

DE BERTI ■ JACCHIA

De Berti Jacchia Franchini Forlani
studio legale

The Labour Council of Palazzo Chigi

Guido Callegari

with the collaboration of Isabella Basilico

One cannot say that the reforms of the labour legislation which took place in Italy over the last fifteen years have really been successful, even though they were presented as milestones of our legislative evolution. Little survives of the so-called Biagi Law of 2003. The 2010 Collegato Lavoro is remembered just by specialists of the sector. The so-called Fornero Law still attracts the most ferocious criticism and for budgetary reasons only it has not yet been eradicated from our legal system. The so-called Jobs Act has not even been fully implemented (what about the active employment policies, what has been the effectiveness of the National Authority for such policies?) and as to the part instead which was, it had to face the frontal attacks of the local, most intransigent maximalists, and not only. Yet, the social tax relief contemplated by the 2015 Finance Act (so-called 2015 Stability Law) resulted in a significant increase of new employment contracts for an unlimited duration and nowadays the labour market is certainly better than in the last few years, although not uniformly on a national level.

It is to be assumed, on the contrary, that the counter-reformation approved a few days ago by the Government under the name of Dignity Act will be far more lucky than the preceding reforms of the labour legislation. For it does not look to be questionable that we are in presence of a real counter-reformation

and the Tridentine precedent in the religious field teaches us that success rewards this kind of operations, especially if among their effects there is also that of stifling whatever stimulus of economic and social growth.

The Jobs Act was aimed at widening the access to the labour market easing the resort to more flexible types of employment contracts against a slightly major level of flexibility in terminating employment contracts.

Contrariwise, the Dignity Act severely limits the duration of fixed-term employment contracts and brings back a fixed number of legal reasons in the presence of which the entering into of a fixed term employment contract is permitted, together with a handful of restrictions for the extension of the term and an increase of the contribution to be paid by the employer in case of renewal. The apparent reversal of the policy of the preceding Governments looks to be dictated by a senseless confusion between the concept of flexibility in acceding to employment and unstable (or precarious) work. Had fixed term employment contracts to be considered as a precarious form of employment, one would wonder whether fictitious self-employment contracts or moonlighting are preferable, taking into account that the latter forms are expected to proliferate in consequence of the entry into force of the new governmental measures, as already experienced in the past.

Further, the Dignity Act materially increases the penalty payable by the employer in case of allegedly unfair dismissal based either on disciplinary or on economic grounds. In practice, this means a material increase of the costs of the redundancies, which is definitely at odds with the flexibility in terminations pursued by the preceding legislators.

In short, the Government restores measures which were already tried and had already proved unfit to cope with the critical issues of the current labour market. It is unlikely that in the near future such measures will hit those targets in terms of struggle against precarious work which were missed in the past by the like measures. Laws, however, should be evaluated in the light of their effects which may be predicted to a very limited extent only. We would certainly like to see time dissipating our present pessimism.