

LABOUR NEWSLETTER 13 – 2020

RELIEF DECREE - UPDATED VERSION

On 9 November 2020, Decree Law no. 149/2020 (known as the Relief Decree - Updated Version) was published in the Official Journal, introducing key changes to labour, social security and tax requirements.

This newsletter covers the main changes introduced by this decree.

Labour Law

- 1. NEW MEASURES ON SALARY INTEGRATIONS**
- 2. EXTRAORDINARY ALLOWANCE FOR PARENTS FOR THE CLOSURE OF MIDDLE SCHOOLS**

Tax and social security measures

- 1. BABY-SITTING BONUS IN REGIONS IN RED ZONES**
- 2. HIRING BENEFIT (Io Lavoro)**

Labour Law

1. NEW MEASURES ON SALARY INTEGRATIONS

The Decree sets out an extension until 15 November for the deadline for sending applications to receive support in relation to the Covid-19 emergency, and for sending the data needed for the payment or balance, of such options that were due, under the normal system, between 1 and 30 September 2020.

Furthermore, the potential recipients of the wage guarantee schemes applied for pursuant to the Relief Decree (6 weeks, from 15/11/2020 to 31/01/2021, once the 9 + 9 weeks from the August Decree were used) have been expanded to include people hired up to 9 November 2020.

2. EXTRAORDINARY ALLOWANCE FOR PARENTS FOR THE CLOSURE OF MIDDLE SCHOOLS

For those areas of the country where the scenario is categorised as extremely serious and the risk level is high ("red" regions), in which in-person teaching has been suspended for middle schools, the parents of children at such schools are alternatively granted the option to stay home from work for the entire duration of the suspension of on-site teaching.

The allowance payable is only for employees and only in cases where it is not possible to work from home (so-called agile working). The amount of this allowance is 50% of average daily pay and it also entitles the employee to the notional contribution being credited.

The allowance has been extended to parents with children with disabilities of proven severity according to Law 104/92 who are enrolled in any level of school or cared for in special day-care centres that have been ordered to close.

No limits have been placed on the period for which such leave can be enjoyed, provided the suspension of in-person teaching remains. Applications for this allowance must be made by the worker, either directly or through the relevant union office, as soon as the Italian Social Security Institute's (*INPS*) computer system has been updated.

Tax and social security measures

1. BABY-SITTING BONUS FOR REGIONS IN RED ZONES

Only for those areas in Italy where the scenario is categorised as extremely serious and the risk level is high ("red" regions), leading to the suspension of in-presence learning for some middle school classes, the parents of pupils at such schools who are enrolled in the separate national insurance scheme (i.e. *Gestione separata*) or in special mandatory general insurance schemes, but not in another mandatory national insurance scheme, are eligible for one or more bonuses to acquire babysitting services. The limit on these is €1,000 in total, to be used during the periods in which in-person teaching is suspended.

The bonus can be used alternatively by both parents provided their work cannot be done remotely (i.e. "agile working") and provided there is not another parent in the household who is receiving some other form of wage support for suspended or terminated employment, and neither of the parents in the household is unemployed or does not work.

This benefit also extends to children with disabilities in proven situations of difficulty pursuant to Law no. 104/92, regardless of the school they attend, or if they attend day-care centres that have been closed as a result of the Prime Ministerial Decrees of 24 October 2020 and 3 November 2020.

These provisions also extend to foster parents.

The bonus cannot be used for services provided by family members, and it is paid using the "household booklet" (*libretto famiglia*). This bonus cannot be used with the crèche bonus in article 1, subsection 355, of Law no. 232 of 11 December 2016.

2. HIRING BENEFIT (Io Lavoro)

The Italian social security institute (*INPS*) has finally made available the "Io Lavoro" hiring benefit, which was created by the Budget Law and Anpal in February 2020.

Recipients: Private employers who hire, between 1 January and 31 December 2020, staff on open-ended contracts, even from an employment agency, open-ended contracts for cooperative workers or professional training apprenticeship contracts. It also covers fixed-term contracts that are transformed into open-ended contracts (provide the requirements are met).

Subjects: Unemployed people who have made a statement of availability via the Anpal website and who are aged 16 to 24, or 25 if they have not earned regular income for at least six months. It is also possible to enter into part-time employment contracts and to transform fixed-term contracts into open-ended contracts.

The benefit does not apply to pre-existing obligations (mandatory hiring, internal change of role).

Terms: Valid insurance contribution payment certificate (*DURC*), compliance with workplace health and safety, and risk prevention requirements, compliance with the relevant collective bargaining agreement, compliance with company AWUs.

Functioning: Companies that are granted this benefit can deduct the amount from the payable contribution (excluding the National Insurance Institute for Industrial Accidents - *INAIL* - amount) for 12 months, up to an annual limit of €8,060.00 (€671.66 per month).

Application: Applications are made online via the INPS website (old Diresco portal). It is necessary to provide information about the employee, the region, the average monthly salary including accrued amounts, the planned amount of the deduction, the simultaneous use of "De Minimis" assistance and the under 35 contribution exemption.

The wording "provisionally not accepted" will be used because priority for the benefit goes to the regions that are "less developed", "more developed" or "in transition".

Once INPS has checked the availability of funds and the Anpal website, and determined the requirements have been met, it will issue a BOOKING OPTION, which the company has to respond to within no more than 10 days (on penalty of forfeiture) by hiring the person (although the person can be hired prior to the benefit being granted).