



## JOB NEWSLETTER 04 – 2014

### Labour law provisions

#### **1. Company car: user name has to appear in vehicle registration certificate**

### Collective labour agreements

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### Labour law provisions

#### **1. Company car: user name has to appear in vehicle registration certificate**

Circular letter no. 15513 by the Ministry of Infrastructure and Transport has introduced an obligation to communicate to the Department of Motor Vehicles (Motorizzazione Civile) the names of any person who will be using a vehicle for longer than 30 days. Under the new law, a user must inform the Department of any event entailing changes to the holder of the registration certificate and vehicle availability for a time period longer than 30 days, in favour of individuals or entities other than the original holder, and must request that the registration certificate be modified accordingly.

This obligation also applies to vehicles owned by (public or private) companies and organisations; however, with circular letter no. 23743 of 27.10.2014, the Department of Motor Vehicles hastened to make it clear that said obligation did not apply if the use of the vehicle determined a cost to the user, whether fully or partially, and for any reason whatsoever.

Hence, the new requirement does not apply to:

- The use of company vehicles made available as a "fringe benefit" (company vehicles allocated to employees for both business and private uses);
- Mixed use of company vehicles, e.g., vehicles used in working activities;
- Various employees taking turns in using the same company vehicle.

The annotation requirement applies, instead, to the case of an employee, or a collaborator, who is allocated a company car on an exclusive basis for private and personal use, and not for purposes to do with his/her job.

The obligation in question comes into effect on 3.11.2014. A violation is sanctioned with a € 705 fine and the withdrawal of the registration certificate pursuant to art. 94, clause 3, of Legislative Decree no. 285/92. Accordingly, if any of our clients are in the situation described above, they are kindly invited to take action as soon as possible to regularise their position with the offices of the DMV.



# TC HR SERVICES SRL

## **Collective labour agreements**

### **1. Collective Labour Agreement for the industrial sector: protocol of understanding on fixed term contracts is signed**

The protocol of understanding signed on 25<sup>th</sup> September 2014 specifies that the 20% limit laid down by the law on the hiring of employees under a fixed term contract, to be determined on the basis of the number of employees working for a company under an open-ended contract as at 1<sup>st</sup> January of the year of hiring, must be calculated in terms of average number of people employed during the year (1<sup>st</sup> January – 31<sup>st</sup> December), and this methodology applies starting with 2014. Accordingly, the parameter to be taken into account is the number of employees working under an open-ended contract as at 1<sup>st</sup> January 2014.

The protocol also specifies that company level collective agreements may identify different quantitative limits if a need arises to hire fixed term employees in excess of the aforementioned 20% limit in connection with building works, or with a particular service, order or contract of a defined or predetermined time duration.

This provision, however, is provisional, as the possibility to stipulate company level agreements shall only be effective until 31<sup>st</sup> December 2015; the effects of such agreements may also apply to time periods after said date.

As for the calculation of the 20% limit, it should be noted that the basis is comprised of the overall number of employees working under an open-ended contract as at 1<sup>st</sup> January. It includes managers, open-ended contract homeworkers, and open-ended contract part-time workers in proportion to the hours actually worked. As a result of an explicit provision, it does not include apprentices.

The parties have also come to an agreement concerning temporary workers, abrogating the need to specify a cause for the hiring of employees under this type of contract. Finally, it should be noted that the Collective Labour Agreement for the industrial sector sets no quantitative limits on the use of temporary workers.