



EXTENSION OF THE PROHIBITION OF DISMISSAL FOR COVID-19



Article 14 of the "August" Decree further extended the application of the provisions contained in Article 46 of the "Cura Italia" Decree concerning dismissals for economic reasons, renewing, in particular:

- 1) the prohibition of collective dismissals and dismissals for justified objective reasons;
- 2) the suspension of collective dismissal procedures started after February 23rd 2020 and not yet concluded;
- 3) the suspension of the settlement procedures provided in the event of dismissal for justified objective reasons in companies with more than 15 employees.

The term of duration of these prohibitions and suspensions is currently not identifiable.

Without prejudice to these prohibitions and suspensions, the employer may proceed with collective dismissals and dismissals for justified objective reasons only once the same has taken full advantage of the overall period in which the employer may benefit from the redundancy payment for Covid-19 provided for in article 1 of the "August" Decree, or has made full use of the exemption from the payment of social security contributions provided for by article 3 of the same Decree.

The employer may, however, proceed with collective dismissals and dismissals for justified objective reasons without having to comply with the aforementioned conditions, in the following cases:

- a) Definitive cessation of the business activity, consequent to the liquidation of the company, when the working activity is no longer exercised, not even partially (provided that a transfer of company or of a business branch pursuant to article 2112 of the Italian Civil Code does not occur);
- b) Bankruptcy of the company, when the provisional operation of the company is not foreseen or the termination of the same is ordered. If the business is temporarily exercised within a specific business branch, the employees not employed in that branch may be dismissed;
- c) Collective company agreement, stipulated by the comparatively most representative trade unions at national level, which provides for an incentive to leave, provided that the agreement is applicable only to employees who decided to enter into the company agreement. In this case, the aforementioned employees will have the right to access NASpI (Italian unemployment allowance).

Finally, the "August" Decree renewed the possibility, for employers who proceeded with a dismissal for justified objective reason during 2020 (and, therefore, not only in the period between February 23rd 2020 and March 17th 2020, as provided for by the "Cura Italia" Decree), to revoke this dismissal even after the ordinary term of 15 days, provided that the employer submits a contextual request to benefit from the redundancy payment starting from the date of the original dismissal.