

Italian initiative seeks to tackle youth, female unemployment rate

By Josh Stephens Wednesday 12 February 2025



The EU Commission has approved a state aid scheme from Italy aimed at helping young people and women gain access to more stable jobs.

The €1.1bn (£916m) scheme will target those under the age of 35 who have never had an indefinite employment contract, and women living in parts of Southern Italy who have not been in regular employment for the past six months – two groups which face considerably higher levels of unemployment.

As part of the programme, employers that hire young people or women will be exempt from mandatory social security contributions, up to a maximum amount of €650 (£540) per month, or €500 (£415) in areas other than the Mezzogiorno region of Southern Italy.

To be eligible, the contract must be concluded by the end of December 2025, with eligible employers receiving the aid for a period of 24 months following recruitment. "The exemption does not apply to apprenticeship contracts but may apply in cases of previous hiring with an apprenticeship contract which was not continued as an ordinary permanent employment relationship," clarifies Failla & Partners' Luca Failla.

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