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**'Dignity Decree': the new  
legislation on fixed-term  
work**



Studio  
**Arlati Ghislandi**

CONSULENZA  
DEL LAVORO E FISCALE

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**SUBJECT**

**'Dignity Decree': the new legislation on fixed-term work**

Leg. Decree no. 87 of 12 July 2018 entitled 'Urgent measures for the dignity of workers and companies' in force from 14 July 2018, was published in the Official Gazette on 13 July 2018. As known, this decree-law brought significant changes to the regulatory framework regarding fixed-term work, staff leasing and work with increasing protections.

In addition to a recent circular by the writer concerning the new legislation on fixed-term work, it should also be specified that:

- a) the specification of an end-date in an employment contract of more than 12 months concluded after 13 July 2018 is allowed only if said end-date is attributable to:
  - 'temporary and objective requirements, that are not related to the ordinary activity, or requirements to replace other workers',
  - 'requirements connected to significant and non-programmable temporary increases to the ordinary activity';
- b) Without prejudice to the regulations laid down by the Collective Labour Agreement applied, the total duration of multiple fixed-term employment relationships existing between an employer and the worker resulting from a succession of contracts may not exceed, with reference to fixed-term contracts concluded to perform tasks of the same level and legal category (and regardless of the periods of interruption between one contract and another), the limit of 24 months;
- c) In the light of what is set forth in letter b) above, fixed-term contracts in force on 14 July 2018 that have already reached (or exceeded) the total limit of 24 months, may not be renewed or extended;
- d) the individual employment contract may be renewed only when the conditions established by article 19, paragraph 1 of Leg. Decree no. 81 of 15 June 2015 exist;
- e) the extension is freely allowed for a total period of 12 months;
- f) the extension of a contract that has a total duration exceeding 12 months is only allowed if the requirements referred to in letter a) above are met. This rule also applies to fixed-term employment contracts in the process of being concluded on 14 July 2018 and which have a total duration of more than 12 months;
- g) in any case, no more than four extensions are allowed over a period of 24 months, regardless of the number of contracts concluded between the parties.

Given the above, it should be noted that any violation of the provisions on the specification of the term, extension, renewal and total duration may lead to the 'conversion' of the fixed-term employment relationship into an open-ended employment relationship. Moreover, any illegitimate termination of the 'converted' employment relationship would be governed by article 3, paragraph 1 of Leg. Decree no. 23 of 4 March 2015, which, in view of the changes introduced to the decree-law in question, establishes that, from 14 July 2018 the indemnity due from the employer in the event of unjustified dismissal is no longer fixed in four monthly pays, but rather 6 monthly pays, calculated on the remuneration used to calculate the severance indemnity. The indications already provided for staff leasing, unjustified dismissal indemnity and increase in the contribution at each renewal of a fixed-term contract have been confirmed.

We remain at your disposal for any further information.  
Best regards

**Daniela Ghislandi**  
Dottore Commercialista  
Revisore contabile

