

MORRI
ROSSETTI



Labour Monthly Roundup

May 2023

LABOR MONTHLY ROUNDUP

The Firm's Labour Monthly Roundup holds some of the most important clarifications on the new practices and law cases of the past month that are relevant to the following subjects:

1. *New Labour Decree: news on social inclusion and access to employment;*
2. *Amendment of the Transparency Decree: information obligations mitigated by the Labour Decree;*
3. *Expansion contracts: supplementary agreement until 31.12.2023;*
4. *Supreme Court: dismissal of an employee who refuses to move from full-time to part-time work;*
5. *EU Directive 2023/970: new protections for workers and new obligations for employers on equal pay and transparency;*
6. *Smart working: return to 'ordinary' rules from 1st July 2023.*

1. New Labour Decree: news on social inclusion and access to employment

Decree-Law no. 48, the so-called '*Labour Decree*', was published in the Official Gazette on 4 May 2023 and will be in force as of 5th May 2023. Among its many innovations, it includes the introduction of the inclusion allowance, which will be granted to households comprising at least one disabled, minor or over-sixties person or a civil invalid. There are also new incentives for hiring, a revision of the transparency rules for drafting employment contracts, new reasons allowing the execution of fixed-term agreements, an increase in the threshold of *fringe benefits* to EUR 3,000 for 2023 for employees with children, and changes to the rules for occasional services in specific sectors.

2. Amendment of the Transparency Decree: information obligations mitigated by the Labour Decree

The Labour Decree contains a revision of the obligations introduced last year with the Transparency Decree, Legislative Decree no. 104/2022, which had burdened the employer with information requirements at the time of hiring.

The latter decree had placed on the employer the obligation to fulfil its duty to inform the employee directly through a written communication in which all the conditions of the future employment relationship were explained in detail.

The new decree provides that, for some of this information, the employer may merely indicate to the employee the reference to the legislation or collective bargaining agreement, including company agreements, governing the relevant term of employment.

3. Expansion contracts: supplementary agreement until 31.12.2023

The Labour Decree intervenes by introducing a novelty concerning expansion contracts concluded by 31st December 2022 and yet to be completed by companies with more than 1,000 employees.

In particular, until 31st December 2023, the possibility of entering into a supplementary agreement with the Ministry of Labour to reschedule terminations of employment relationships within 12 months is provided for, without the possibility of modifying the expenditure commitment and the maximum number of workers accompanied to retirement.

4. Supreme Court: dismissal of an employee who refuses to move from full-time to part-time work

With decision no. 12244 of 9th May 2023, the Supreme Court ruled that, in the event of a refusal to transform the relationship from full-time to *part-time*, the employee may be legitimately dismissed if the termination is not due to the rejection itself, but to the impossibility of using the full-time service.

The Court has ruled that such a refusal may constitute justified grounds for dismissal and does not preclude dismissal on objective grounds.

5. EU Directive 2023/970: new protections for workers and new obligations for employers on equal pay and transparency

EU Directive no. 2023/970 was published in the Official Journal of the European Union, introducing

new protections for employees and new obligations for employers regarding equal pay and transparency.

The scope covers the public and private sectors, and employers must guarantee equal pay for equal work or work of equal value.

Transparency is required at every stage of the employment relationship, including the pre-employment stage and even before the interview, candidates must be provided with information on the starting salary, and the employer may not ask for details on compensation received in current or previous work experience.

The Member States have until 7th June 2026 to adapt to the content of the Directive with the necessary laws, regulations and administrative provisions.

6. Remote working: return to 'ordinary' rules from 1st July 2023

Barring further extensions, as 30th June 2023 approaches, the right of frail employees and those with children *under* 14 to benefit from remote working without an individual agreement is about to expire.

From 1st July 2023, companies and workers who wish to use agile working will no longer be able to use simplified forms.

With the return to the rules laid down in Law No. 81 of 2017, the parties will, therefore, necessarily have to sign an agreement that will have to have the minimum contents laid down by law.

The main updates on Labour Law of May 2023

Is there room for furlough in Italian labour law?
26 May 2023

In relation to working relationships holding international features, it is not rare that some procedures, normally executed in one country, are implemented in the other national legislations involved, even under other similar options they provide. As the furlough is not an exception to the above, here below is a brief recap of its characteristics and on how it relates to the Italian employment system.

[→ Read more](#)

Legitimate disciplinary sanction imposed based on video surveillance images
10 May 2023

The Supreme Court, in its order no. 8375 of March 23rd, 2023, declared the lawfulness of using video surveillance system footage to report an employee's misconduct, provided that it is evaluated within a broad evidentiary framework.

[→ Read more](#)

HR Tips #5: Sole centre of interests

It is possible that whenever two companies (even belonging to the same company group) perform their activities in close connection, so tightly that it becomes unclear which one is de facto the employer of the involved employees, a sole centre of interest may be identified about both.

Should the case occur, it would entail shared employer liability for both companies concerned.

To correctly identify the sole centre of interests, the case law has outlined some indexes, summarised as follows:

- *the incapacity to distinguish the business structures of either one of the companies;*
- *the shared use of staff and machinery or means necessary to the production;*
- *the overlapping of the executed activities;*
- *the technical and administrative-financial coordination to the point where a single governing entity is appointed and pursues a common goal for both companies.*

Given the significant consequences following the determination of a sole centre of interests, mainly concerning the selection criteria applied in case of dismissal of the employees staffed by the involved companies, it is advisable to assess carefully that none of the above indexes occurs.

* * *

For more information and insights, you may contact:

Emanuele Licciardi

*Partner | Dept. of Labor Law and Industrial Relations
(Emanuele.Licciardi@MorriRossetti.it)*

Follow us on 



MORRI
ROSSETTI



Morri Rossetti
Piazza Eleonora Duse, 2
20122 Milano

MorriRossetti.it