

Italy: new law governing smart-working for employees and creating a bill of rights for free-lancing professionals has been approved

Today the Italian Parliament has approved the law introducing "smart-working", defined as flexibility in the performance of one's job, at the employer's premises as well as everywhere else, without a fixed work station and scheduled working hours.

- Smart-working is expected to change the existing job culture and increase productivity and competitiveness by fostering greater work-life balance, well-being, talent retention and diversity promotion.
- The cardinal rules of the bill concern: equality of treatment with colleagues performing the same duties at the employer's premises, as granted by collective bargaining agreements; maximum working time/right to disconnect, specifying rest time; written agreement concerning disciplinary breaches and employer assessment of the work performance (e.g. by objectives) in compliance with labour and data protection restrictions on remote monitoring.
- Moreover, the bill provides for: mandatory insurance coverage for injuries at work and occupational diseases; accountability of the employer for health and safety and proper functioning of the technology equipments assigned to the employee; 30-day notice to terminate any permanent smart-work arrangement (90 days in case of disabled employees); tax and social security relief for productivity/efficiency increases.
- As the new law does not contain transitory provisions, a review of current arrangements is now needed for those employers that so far have already applied smart-working arrangements by entering into company-level collective bargaining agreements. Now they will be required to ensure any gap is filled to comply with the new law.

The new law also introduces protections and welfare measures for free-lance independent contractors.

- The number of individuals who will be affected is currently estimated at approximately 2.5 million. This is a crucial legislative provision, which has already been dubbed the "free-lancer's bill of right". For free-lancers, the new law governs their relationship both with the principal and with public welfare.
- The law requires the principal to protect workers from abuse of economic dependency and thus to pay free-lancers no later than 60 days after the date of the invoice and to provide adequate notice of termination. Moreover, free-lancers are to have intellectual property rights, the right to unpaid leave up to 150 days per year for maternity, sickness and injuries; the choice of working while receiving the maternity benefits and/or to agree on a replacement worker identified by the free-lancer who is in maternity leave; and free-lancers have the right to require a written agreement governing their services.
- The main welfare measures provided for under the new law include: boosted maternity, parental leave, sickness and unemployment benefits; tax exemption for out of pocket expenses incurred in the performance of services for the principal and reimbursed by the principal; tax deduction for professional certification/training/insurance costs; right for the free-lance to temporarily suspend payment of insurance and social security contributions in the event of sickness or injuries preventing work for more than 60 days.

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