporting the Italian system, which in the three-year period (2016–2019) has triggered a major start-up strategy. This is particularly the case in regard to the organisation of apprenticeship courses for obtaining vocational qualifications, diplomas, and higher technical specialisation certificates (so-called “first level”)¹¹ which proved extremely successful in many Italian regions with a strong industrial vocation. The freeze on non-essential economic activities and the slowdown in some sectors of the economy clearly had negative repercussions for apprenticeships, although all the Italian regions have put in place a series of initiatives aimed at safeguarding the validity of the experiments under way: from remote laboratory teaching to the biannual rescheduling of examination calendars for vocational qualifications and the possibility of making up for lessons traditionally held face to face by means of distance learning. Within the framework of the National Reform Programme, and again as part of Mission 5, EUR 600 million will be made available, in addition to the state resources already allocated, to strengthen the dual system which aims to involve about 135,000 young people by 2025. Lastly, in order to support business with up to 9 employees, which were hit hardest by the pandemic, a reduction in social security contributions was financed for employees with a first-level dual apprenticeship contract (initially provided by the budget law for 2020 and extended until end of 2021).

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9 See the website dedicated to the Digital School Plan envisaged by Law 107/2015: www.miur.gov.it/scuola-digitale (Retrieved on 01.12.2021).

10 The PNRR Italy, Mission 4 “Education and Research”, among other things, includes the wiring of 40,000 school buildings and the transformation of 100,000 classrooms into “connected learning environments” (ITALIAN GOVERNMENT 2020).

11 Leg. decree no. 81/2015, art. 43 “Apprenticeship for professional qualification and diploma, the higher secondary school diploma and the higher technical specialisation certificate”.

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