

Employment protection in Italy – 2008

Item 1 Notification procedures in the case of individual dismissal of a workers with a regular contract	Written notice to employee who can require communication of detailed reasons and can request conciliation by the provincial employment office or through conciliation committees set up under collective agreements.
Item 2 Delay involved before notice can start	Letter sent by mail or handed directly to employee.
Item 3 Length of notice period at different tenure durations	Blue collar: 2d<2w and 6 to 12 days thereafter. White collar: 8d<8w and 15 days to 4 months thereafter (minimum legal requirements, often higher in collective agreements).
Item 4 Severance pay at different tenure durations	All workers: none.
Item 5 Definition of unfair dismissal	Fair: Termination of contract only possible for “just cause” or “just motive”, including significant non-performance of the employee, and compelling business reasons. Unfair: Dismissals reflecting discrimination on grounds of race, religion, gender, trade union activity, etc.
Item 6 Length of trial period	Blue collar: 1-2 weeks (the trial periods cited are those common in collective agreements). White collar: 3-8 weeks.
Item 7 Compensation following unfair dismissal	Workers in companies employing >15 employees in an establishment or in the same municipality or in companies with more than 60 employees (even if distributed in production units or municipalities with less than 15 employees) can choose reinstatement or financial compensation of 15 months’ (plus at least 5 months’ compensation for the period between dismissal and court decision in both cases). For establishments not included in the above cases, the employer can choose between re-employment (different from reinstatement because it does not give rise to compensation for the period between dismissal and the court decision) and compensation of 2.5-6 months (depending on seniority and firm size). This can be increased up to 10 months > 10 years, and 14 months >20 years seniority. Typical compensation at 20 years tenure: 15 months.
Item 8 Reinstatement option for the employee following unfair dismissal	The option of reinstatement is fairly often made available to the employee.
Item 9 Maximum time period after dismissal notification up to which an unfair dismissal claim can be made	60 days.
Item 10 Valid cases for use of fixed term contracts	Fixed term contracts can be used for technical, production and organizational reasons including the replacement of absent workers, and for types of work normally carried out by the enterprise.
Item 11 Maximum number of successive FTCs (initial contract plus renewals and/or prolongations)	One renewal is possible provided that the duration initially agreed is less than three years.
Item 12 Maximum cumulated duration of successive FTCs	36 months, with further renewal possible with agreement of labour authority.
Item 13 Types of work for which temporary work agency (TWA) employment is legal	TWA contracts can be used for technical, production and organizational reasons including the replacement of absent workers and for types of work normally carried out by the enterprise. Collective agreement may lay down upper limits for the use of temporary workers. In addition to the supply of workers on temporary contracts there now exists staff leasing i.e. supply of workers on permanent contracts, excluding for firms which have resorted to collective dismissals in the previous 6 months.
Item 14 Are there restrictions on the number of renewals and/or prolongations of TWA contracts?	Yes, in the cases and for the duration set forth in the collective agreement used by temporary work agencies.
Item 15 Maximum cumulated duration of TWA contracts	There is no legal maximum duration of temporary work contracts, but it is set by collective agreements applied by temporary work agencies.
Item 16 Does the set-up of a TWA require authorisation or reporting obligations?	To obtain administrative authorisation, the agency must be based in Italy, have a minimum capital stock, sufficient qualified staff, presence in at least four regions and have labour supply as its main activity. Periodic reporting is necessary to maintain the administrative authorisation.
Item 17 Do regulations ensure equal treatment of regular workers and agency workers at the user firm?	TWA workers are entitled to receive the same pay and conditions as other workers at the user firm.
Item 18 Definition of collective dismissal	In firms with 15 and more employees and over a period of 120 days, 5+ workers in a single production unit; 5+ workers in several units within one province.

Item 19 Additional notification requirements (compared to Item 1) in cases of collective dismissal	<p>Notification of employee representatives: Duty to inform employee representatives and competent trade union and set up a joint examination committee.</p> <p>Notification of public authorities: Notification of labour authorities (at local, regional or national level, depending on size of redundancy).</p>
Item 20 Additional delays involved (compared to Item 2)	Up to 45 days negotiation in joint examination committee before implementation. Conciliation if no agreement reached.
Item 21 Other special costs to employers in case of collective dismissals	<p>Type of negotiation required: Consultation on alternatives to redundancy, scope for redeployment and ways to mitigate the effects; severance agreement usually reached after negotiation with union and (in major cases) labour authorities, - determining selection criteria and use of financial support.</p> <p>Selection criteria: Law specifies social and economic criteria (length of service, number of dependants, technical and production requirements), but does not specify priorities.</p> <p>Severance pay: first, monthly payments from a redundancy fund (financed from company contributions) - "Cassa Integrazione Guadagni". Second, when CIG fund is exhausted, mobility payments (mobility indemnities are financed through the social security system, when accessing to the scheme enterprises have to pay, for every worker dismissed, a sum equal to six times the first month mobility allowance).</p>

This summary was produced by the OECD based on responses to a questionnaire submitted by authorities in OECD member countries. It describes the situation current as at 1 January 2008 and is the basis for calculating the OECD employment protection indicators. To find out more about the methodology used to calculate the OECD employment protection indicators, see www.oecd.org/employment/protection.