

CORONAVIRUS OVERCOMING THE DIFFICULTIES

THE ANTI-COVID19 ECONOMIC MANEUVER (“DECRETO SALVA ITALIA”) AND RELEVANT WORK SUPPORT MEASURES

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On yesterday's date the Italian Government approved Law Decree no. 18 of March 17th, 2020, so-called “**Salva Italia Decree**”, containing initial measures aimed at facing the social and economic impact on the Country of the emergency arisen from the Covid-19 epidemic.

The Decree was published in a special edition of the Italian Official Gazette on the same date of its approval and on such date it entered into force.

The following measures in matter of employment are worth of note.

WHAT MEASURES TO SUPPORT PRIVATE COMPANIES IN THE MANAGEMENT OF THE WORKFORCE DURING THE COVID 19 EMERGENCY?

1. Layoff Allowances

In case of temporary layoffs, companies should be given access to a new form of the “**Cassa Integrazione Guadagni Ordinaria (CIGO)**” and “**Assegno Ordinario**” national layoff allowance funds to be activated on the specific grounds of the “*Covid-19 Emergency*”.

The Governments of the Regions and of the Autonomous Provinces of Trient and Bozen would also be authorised to launch local lay off allowance funds (“**Cassa Integrazione Salariale in Deroga**”) for those companies which are not eligible to participate to the national layoff allowance funds.

In terms of formalities, relevant application is to be filed by the end of the fourth month following that of beginning of the temporary layoff. A prior communication and consultation with the Trade Unions are required, to be carried out even by means of IT devices within three days as from the date of the prior communication. The layoff allowance will be paid for a maximum period of 9 weeks, even on a non-consecutive basis, to be set as from February 23rd, 2020 up to and until the end of August 2020. These periods of time will not count toward the maximum duration of the ordinary form of *Cassa Integrazione Guadagni Ordinaria (CIGO)* and of “*Assegno Ordinario*”.

Through the new form of *Cassa Integrazione Guadagni Ordinaria (CIGO)*, *Assegno Ordinario* and the *Cassa Integrazione Salariale in Deroga*, the aim of the Italian Government is that of ensuring the payment of a layoff allowance to all employees in employment as at February 23rd, 2020 and temporarily laid off because of the Covid-19 Emergency, regardless of the size of their employers or of their length of service.

2. Parental Leaves/ Baby-Sitting Bonus

2.1 Employees with children no older than 12 will be entitled to benefit from a specific parental leave upon the following terms and conditions:

Requirements	Duration	Remuneration	Pension Entitlements
absence of any of the parents: - benefitting from income support wages - unemployed - voluntarily not working	max. 15 days to be alternately used by one or the other of the parents, on a consecutive or a non-consecutive basis or unlimited in presence of children with serious disabilities	wage equal to 50% of the remuneration under Sect. 23 of Legislative Decree no. 151/2001	accruing even in absence of contributions payable by the company

As an alternative option, upon the above conditions employees with a child no older than 12 will benefit from a baby-sitting bonus to be used during the same period of time up to a maximum amount of € 600.00=, to be paid through the so-called family booklets contemplated by Sect. 54-bis of Law no. 50/2017.

2.2 Employees with children aged in between 12 and 16 years old will be permitted to abstain from working upon the following terms and conditions.

Requirements	Duration	Remuneration	Pension Entitlements	Other Conditions
absence of any of the parents: - benefitting from income support wages - voluntarily not working	the entire period of stay of the educational services and teaching activities	No wage	not accruing	- prohibition of dismissal - right to keep the job

3. Tax Credit for Workplace Sanitation Costs

For FY 2020 companies will benefit from a tax credit equal to 50% of the costs borne for the sanitation of the working environment and tools, up to a maximum of € 20,000.00=.

WHAT MEASURES TO SUPPORT WORKERS' INCOME?

4. Extension of the Paid Leaves under Sect. 33, Para. 3, of Law No. 104/1992

For each of the months of March and April 2020, the number of paid leaves for those employees caring for persons with serious disabilities as envisaged by Sect. 33, paragraph 3, Law no. 104/1992 will be increased from 3 to 15 days, to be used on a consecutive or on a non-consecutive basis. Pension entitlements will accrue during such paid leaves even in absence of contributions payable by the company.

5. Equivalence of Quarantine under Active Surveillance to Ordinary Disease

The period spent at home in quarantine under active surveillance as attested by a medical certificate **(i)** will be considered to be the same as a sick period for the purpose of the payment of the relevant wage to the employee concerned; even though **(ii)** it will not count toward the grace period during which a sick employee may not be dismissed (in Italian "*periodo di comporto*").

Up to April 30th, 2020 for employees with certified serious disabilities or in conditions of serious risk from immunodepression / oncological pathologies / life-saving therapies, the period of absence from work as prescribed by the health authorities will be equivalent to hospitalization.

6. Bonus for Employees with an Overall Annual Income No Higher than €40,000.00

For the month of March 2020, employees with an overall annual income no higher than €40,000.00 will be paid a tax free bonus of € 100.00= to be prorated on the basis of the working days spent in their normal place of employment (as opposed to at home).

7. Bonus for the Month of March 2020 for Self-Employed Workers

- (i)** Professionals having a VAT position active on or before February 23rd, 2020;
- (ii)** workers self-employed under a coordinated and continuous collaboration agreement; and
- (iii)** self-employed workers enrolled on special pension schemes of the social security administration;

will be eligible for the payment of a tax free bonus for the month of March 2020 of € 600.00, to be paid by the Italian National Institute for Social Security (INPS) upon application of the worker concerned.

FURTHER SIGNIFICANT MEASURES

8. Smart Working

Up to April 30th, 2020, employees with disabilities or caring for a disabled person of their family will be entitled to work on a smart working pattern, provided however that this fits with the characteristics of their job.

Workers suffering from serious and proven pathologies, with a reduced working capacity, will have to be preferred by the employers when accepting applications to work on a smart working pattern.

9. Suspension of Collective Dismissals and of Dismissals for Redundancy or for Economic Reasons

Collective dismissal processes might not be commenced during the 60-day period as from the date of entry into force of the Salva Italia Decree. During such period of time those collective dismissal processes commenced after February 23rd, 2020 will be stayed by operation of law.

During the above period of time, individual dismissals for redundancy and/or for economic reasons will not be permitted.

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