

LABOUR NEWSLETTER 04 -2021

New “Financial support” decree:

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1. BRITISH CITIZENS - STAYING IN ITALY POST-BREXIT

Changes from the latest financial support decree

The latest decree law offering financial support in relation to pandemic - called the Support Decree - has been approved and is in the process of being published in the Official Journal. It has introduced a number of changes in relation to managing employment relationships during the continuing Covid-19 crisis.

1. EXTENSION OF THE COVID WAGE GUARANTEE SCHEMES

The Support Decree has added additional weeks of salary integration schemes for employers who suspend or reduce their business activities in response to the Covid-19 healthcare emergency.

More specifically, the following has been approved:

- An additional 13 weeks of the ordinary wage guarantee scheme (*CIGO* – for employer in industrial sector) that can be used from 1 April 2021 to 30 June 2021;
- An additional 28 weeks of the exceptional wage guarantee scheme (*CIGD*) and the salary integration scheme (*FIS*) that can be used between 1 April 2021 and 31 December 2021 for employer in services and commerce sector.

These schemes can be used for employees who were employed on 22 March and no additional contribution is payable in relation to the amount of the drop in the company's turnover.

2. EXTENSION OF THE MORATORIUM ON ECONOMICAL DISMISSALS

The recent change to the explanatory report for the Support Decree provides an interpretation clarifying that, in terms of what the Decree establishes for the ban on dismissals, only for the employers who would be eligible for:

This means that, according to the law, the following scenario is possible.

The ban on individual dismissals for justified objective reasons and on collective dismissals for economic reasons remains until 30 June 2021 for all the employer in the industrial sector (the one that can use CIGO).

The ban is further extended, from 1 July until 31 October 2021, for employers in the service and trade sector and for farm workers. For the employer who have:

- the exceptional wage protection scheme (Cassa Integrazione in Deroga - CIGD);
- the ordinary salary integration allowance (FIS - assegno ordinario);
- the wage protection scheme for farm workers (CISOA);

in relation to Covid-19 the ban on dismissals has been extended until 31 October 2021, regardless of whether these wage support measures are actually used.

As established by the previous law, this ban does not apply to justified dismissals:

- due to the company definitively ceasing to operate, following it going into liquidation and stopping operating, even partially;
- due to bankruptcy, where the company will not continue operating on a provisional basis or it is ordered to terminate;
- after entering into, with the agreement of the comparatively most representative national trade unions, an agreement on incentives for employees terminating the employment relationship, but only for those employees who accept the agreement.

3. RENEWALS AND EXTENSIONS FOR FIXED-TERM CONTRACTS

The possibility to extend or renew fixed term contracts has been extended until 31 December 2021. Such renewals/extensions can only be for a maximum period of 12 months and only once, but the specific "reasons" are not required. Nonetheless, the overall upper limit on the duration of 24 months remains in place.

4. REQUIREMENTS FOR RECEIVING THE NASPI ALLOWANCE

For NASPI allowances granted following the entry into effect of the Support Decree until 31 December 2021, the requirement of working 30 actual days in the previous 12 months before the period of unemployment is not being applied.

5. PROTECTING AT-RISK WORKERS

Until 30 June 2021, workers who are classed as "fragile" or with severe disabilities and who cannot do their work from home (i.e. smart working) have the right to be absent from work, with the related period being treated as a period of hospitalisation. Moreover, should this not be possible because of

the job currently done, then it is possible for the person to do a different job, provided it is in the same category and/or level.

6. WORKING FROM HOME AS AN ALTERNATIVE TO PARENTAL LEAVE

Public and private workers have the right to ask to work from home (i.e. smart working) receiving full pay, the right to retain their job and to not be dismissed. Firstly, parents who have a child under the age of 16 (compared to 14 before) who lives with them have the right to the above until 30 June 2021 (but only one parent at a time):

- when the child who lives with them is learning from home (*DaD*);
- for the entire time the child is infected with Covid-19 or the period in which the local health service places the child in quarantine.

7. ADDITIONAL EXTENSIONS FOR COLLECTION NOTICES AND EARNINGS ATTACHMENTS

There has been a new extension, this time until 30 April 2021, for the date after which the obligation to withhold amounts from pay in relation to attachments issued prior to 19/05/2020 by government tax collection agencies come back into force. This covers withholdings on salaries, wages and other allowances for an employment or similar relationship, including any amounts owed due to dismissal, and on pensions, allowances in lieu of pensions or retirement grants.

8. AID FOR BUSINESSES

The Support Decree has set aside funds for grants of up to €150,000.00 for companies with turnover of up to 10 million (replacing the previous limit of 5 million) that have suffered losses of over 30% in turnover when comparing 2020 and 2019. Grants will be recalculated by doubling the monthly loss. There are 5 decreasing bands, linked to increasing turnover:

- 60% for companies with turnover of up to €100,000.00;
- 50% for companies with turnover between €100,000.00 and €400,000.00;
- 40% for companies with turnover between €400,000.00 and €1 million;
- 20% for companies with turnover between €5 and €10 million.

All references to the ATECO (economic activity) codes as a basis for authorising such grants have been removed, but "extra bonuses" are envisaged for companies that have benefited from the grants in earlier Covid-19 related Decrees.

Timeframe: the platform should go live before the end of March, with payments between 8 and 10 April 2021. Information about how to submit applications will be provided at a later date.

Other news

1. BRITISH CITIZENS - STAYING IN ITALY POST-BREXIT

The Ministry of the Interior has published the rules for British workers and their families who wish to stay in Italy post-Brexit.

In particular, the Withdrawal Agreement sets out that British citizens and their family members have the right to receive an electronic residency permit called a *Carta di Soggiorno*.

The electronic permit is issued by the Police Headquarters (*Questura*) for the province of residence and it is valid for 5 years. This duration can be extended to 10 years for British citizens who have lived legally and uninterruptedly in Italy for 5 years, including periods prior to 31 December 2020.