LABOUR LEGISLATION UPDATES 05 – 2015

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1. **COMMERCIAL SERVICES CONTRACT (CONFCOMMERCIO): increase in minimum wage.**

Workplace Legislation

1. DISABLED IN ADMINISTRATION: RESERVE FEE CALCULATION

Leg. n. 81/2015 gave companies the opportunity to fulfill the obligation to employ workers with disabilities according to Law 68/69 with respect to temporary workers hired from employment agencies.

In particular, when applied to the case of disabled workers with assignments lasting no less than twelve months, the employee is given a calculated share of reserve requirements.

2. REDUNDANCY PAY: NEWS

With regard to wage supplementation, the Italian Regulation 148 established in 2015 has introduced important changes. The most important ones are as follows:

Those who benefit: those with an employment contract, with the exception of managers and home workers, as well as those employed under an apprentice contract, can benefit from the wage guarantee fund in the case that they are temporarily laid off. In order to qualify, workers must have worked for at least 90 days as of the date they have submitted an application

Duration: CIGO and CIGS cannot exceed the maximum term of 24 months for each production unit in a five-year period, extendable to 36 months in the case of a casual contract awarded by CIGS.

12 months CIGO+12 months CIGS	Maximum 24 months
12 months CIGO+24 months CDS	Maximum 36 months
12 months CIGS+24 months CDS	Maximum 36 months
36 months CDS	Maximum 36 months
12 months CIGO+12 months CDS	Possible extension of 6 months with CIGO/CIGS or another 12 months with CDS

Access to CIGS: CIGS can be granted for reasons of restructuring, replacing the old guidelines regarding restructuring, reorganization, or conversion of a company, as well as corporate crises and contracts of defensive solidarity. In this last case, the reduction of hours must not exceed 60% of the daily, weekly, or monthly average of the workers involved.

From 2016, the reason for temporary lay offs no longer needs to be declared.

Application submission deadline: Unlike before, applications for CIGO must take place within 15 days of a reduction in hours or contract suspension. With respect to requests made after the 1st of November 2015 to CIGS, compensation is awarded 30 days after an application has been submitted.

Reduction of the financing rates and monthly increase of additional contribution for those who use GIC are listed as follows:

Principal contributions	Type of company
1.7% of wage	Industrial companies with up to 50 employees
2% of wage	Industrial employees with more than 50 employees
4.7% of wage	Companies and construction companies (excluding stone, which has its own quota)

Duration of wage contribution	Additional contribution	Taxable amount
Interventions (temporary layoffs, CIGS and solidarity contracts) up to a maximum of 52 weeks in five years, mobile	9%	Total remuneration that the employee would have been entitled to for the hours not worked
More than 52 weeks and up to a maximum of 104 weeks in five years, mobile	12%	
Over 104 weeks in a five-year period, mobile	15%	

3. THE SIMPLIFICATION OF THE JOBS ACT WITH RESPECT TO WORK (D.Lgs.151/2015)

3.1 CONSTITUTION AND MANAGEMENT OF EMPLOYMENT

Some rules have been introduced to rationalize and simplify the establishment and operation of the employment relationship: in particular, it provides for electronic submission of corporate contracts and territorial jurisdiction in the Local Labour Office (DTL)

From the 1st of January 2017, the Single Employment Ledger will be kept using IT systems at the Ministry of Labour and Social Policy.

All communications concerning labor relations, targeted employment, protection of working conditions, incentives, active policies and vocational training, will be transmitted electronically.

3.2 WORKING ABROAD

With regard to foreign labor, employers are no longer required to issue authorization for the recruitment of Italian workers available to conduct business abroad, which is registered on a special placement list. The legislation no longer requires authorization regarding the use or transfer abroad of Italian workers and reaffirms the working conditions dictated in the relevant employment contracts.

Penalties related to the violation of recruitment provisions and transfer of Italian workers abroad have been eliminated.

3.3 WORKPLACE ACCIDENTS AND OCCUPATIONAL ILLNESSES

As of March 22, 2016 (180 days after the decree comes into law):

- An electronic medical certificate will be transmitted to the company's insurer and the employer from the doctor or competent health institute that first provides assistance to the injured or ill worker.

- Compensation claims regarding employee accidents or illnesses from the employer's insurer that require recovery of more than three days must be accompanied with references to the medical certificate already submitted electronically to the doctor or competent health institute.

- The obligation to report occupational accidents that have a prognosis exceeding 30 days (instead of the previous guideline of 3 days) to local public workplace safety authority can be met by sending the accident report to the employer's insurance through electronic means.

As of December 23rd, 2015 (90 days after the decree is made law) employers will no longer have to keep the accident register.

3.4 REMOTE CHECKS OF WORKERS

Regulations related to remote checks of workers have been revised, with a modification of Article 4 in the Statue of Workers with respect to provisions on privacy:

The principle changes to the current regulations provide:

- An extension of the conditions regarding instruments that allow employers to complete remote checks of workers not only related to organizational and production issues and job safety, but also to the protection of the business's image, in agreement with the RSA or RSU;

- In the case of companies with production facilities in different provinces of the same region or in several regions, an agreement for the installation of cameras in the plants can also be reached with the unions; in the absence of agreement with the latter, installation can take place after authorization by the DTL or the Ministry of Labour;

- Neither agreement from the union nor authorization from the ministry are required for remote checks that are related to job performance and the documentation of job access and presence;

- That all information collected by the employer can be used for all purposes related to employment provided appropriate information is given to the employee related to the tools and methods used to carry out remote checks and that regulations in relation to privacy are respected.

Collective Contracts

NOVEMBER

1. **Commercial Services Contract (Confcommercio):** increase in minimum wage.