

TIME RECEIVED	REMOTE CSID	DURATION	PAGES	STATUS
November 14, 2016 4:15:13 PM GMT+01	+41 22 7322150	720	30	Received
14/11 2016 16:55 FAX +41 22 7322150	GREEK MISSION GENEVA			001



PERMANENT MISSION OF GREECE  
GENEVA

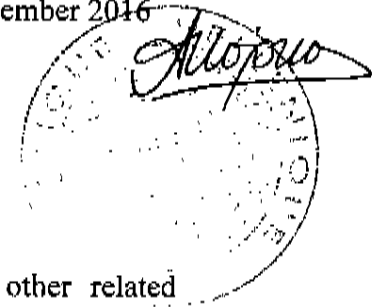
Ref. No. 6171.2/61/AS2131

**NOTE VERBALE**

The Permanent Mission of Greece to the United Nations Office at Geneva and other International Organizations in Switzerland presents its compliments to the Office of the High Commissioner for Human Rights and with reference to the questionnaire of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights, dated 27 July 2016, has the honour to attach herewith the responses of the Ministry of Employment, Social Security and Social Solidarity.

The Permanent Mission of Greece to the United Nations Office at Geneva and other International Organizations in Switzerland avails itself of this opportunity to renew to the Office of the High Commissioner for Human Rights the assurances of its highest consideration.

Geneva, 10 November 2016



To: The UN Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights  
Thematic Engagement, Special Procedures and Right to Development Division  
UNOG-OHCHR

*Fax: 022 917 9006*

Att.: 28 pages

To: The UN Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights  
Thematic Engagement, Special Procedures and Right to Development Division  
UNOG-OHCHR

In answer to your questionnaire regarding the effects of foreign debt and other related international financial Obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights, dated 27 July 2016, the Hellenic Ministry of Employment, Social Security and Social Solidarity, replies as follows:

### Question 1

As regards the labour market reforms and the changes in national labour law, we would like to inform you of the following:

Mass redundancies: Under Act 3863/2010 (Official Journal of the Hellenic Republic series A', vol. 115) the thresholds for mass redundancies have changed (i.e. the thresholds beyond which redundancies are considered aggregate ones, for which the process of mass redundancies is followed). More specifically, these thresholds for undertakings employing 20 - 150 persons are set to six (6) persons per calendar month, for undertakings employing more than 150 persons, up to 5% of all their employees and up to thirty (30) persons.

Under the old regime of Act 1387/1983 (Official Journal of the Hellenic Republic series A', vol. 110) these thresholds, beyond which redundancies were considered mass ones, were five (5) employees for undertakings which were employing 20 - 50 persons, and 2 - 3% of their employees and up to thirty (30) persons for undertakings employing more than 50 persons.

Long - term unemployed allowance: Act 4093/2012 (Official Journal of the Hellenic Republic series A', vol. 222)<sup>1</sup> under «Social Policy Measures for Long - Term Unemployed Persons» provided that:

<sup>1</sup> By authority of said Act, Joint Ministerial Decision under number 44137/613 / 12.12.13 (Official Journal of the Hellenic Republic series B', vol. 3253) has been issued.

Starting from 1.1.2014, Greek nationals and nationals of EU Member States aged 20 - 66 years, insured against unemployment and constantly unemployed for a period of time exceeding twelve (12) months, are entitled to a long - term unemployment benefit, if they have exhausted their right to an ordinary unemployment allowance and their annual family income does not exceed the amount of ten thousand (10.000) euros. This income threshold is increased by five hundred eighty-six euros and eight cents (586.08) per minor of the family.

To: The UN Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights  
Thematic Engagement, Special Procedures and Right to Development Division  
UNOG-OHCHR

In answer to your questionnaire regarding the effects of foreign debt and other related international financial Obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights, dated 27 July 2016, the Hellenic Ministry of Employment, Social Security and Social Solidarity, replies as follows:

### Question 1

As regards the labour market reforms and the changes in national labour law, we would like to inform you of the following:

Mass redundancies: Under Act 3863/2010 (Official Journal of the Hellenic Republic series A', vol. 115) the thresholds for mass redundancies have changed (i.e. the thresholds beyond which redundancies are considered aggregate ones, for which the process of mass redundancies is followed). More specifically, these thresholds for undertakings employing 20 - 150 persons are set to six (6) persons per calendar month, for undertakings employing more than 150 persons, up to 5% of all their employees and up to thirty (30) persons.

Under the old regime of Act 1387/1983 (Official Journal of the Hellenic Republic series A', vol. 110) these thresholds, beyond which redundancies were considered mass ones, were five (5) employees for undertakings which were employing 20 - 50 persons, and 2 - 3% of their employees and up to thirty (30) persons for undertakings employing more than 50 persons.

Long - term unemployed allowance: Act 4093/2012 (Official Journal of the Hellenic Republic series A', vol. 222)<sup>1</sup> under «Social Policy Measures for Long - Term Unemployed Persons» provided that:

<sup>1</sup> By authority of said Act, Joint Ministerial Decision under number 44137/613 / 12.12.13 (Official Journal of the Hellenic Republic series B', vol. 3253) has been issued.

Starting from 1.1.2014, Greek nationals and nationals of EU Member States aged 20 - 66 years, insured against unemployment and constantly unemployed for a period of time exceeding twelve (12) months, are entitled to a long - term unemployment benefit, if they have exhausted their right to an ordinary unemployment allowance and their annual family income does not exceed the amount of ten thousand (10.000) euros. This income threshold is increased by five hundred eighty-six euros and eight cents (586.08) per minor of the family.

The amount of the long - term unemployment benefit may not exceed the monthly amount of two hundred (200) euros and is paid for as long as the beneficiaries remain unemployed and never for more than twelve (12) months. Said benefit, as well as unemployment, sickness and maternity benefits are not taken into account when determining, on a per case basis, the annual family income based on which they are granted.

This regulation aims at expanding the number of beneficiaries (long - term unemployed), as both the age thresholds and the income criteria of the beneficiaries were expanded, in order to create a safety «net» for long - term unemployed persons. Please note that, under the previous regime, long - term unemployment benefit was granted to persons aged 45 – 65 years.

**Part-time employment:** Article 38 of Law 1892/1990 (A' 101) as replaced by article 2 of Law 2639/1998 (A' 205) and subsequently by article 2 of Law 3846/2010 «*Job security guarantees and other provisions*» (A' 66) and following its amendment by virtue of article 17, paras. 1, 2 and 3 of Law 3899/2010 (A' 212), stipulates the following:

*«In drawing up an employment contract or during its term, the employer and the salaried person may, by written individual contract, agree on a daily or weekly or fortnightly or monthly work for a fixed or indefinite period of time, the duration of which shall be shorter than the standard one (part-time employment).*

Care is taken so that workers' refusal to alter their full-time working contract to a part-time one can not in itself constitute grounds for the termination of the employment contract.

We would like to note that, by virtue of article 17, para.1 of Law 3899/2010, a 7,5% increase in the remuneration of part-time employees is abolished, provided that their working hours are less than four (4) on a daily basis, as provided for in article 2, para.9 of Law 3846/2010.

By virtue of article 17, para.2 of Law 3899/2010, the entitlement to increased pay is no longer provided for in the event part-time workers are asked to provide work beyond the agreed upon working hours.

Paragraph 9 of the same article, as replaced by para. 1, article 17 of Law 3899/2010 stipulates the following: «The pay rate of employees on a contract or relationship of part-time employment is calculated similarly to the pay rate of comparable employees and corresponds to the working hours of part-time employment».

Article 17, para. 2 of Law 3899/2010, stipulates the following: *«If the need emerges for extra work beyond that agreed upon, the part-time employee has the obligation to provide it, if he or she is in the position to do so, and any refusal to do so would be contrary to good faith».*

Moreover, para. 13 stipulates the following: «In case of a job offer on equal terms for employees of the same category, the part-time employee has priority in the event of hiring full-time employees in the same undertaking».

Article 2, para. 3 of Law 3846/2010 «*Job security guarantees and other provisions*» (O.G. 66/A') provides for the following:

**«In drawing up an employment contract or during its term, the employer and the salaried person may, by written individual contract, agree on any form of work in rotation.»**

From the Explanatory Report on the Law where it is indicated that: «....If business activities are reduced, the employer, in order not to terminate employment contracts, may unilaterally implement a system of employment in rotation, but only for a period ...», it follows that this provision, i.e., the unilateral implementation of employment in rotation, aims at **addressing temporary financial problems, safeguarding the sustainability of the enterprise and preventing dismissals.**

As regards **fixed-term work**, P.D. 81/2003 «Arrangements for workers under fixed-term contracts» (O.G. 77/A/2-4-2003), as amended by P.D. 180/2004 «Amending P.D. 81/2003 « Arrangements for workers under fixed-term contracts» (O.G. 160/A/23-8-2004) and later by article 41 of Law 3986/2011 «**Urgent Measures for the Implementation of Mid Term Fiscal Strategy Framework 2012-2015**»(O.G. A 152/1.7.2011) constitutes the legislative framework by virtue of which Greek law is adapted to the provisions of Directive 99/70/EC on the framework agreement concluded by CES, UNICE and CEEP .

More specifically, article 5 of P.D. 81/2003, as replaced by article 3 of P.D. 180/2004, as replaced in its turn by article 41 of Law 3986/2011, stipulates the following:

**«Unlimited renewals of fixed-term employment contracts are permitted if justified by an objective reason.»**

In any event, the reasons that justify the renewal of a fixed-term contract or employment relationship should be listed in the agreement between the parties.

In case there is no objective reason and if the duration of successive fixed-term employment contracts or relationships exceeds three (3) years in total, it is presumed that these are concluded with a view to meeting fixed and permanent needs of the enterprise or undertaking, leading to their conversion to employment contracts or relationships of indefinite duration.

Moreover, we would like to inform you of the following regarding employment through a temporary work agency (TWA): By virtue of articles 113 – 121 of Law 4052/2012 (O.G 41 A'), as amended, Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work was transposed into national law.

More specifically, article 113, para. 2 of the law stipulates that: *«a) the purpose is to ensure the protection of temporary agency workers and to improve the quality of temporary agency work by establishing provisions that ensure equal treatment between temporary agency workers and workers employed directly by the user undertaking, b) by recognising temporary-work agencies as employers, a suitable framework is established for the use of temporary agency work, with a view to contributing effectively to the creation of jobs and to the development of flexible forms of working».*

According to article 114, para.1 of Law 4052/2012, the provisions of the law apply to: «a) workers with a contract of employment or employment relationship with a

temporary-work agency who are assigned to user undertakings to work temporarily under their supervision and direction, b) temporary-work agencies and user undertakings».

Article 116 of the law defines the cases when it is prohibited to assign a worker to user undertakings under a contract of employment with a temporary-work agency and are mainly related to the protection of temporary agency workers, the requirements for their health and safety at work and the need for proper functioning of the labour market and prevention of abuses.

As regards the safeguarding of temporary agency workers' labour rights, article 124, para.1 of Law 4052/2012, as replaced by case 4, subpara. IA. 4, para. IA., article 1 of Law 4254/2014, stipulates the following:

«For the provision of temporary agency work, a prior written contract of employment either of fixed-term or of indefinite duration is required. The contract is drawn up between the TWA (direct employer) and the worker and it must necessarily lay down the terms and conditions of employment as well as its duration, the conditions for the provision of work to user undertakings, conditions concerning his/her rates of pay and social security contributions as well as any other information that, in good faith and under circumstances, the worker should be aware of regarding the provision of his/her work.

The pay rate of a worker who does not provide work to a user undertaking may not be less than the each time statutory minimum wage and salary provided for workers employed under private law throughout the country.

Article 124, para.3 of Law 4052/2012, as replaced by case 5, subpara. IA. 4, para.IA., article 1 of Law 4254/2014, stipulates the following:

«In particular, a written contract between the TWA and the user undertaking sets out the manner in which the salary and social security contributions of the worker shall be paid for the period of time during which the worker shall offer his/her services to the user undertaking. Prior to the placement of the worker at the user undertaking, under a contract, the latter shall define the required professional qualifications or skills, the special medical surveillance and the specific details of the post to be filled. The user undertaking shall also indicate the greatest or special risks related to the specific job. The TWA must inform the workers about these details.».

Article 124 para.4 of Law 4052/2012 stipulates the following:

«a) The TWA and the user undertaking are jointly and severally liable against temporary agency workers under employment contract or relationship for the satisfaction of their pay rights and the payment of their social security contributions. The liability of the user undertaking is suspended, in case the contract provides that the direct employer is liable for the payment of salaries and social security contributions, while the pay and social security rights of the temporary agency worker can be satisfied by means of a call on the guarantees, under article 126 (secondary liability of the user undertaking)....».

In order to ensure the implementation of the principle of equal treatment, article 117, para.1 of Law 4052/2012, stipulates the following: «The basic working conditions of workers with a contract of employment or employment relationship with a temporary-work agency, including their rates of pay, for the duration of their assignment at a user undertaking, shall be at least those that would apply if these workers had been recruited directly by that undertaking (user undertaking for the same job).».

Moreover, para. 3 of the same article provides that the duration of workers' assignment at a user undertaking, including any possible written renewals of their contracts in writing, may not exceed thirty six (36) months. In case this time limit is exceeded, the existing contracts are converted to contracts of indefinite duration with the user undertaking. In this way, the temporary and exceptional nature of this form of employment is underlined. Moreover, the said restriction is used in order not to allow temporary agency work to become a mechanism that will meet the needs for permanent posts by the same persons.

Finally, article 118, para.1 of Law 4052/2012 provides that temporary agency workers shall be informed, in an appropriate manner, about vacancies that are available at the user undertaking to ensure that they have the same opportunities as all other workers of the undertaking to be recruited to permanent posts. Moreover, under para. 2 of the same article, any clause is null and void that directly or indirectly prohibits or restricts a temporary agency worker from being employed to a permanent post with the user undertaking under a contract of employment or dependent relationship between the temporary agency worker and the user undertaking, after the termination of his/her employment contract with the TWA. Moreover, any clause directly or indirectly hindering worker's trade union rights or prejudicing his/her social security rights is also null and void.

**Notice of termination of a contract of employment for private sector employees bound by a dependent relationship of indefinite duration:**

Subpara. IA.12, para.IA of article 1 of Law 4093/2012 «*Ratification of Mid-term Fiscal Strategy 2013-2016 – Urgent Regulations relating to the Application of Act 4046/2012 and the Mid-term Fiscal Strategy 2013-2016*» (A' 222) as amended, regulates issues relating to the termination of a contract of employment or employment relationship of indefinite duration for private sector employees.

These provisions also specify, inter alia, shorter notice periods, together with a reduction in severance paid to workers who were employed by the same employer for 17 years or more on 12-11-2012, while to those employed by the same employer for less than 17 years, the severance pay shall not exceed the amount of 12 monthly salaries (i.e. the service period taken into account for the calculation of severance pay is maximum 16 years of service completed).

Article 1 of Law 4093/2012, as amended, stipulates the following:

*«The termination of a contract of employment for a private employee bound by an open-ended employment relationship, the duration of which exceeds 12 months, may not take place without a prior written notice by the employer and shall take effect from the day following its communication to the worker under the following terms:*

*a) For workers who have been employed for a period of twelve (12) months "completed" to two (2) years, a one(1) month's notice is required before dismissal.*

*b) For workers who have been employed for a period of two (2) years completed to five (5) years, a two (2) months' notice is required before dismissal.*

*c) For workers who have been employed for a period of five (5) years completed to ten (10) years, a three (3) months' notice is required before dismissal.*

*d) For workers who have been employed for a period of ten (10) years completed or more, a four (4) months' notice is required before dismissal.*

*Employers, who notify in writing their private employees according to the above rule, shall pay the dismissed employees half of the severance pay amount that would have paid in case of termination of their contracts without notice».*

This new provision specifies shorter notice periods compared to the previous legal status in case of termination with notice of a contract of employment of indefinite duration for private sector employees who have been working with the same employer for fifteen (15) years or more.

**Severance pay of private sector employees bound by a dependent working relationship of indefinite duration in case of termination without notice:**

Article 1 of Law 4093/2012 provides for the following: «Employers, who neglect their obligation for a notice of termination of an open-ended contract of employment of a private employee, must pay the dismissed person severance pay according to the table below, unless a higher severance pay amount must be paid on contractual or customary basis.

<b>SEVERANCE PAY FOR EMPLOYEES</b>	
<b>Service period with the same employer</b>	<b>SEVERANCE PAY AMOUNT</b>
<b>1 year completed to 4 years</b>	<b>2 months' salary</b>
<b>4 years completed to 6 years</b>	<b>3 months' salary</b>
<b>6 years completed to 8 years</b>	<b>4 months' salary</b>
<b>8 years completed to 10 years</b>	<b>5 months' salary</b>
<b>10 years completed</b>	<b>6 months' salary</b>
<b>11 years completed</b>	<b>7 months' salary</b>
<b>12 years completed</b>	<b>8 months' salary</b>
<b>13 years completed</b>	<b>9 months' salary</b>
<b>14 years completed</b>	<b>10 months' salary</b>
<b>15 years completed</b>	<b>11 month's salary</b>
<b>16 years completed or more</b>	<b>12 months' salary</b>

The above severance pay amounts are calculated based on last month's regular salary on a full-time basis».

**Severance pay of private sector employees bound by a dependent working relationship of indefinite duration, who on 12-11-2012 had completed seventeen (17) or more years of service with the same employer:**

Case 3, Subpara. IA.12, para. IA., article 1 of Law 4093/2012, as amended, stipulates the following: «Private employees bound by a working relationship of indefinite duration, who are already employed and have completed seventeen (17) or more years of service with the same employer, irrespective of the time of their dismissal, shall be paid additional severance pay compared to the one provided for in the previous case, according to the table below:



<b>ADDITIONAL SEVERANCE PAY</b>	
<b>Service period with the same employer (private employees who on 12-11-2012 have completed 17 years or more)</b>	<b>Amount of severance pay</b>
17 years completed	+ 1 month's salary
18 years completed	+ 2 month's salary
19 years completed	+ 3 months' salary
20 years completed	+ 4 months' salary
21 years completed	+ 5 months' salary
22 years completed	+ 6 months' salary
23 years completed	+ 7 months' salary
24 years completed	+ 8 months' salary
25 years completed	+ 9 months' salary
26 years completed	+ 10 months' salary
27 years completed	+ 11 months' salary
28 years or more	+ 12 months' salary

For the above calculation the following are taken into account:

- i) years of service completed at the time of the publication of the present law irrespective of the time of the employee's dismissal, and
- ii) regular salary of last month on a full-time basis not exceeding the amount of two thousand (2.000) euros.

#### **Termination of a contract of employment during probationary period:**

Para. 5a, article 17 of Law 3899/2010 «Urgent measures for the implementation of the assistance program of the Greek economy» (O.G. A' 212) regulates by law for the first time probationary period contracts and stipulates the following: «The following is added to article 74, para.2 of Law 3863/2010: «Employment under a contract of indefinite duration is considered as employment under probationary period for the first twelve (12) months from its effective date and can be terminated without notice and severance pay, unless otherwise agreed between the parties».

This provision applies to any termination of contracts of employment of blue or white collar workers who have not completed twelve months' service with the same employer.

Article 5 of Cabinet Decree No. 6/28-2-2012 «Regulating issues concerning the application of article 1, para.6 of Law 4046/2012» (O.G. 38/A/28-2-2012) regulates issues concerning a) the conversion of employment contracts expiring when the employee reaches retirement age or when pension requirements are met to contracts of employment of indefinite duration and b) the removal of conditions that conceal permanence or contain permanence clauses.

#### **Working time limits – Organisation of working time**

Article 42 of Law 3986/2011 «Urgent Measures for the Implementation of Medium Term Fiscal Strategy 2012-2015» (O.G. 152 A'), the organization of working

**time was re-established.** This provision offers greater flexibility to enterprises with regard to the organisation of their employees' working time, based on the real needs arising from the nature and the type of their operations. Moreover, companies employing less than 20 workers were also enabled to introduce a system of working time organization, facilitating thus a large number of small enterprises that operate in Greece.

More specifically, undertakings applying the contractual working hours of up to 40 per week, may apply a system of increased employment (two hours per day in addition to the contractual eight hours) over a certain period of time, provided that the weekly working hours in excess of the 40-hour weekly working time, or in excess of any reduced contractual weekly working time, are deducted from the working hours of another period, a period of decreased employment. Within a period of twelve months (reference period), the periods of increased and decreased employment cannot exceed six months in total. Arrangements on working time are introduced through firm-level labour collective agreements or agreements between the employer and the trade union of the enterprise or between the employer and the works council or between the employer and associations of persons.

Case 1, subpara. IA.14, article 1 of Law 4093/2012 enables the representatives of employers and workers in undertakings - stores, to determine by means of LCAs the working days per week for workers in stores. Furthermore, with this procedure, the provision, according to which other sectors of economic activity may organize, **by means of LCAs, their working days per week on a five-day basis or maintain it on a six-day basis,** is virtually extended so that it may also apply to stores offering thus greater flexibility in organizing their working time and operations.

By virtue of case 2, subpara. IA.14, article 1 of Law 4093/2012, for every twenty four (24) hours' period, **a minimum daily rest period of eleven (11) consecutive hours is established, contrary to the previous regulation that provided for twelve (12) hours' rest period.**

By virtue of article 1, subpara. IA.14, case 3 of Act No. 4093/2012, the procedure of granting and **splitting the annual paid leave** of workers is updated. More specifically, the splitting may be done: a) by the employer, in two periods within the same calendar year, b) in more than two period, following a written application of the worker to the employer.

Article 55, para.1 case A of Law 4310/2014 establishes in a different manner **employers' obligation to inform the Labour Inspectorate about any change or alteration of working hours or of the organization of their employees' working time,** in order to monitor more effectively whether the working time limits are being complied with. In particular, employers must record in the ERGANI information system additional tables only with the names of the personnel for whom there are changes in their working time pattern at the latest on the same day of the change and in any event before the employees assume their work duties. Moreover, with this provision **employer's obligation to keep the Special Overtime Book is re-established under para.1 , article 80 of Law 4144/2013.**

Regarding changes in the system of collective bargaining, its regulatory framework, based on Law 1876/1990, has been amended mainly in terms of the following:

**Binding nature of the National General Labour Collective Agreement and Minimum Wage Fixing System:** National General Labour Collective Agreements that applied to all workers throughout the country, now, based on the provisions of Law 4093/12, apply only to workers employed with employers who are members of the contracting employers' organisations to the NGLCA, regarding wage terms.

However, we would like to stress that, according to Council of State ruling No. 2307/2014, «salary (that three months after the expiry or termination of a labour collective agreement, «should revert to basic salary plus the following ... benefits ...») obviously means the total of benefits granted to workers, either they are related to wage terms (basic salary, allowances etc.), or non-wage terms (all types of leaves, other provisions in kind and in cash or facilitations for the employees). No exception is justified of non-wage working conditions that constitute a salary neither from the spirit nor from the purpose of the said regulations».

The minimum wage and salary for other categories of workers are regulated by law (Subpara. IA.11, Law 4093/2012 and article 103, Law 4172/13, in terms of the procedure followed in order to establish the minimum wage).

**Ability to conclude firm-level collective agreements:** Firm-level labour collective agreements are now concluded also by Associations of Persons (article 37 of Law 4024/2011). Firm-level Labour Collective Agreements are concluded by order of priority, by the trade union of the firm and where there are no trade unions, by Associations of persons and failing those, by the corresponding primary sector-level unions and the employer.

**Period of validity of a Labour Collective Agreement:** Labour Collective Agreements may no longer be of indefinite duration; they shall be valid for a period of one to three years, under article 2 of Cabinet Decree 6/12..

**After-effect:** Now the after-effect commences after a three months', not a six months', extension of the validity period of a Labour Collective Agreement that has expired or been terminated. The validity period of the NGLCA does not follow this rule as it is extended for six months (article 40, Law 4320/15). Moreover, now the after-effect does not apply to all existing terms but only to: a) basic salary, b) seniority, child, and risk allowances and c) salary increments for holders of higher education degrees (article 2, para.4 of Cabinet Decree 6/12).

**Concurrence:** Firm-level Labour Collective Agreements now prevail not only over occupational labour collective agreements but also over sector-level collective agreements (article 37, Law 4024/2011).

**Extension of Validity of Labour Collective Agreements:** The procedure according to which the Minister may declare a Labour Collective Agreement as generally binding and therefore, covering all workers and employers in the sector or profession is suspended (article 37 of Law 4024/2011). As a result, Labour Collective Agreements now apply only to the members of contracting trade union organisations.

**Arbitration:** Recourse to Arbitration may be taken jointly and unilaterally. Recourse may be taken jointly at any stage of bargaining or unilaterally if the other party rejects mediation or after a proposal for mediation is made. Arbitration is

conducted by an Arbitrator or by a three-member Arbitration Committee, if requested. All procedural issues are set out in detail in article 4 of Law N. 4303/14.

Regarding a minimum wage freeze or reduction, based on subpara. IA.11, Law 4093/2012 (O.G. 222/A/12-11-2012), a new statutory minimum wage and salary fixing mechanism for workers under private law throughout the country is established. Now «national general labour collective agreements shall define the minimum non-wage working conditions, applicable to all workers throughout the country. Basic salaries and wages, all kinds of increments on them and all other wage terms shall apply only to workers employed with employers who are members of the contracting employers' organizations and may not be less than the statutory minimum wage and salary» (case 2a). Moreover, the same subparagraph stipulates that «...all types of collective agreements may not define regular monthly pay or wages for full-time employment which are less than the statutory minimum wage and salary» (case g). The above rules apply together with Council of State Plenary Ruling No. 2307/2014.

Moreover, under Law 4093/12 «until the end of economic adjustment period provided for in the Memoranda annexed to Law 4046/2012 and their subsequent amendments, the statutory minimum salary of white collar workers and wage of blue collar workers are defined as follows:

- For white collar workers over 25, the minimum salary is set at 586,08 euros and for blue collar workers over 25 the minimum wage is set at 26,18 euros
- For white collar workers under 25 the minimum salary is set at 510,95 euros and for blue collar workers under 25 the minimum wage is set at 22,83 euros.

The above mentioned minimum salary for white collar workers over 25 increases by 10% every three years of service and up to three three-yearly periods and by 30% in total for 9 or more years of service, while the minimum wage of blue collar workers over 25 increases by 5% every three years of service and up to six three-yearly periods and by 30% in total for 18 or more years of service.

The above mentioned minimum salary of white collar workers under 25 increases by 10% for one three-yearly period of service while the minimum wage of blue collar workers under 25 increases by 5% every three years of service and up to two three-yearly periods and by 10% in total for 6 or more years of service.

The above mentioned seniority increments are paid to workers who have prior professional experience with any employer and in any area of specialty. If they are blue collar workers they must have reached the age of 18 while white collar workers must have reached the age of 19. These increments apply to workers who had prior professional experience on 14-2-2012».

#### Labour market reforms

I) Act 4368/2016 (Official Journal of the Hellenic Republic series A', vol. 21), Articles 85 and 86, established the Diagnostic Facility for Labour Market Needs, which provides information and data to those responsible for designing employment and training programs to strengthen business sectors at skill / profession level, which are taken into account when designing employment, vocational education and training policies and human resources development policies in general, as well as to

inform both the workforce and the undertakings.

The Diagnostic Facility is based on the cooperation of many actors, involved in either the inputs or the outputs of the system. To ensure an efficient coordination of stakeholders, interventions have been made at both institutional and operational levels.

For the efficient operation of the Facility the following have been established:

a) A Coordinating Committee <sup>2</sup>, responsible for planning, organizing and developing the Facility and coordinating the actions of the bodies collecting, managing, analysing and utilizing the primary and secondary data required for the operation of the Facility.

<sup>2</sup> Based on Decree under reference number oik. 24791 / D9. 6456 / 31.05.2016, issued by the Minister of Labour, Social Security and Solidarity, entitled «Establishing a Coordinating Committee for the Diagnostic Facility of Labour Market Needs» (web posting no.: ΩXPM465@IΩ-E4Y).

b) A Business Network of actors and organizations <sup>3</sup> associated with the inputs and outputs of the Facility and responsible for carrying out the necessary activities for either data collection or use of the Facility's results. The Facility draws the data required for its operation from the Network of actors.

<sup>3</sup> Based on Decree under reference number oik. 24013/410 / 26.05.2016, issued by the Ministers of Interior and Administrative Reconstruction, Economy, Development and Tourism, Education, Research and Religious Affairs and Labour, Social Security and Welfare, entitled «Establishment and operation of a business network and information system for the Diagnostic Facility of Labour Market Needs» (Official Journal of the Hellenic Republic series B', vol. 1618).

The National Labour and Human Resources Institute has developed the Diagnostic Facility's methodology. Specifically, the basic methodological approach adopted is a holistic one, utilizing multiple data and analysis methods sources, in order to provide the most reliable information possible.

Also, the institutional framework provides for the creation of an Information System, linking the Network's members, processing the data being the Facility's inputs and supporting its outputs.

Finally, Act 4368/2016 provides for the publication of an annual Report for the Diagnostic Facility's Results by the National Labour and Human Resources Institute (EIEAD).

## Question 2

Reforms promoted were primarily owned by the Troika, in cooperation with the political leadership of the Ministry of

Labour. Its Services were involved in the preliminary discussions, at technical group level, as well as in the preparation of legislative drafts, in accordance with the relevant instructions, without being requested to examine or weigh the effectiveness of the reforms, both methodically and orderly, in the context of a specific public policy planning.

### Question 3

Over the last five years, in the context of supporting the economy of Greece, a number of laws have been adopted aiming, on the one hand, at dealing with the economic crisis that affects our country and, on the other, at protecting public interests under the Memoranda signed by our country with the International Monetary Fund and the European Union. The objective was to maintain jobs and to improve productivity and competitiveness of enterprises especially of small ones, which operate in our country. However, these laws led, inter alia, together with the socioeconomic changes in our country in general, to the weakening of collective organisation.

For example, by virtue of article 37, Law 4024/2011 (A' 226) «Pension provisions, uniform pay scale - grading system, labour reserve and other provisions for the implementation of the Medium-term Fiscal Strategy Framework 2012 – 2015», replacing para. 5 article 3 of Law 1876/1990 (O.G. A' 27), employers and workers were enabled to conclude LCAs and in case there is no trade union organization in the undertaking, by an association of persons. Thus, under para.1, article 37 of Law 4024/2011, firm-level LCAs are now concluded by the trade union organization of the undertaking covering its workers and failing that, by an association of persons, irrespective of the category, position or specialty of the workers in the undertaking and failing those, by the corresponding primary sector-level trade union organizations and the employer. Moreover, by virtue of para.5, article 37 of Law 4024/2011, priority was given to firm-level LCAs in case of concurrent implementation of sector- and firm-level LCAs provided that they do not include working terms that are less favourable for the workers than the ones included in the NGLCA.

The said association of persons is established by at least 3/5 of the company's workers, irrespective of the total number of workers employed in the enterprise, its duration is not subject to any time constraints, while if this condition is not met, i.e. participation of 3/5 of the company's workers, then the association is dissolved without any other formalities. The said association is, therefore, treated as a form of informal trade union organization and the only reason of its existence is to facilitate the conclusion of firm-level LCAs.

Establishing the association of persons as an extraordinary organization different to trade union organizations resulted in reducing the role of trade union organizations, following the ever increasing number of collective agreements concluded by associations of persons.

### Question 5

**As regards trade union action, other changes have not occurred in workers' guaranteed rights to collective organization and action.**

Regarding the positive or negative impact of reforms on the right to safe and healthy working conditions, we would like to inform you that the current institutional

framework in our country for the protection of workers' health and safety is fully in line with the respective community law, it applies to all enterprises, facilities, undertakings and works of the private and public sector (as well as Public Bodies Corporate and Local Self-Government Agencies) and to every worker employed by an employer and bound by any working relationship (indefinite duration, temporary, part-time employment, apprenticeship, etc.).

The general provisions on occupational health and safety included in the Code of Laws 3850/2010 (P.D. 17/96 «Measures for the improvement of workers' health and safety at work etc.», O.G. 11/A/96, is included in the codified regulations bringing national law in line with community framework-directive 89/391/EEC on occupational health and safety), as well as the Presidential Decrees with which our national law was brought in line with community law and which include special regulations (special risk factors, categories of workers, works etc.), form a modern and effective institutional framework for the promotion of workers' health and safety, while no unfavorable changes in that framework have occurred during the current financial crisis.

It has to be noted that due to the particular structure of Greek economy (large number of small and very small family businesses) there is a long-standing problem of full compliance of certain businesses in general.

In conclusion, despite the economic and social impact of crisis both on Greek society and on the labour market due to the implementation of restrictive fiscal measures and the economic downturn which, inter alia, brings business modernization and optimization to a halt, we would like to note that the objective of the Strategic Framework for Health and Safety at Work 2014-2020 (COM (2014) 332) and consequently of the new National Strategy for Health and Safety at Work 2016-2020 which is being developed is the compliance of businesses with the occupational health and safety rules, by enhancing their capacity to implement effective occupational risk prevention strategies.

### Question 6

The prolonged recession of the Greek economy had significant social impact. The cumulative loss of economic activity in real Gross Domestic Product is extremely high during the period 2009-2015, as presented in table 1.

**Table 1 : GDP % change**

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GDP % change	5,7	3,3	-0,3	-4,3	-5,4	-8,9	-6,6	-3,9	0,8	-0.2

Source: ELSTAT

The cost of the recession in the Greek economy is important in terms of jobs, since between 2008 and 2015 a **total of almost 1 million jobs<sup>1</sup>** were lost (reduction in employment by 21,7 % during the relevant period, ages 15+) – based on data of the Hellenic Statistical Authority (see Table 2)<sup>2</sup>. The significant reduction in employment

<sup>1</sup> Or rather 1,097 million jobs were lost between 2008 and 2013 (reduction in employment by 23,8%) – ages over 15 years old.

<sup>2</sup> It's worth mentioning that **there are many workers trapped** in enterprises that have stopped operating, have not paid wages to their workers most of the times for a period of 12 to 24 months, and since the employment contracts of these workers are not terminated, they are not even entitled to the unemployment benefit..

during the period 2008-2015, was not accompanied though by a relevant reduction in **labour force**, which was declined by 3,8% during the period 2008-2015. In 2015 there was a reduction of 0,06 % compared to 2014, in 2014 there was a reduction by 0,7% compared to 2013, following a 1% reduction in 2013 compared to 2012.

**Table 2 : Number of workers aged 15+ [in thousands]**

									CHANGE
2008	4.610,5	4.556,0	4.389,8	4.054,3	3.695,0	3,513,2	3,536,2	3,610,7	-21,7%

Source: ELSTAT

In 2015 the **average number of employed persons** (in thousands, 15+) in Greece stood at **3.610,7** and the **employment rate** for the age group 20-64 stood at **54,9%**. Despite the slight improvement in employment rate (20-64), it remains much lower than the average EU-28 and far from the national goal of 70% for 2020.

The **salaried employment** constitutes **65%** of total employment in 2015 [2.348,6 thousand persons on average].

### Unemployment

The annual total unemployment rate in Greece (15-74 age group) reached **24,9%** in 2015 being lower by 1.6 percentage points compared to 2014 (26,5%).

**Table 3: Unemployment rate**

	2008	2009	2010	2011	2012	2013	2014	2015	2016 Q1	2016 Q2
Total unemployment rate	8,2	7,2	7,0	9,0	9,6	9,7	10,5	10,9	10,2	9,4
Unemployment rate among 15-74 age group	8,4	7,5	7,6	9,6	10,2	10,2	11,4	12,0	11,6	10,9
Unemployment rate among 15-24 age group	9,0	8,4	7,8	9,6	12,7	17,9	24,5	27,5	26,5	24,9

According to the most recent data for 2016 the unemployment rate in Greece stood at 24,0% for Q1 in comparison to 25,8% for Q1 in 2015. The unemployment rate for 2016 Q2 stood at 23,5 in comparison to 25,1% for 2015 Q2.

	2015	2016
Unemployment rate among 15-74 age group	8,8	8,6
Unemployment rate among 15-24 age group	10,3	10,1
Total unemployment rate	24,0	23,5

Source: EUROSTAT

The fact that long-term unemployment rate **73,1% 2015** for the 15-74 age group, having

also reached historic highs in Greece for all age groups still raises concerns.



For 2016 the most recent data for long-term unemployment rate shows a slight decrease but it remains extremely high (70,3% 2016 Q1).

In 2015, **youth unemployment rate** (ages 15-24) stood at **49,8%**, i.e., lower than in 2014 which was **52,4%**.

In 2016 for Q1 youth unemployment rate stood at 50,9%, while for 2016 Q2 was at 47,8%.

Comparing the figures **by sex** we can observe that in 2015, although a drop in female unemployment rate was noted from 58.1% in 2014 to 55%, it is higher by 9.8 percentage points than male unemployment rate (45,2%).

### **Part-time employment**

The **part-time employment rate** (ages 15+) compared to total employment increased in 2014 and 2015, to **9,5 %** of the total employed population, from **8,5%** in 2013 and **5,7%** in 2008. It's worth noting that in 2015, **68,8%** of part-timers made this choice because they could not find a full-time job. Part-time jobs are more prevalent among young persons aged 15-24 (23,1% in 2015 compared to 21,9% in 2014 and to 21,1% in 2013) and particularly among women aged 15-24 (28,3% in 2015).

**Table 4: Part-time employment as percentage of the total employment**

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016 Q1	2016 Q2
Part-time employment	18,0	18,1	18,2	18,7	19,2	19,5	20,0	20,4	20,4	20,5
Part-time employment	18,9	19,1	19,2	19,8	20,2	20,7	21,4	22,1	22,3	22,3
Part-time employment	5,8	5,7	5,7	6,1	6,5	6,9	7,8	8,5	9,5	9,5

According to Eurostat for 2016 Q1 part-time employment rate in Greece reached at 9,8% of the total employment.

Part-time employment	20,6
Part-time employment	22,6
Part-time employment	9,8

Source: EUROSTAT

### **Involuntary part-time employment**

Table 5 shows the involuntary part-time employment as percentage of the total part-time employment. During the economic crisis there is a sharp increase in the percentage of the involuntary part-time employment from 41,6% in 2008 to 71,1% in 2015.

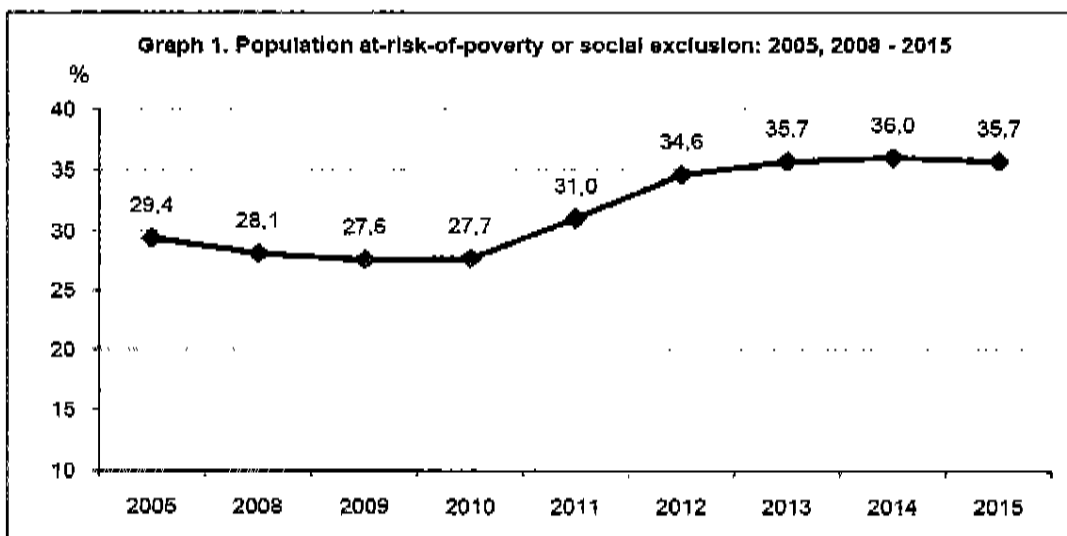
**Table 5: Involuntary part-time employment as percentage of the total part-time employment**

	2005	2008	2009	2010	2011	2012	2013	2014	2015
Men	24,5	24,5	25,7	25,0	26,3	27,7	28,0	27,5	
Women	24,6	25,9	27,1	26,7	28,1	29,7	30,4	30,1	
Total	41,6	47,1	51,9	57,8	62,9	66,4	69,2	71,1	

Source: EUROSTAT

### Poverty

According to the findings of the 2015 Survey on Income and Living Conditions, persons at risk of poverty or social exclusion represent 35.7% of the total population, and the percentage is slightly decreased compared to the previous year. Graph 1 shows the evolution of the indicator over the past ten years, and specifically the upward trend of the indicator from 2010 onwards.



The at risk-of-poverty rate for persons working full-time amounts to 11.6%, while for part-time employed persons to 28.2%.

**Table 6. In-work at-risk-of-poverty rate after social transfers by full-time/part-time work**

	2005	2008	2009	2010	2011
Full-time	10.4	13.4	10.7	11.9	11,6
Part-time	21.4	27.3	27.0	27.9	28,2

Source: ELSTAT

Employed persons face a lower risk of poverty compared with unemployed or economically inactive persons (housewives, etc). At-risk-of-poverty rate for employed persons amounts to 13.4%, and, as mentioned above, it decreased for males and increased for females (15.2% and 11.0%, respectively). For unemployed persons the at risk-of-poverty rate amounts to 44.8%, and it is significantly different between males and females (50.7% and 39.3% respectively). At-risk-of-poverty rate

for economically inactive persons (excluding pensioners) decreased by 2.2 percentage points and amounts to 26.2%

**Table 7: At-risk-of-poverty rate after social transfers, by most frequent activity status and by gender (18+): 2015**

Activity status	Male	Female	Total
Employed	13,4	11,0	15,2
Unemployed	24,1	24,0	24,2
Retired	44,8	39,3	50,7
Other	10,8	11,7	10,0
<b>Total</b>	<b>26,2</b>	<b>25,6</b>	<b>29,0</b>

**Table 8. In-work at-risk-of-poverty rate after social transfers by gender (population aged 18-64)**

Activity status	Gender	2014	2015	2016	2017	2018
Employed	Total	11.9	15.1	13.0	13.2	13,4
	Males	13.2	16.5	13.3	15.4	15,1
Unemployed	Females	10.1	13.2	12.6	10.1	10,9
	Total	22.6	28.3	20.3	22.6	23,5
Retired	Males	22.7	29.5	19.8	25.2	25,8
	Females	22.5	25.9	21.3	17.4	19,2
Other	Total	7.2	8.7	9.2	8.5	8,2
	Males	8.2	8.9	9.3	9.5	8,8
Total	Females	5.9	8.5	9.2	7.2	7,6

Moreover, it has to be noted that Greece's deep recession and slow recovery have aggravated the negative social developments, i.e. high unemployment rates, lower income levels and increase in poverty and inequalities. In order to better understand the development of social indicators, it would be useful to present our country's objectives in the context of "Europe 2020" Strategy:

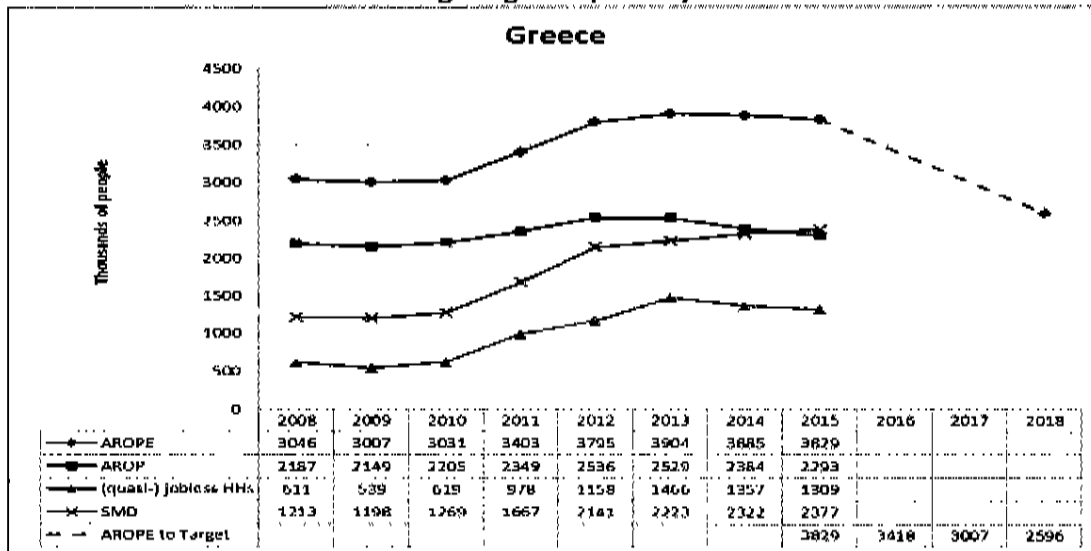
**(a) Fight against poverty and social exclusion**

**(b) Fight against child poverty:**

**(c) Creation of a "social safety net"**

**Current situation**

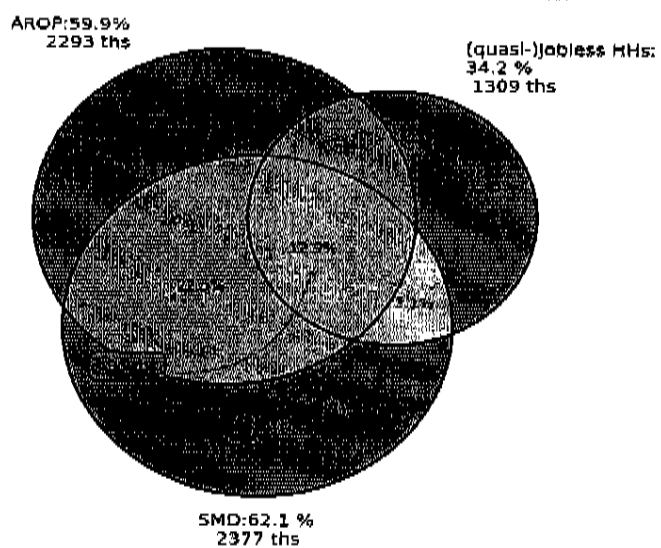
**Fight against poverty**



Source: Eurostat, SPC Annual Report 2015

### Structure of the population at-risk of poverty or social exclusion (2015)

EL - 2015



Source: Eurostat (EU-SILC)

**Table 1: Monitoring indicators of national objectives**

EL		2008	2009	2010	2011	2012	2013	2014	2015	Latest year change	Change 2009 to latest year		
AROP	% of total AROPE	71.8	71.5	72.8	69.0	66.8	64.8	61.4	59.9	-1.5 pp	-11.9 pp	57.9	70.6
	1000 persons	2187	2149	2205	2349	2536	2529	2384	2293	-3.8 %	4.8 %	4543	4516
(quasi-) jobless HHs	% of total AROPE	20.1	17.9	20.4	28.7	30.5	37.6	34.9	34.2	-0.7 pp	14.1 pp	39.8	34.2
	1000 persons	611	539	619	978	1158	1466	1357	1309	-3.5 %	114.2 %	4050	4280
SMD	% of total AROPE	39.8	39.8	41.9	49.0	56.4	56.9	59.8	62.1	2.3 pp	22.3 pp	39.7	35.4
	1000 persons	1213	1198	1269	1667	2141	2223	2322	2377	2.4 %	96.0 %	4016	4016
AROP and (quasi-) jobless HHs but not SMD	% of total AROPE	4.0	3.6	4.4	6.6	6.9	7.5	5.6	4.7	-0.8 pp	0.7 pp	11.2	11.5
	1000 persons	122	107	134	226	260	291	216	181	-16.2 %	48.4 %	1375	1482
SMD and AROP but not (quasi-) jobless HHs	% of total AROPE	18.5	19.2	22.1	20.4	23.7	20.2	23.2	22.5	-0.7 pp	4.0 pp	11.0	10.5
	1000 persons	564	576	669	693	900	789	901	863	-4.2 %	53.0 %	1345	1279
AROP and SMD and (quasi-) jobless HHs	% of total AROPE	4.1	2.8	3.6	8.9	10.4	14.5	12.3	12.9	0.6 pp	8.9 pp	7.6	8.1
	1000 persons	124	85	108	303	396	565	479	495	3.3 %	299.2 %	4285	3636
SMD and (quasi-) jobless HHs but not AROP	% of total AROPE	1.0	0.9	1.4	2.0	2.3	2.7	2.7	3.1	0.4 pp	2.0 pp	3.1	3.3
	1000 persons	31	26	43	67	86	104	104	117	12.5 %	277.4 %	3821	3399

Source: Eurostat (EU-SILC),

### Poverty line, monitoring indicators of objectives

According to the Hellenic Statistical Authority (ELSTAT), the results of 2015 Survey on Income and Living Conditions, reference period 2014, show the following:

#### Poverty line

In 2015, the poverty line amounted to 4.512 euros annually (4.608 in 2014 and 5.023 in 2013) for single persons and 9.677 euros annually (9.745 in 2014 and 10.547 in 2013) for households with two adults and two children aged less than 14.

**Table 2: Population at-risk of poverty or social exclusion (AROPE)**

Year	Number of persons	Rate	EU Average	Number of persons EU
2008		28,1%	23,8%	116.570.000
2012	3.795.100	34,6 %		
2013	3.903.800	35,7 %		
2014	3.884.700	36%	24,4%	121.800.000
2015	3.828.500	35,7%		

Source: ELSTAT, 2015 Survey on Income and Living Conditions, Press Release of 23.06.2016

**Table 3: Population at-risk of poverty (AROP)**

Year	Number of Households	Number of persons	Rate	EU Average
2008			20%	16,6%
2012	914.873	2.535.700	23,1 %	
2013	892.763	2.529.005	23,1 %	
2014	888.452	2.384.035	22,1%	17,2%
2015	860.117	2.293.172	21,4%	

*Source: ELSTAT, 2015 Survey on Income and Living Conditions, Press Release of 23.06.2016*

**Table 4: Population aged 0-17 at-risk of poverty (child poverty)**

Year	Total	Male	Female
2008	23%	-	-
2012	26,9 %	-	-
2013	28,8 %	23,4	24,8 %
2014	25,5%	-	-
2015	26,6%		

*Source: ELSTAT, 2015 Survey on Income and Living Conditions, Press Release of 23.06.2016*

**Table 5: Risk of poverty (after social transfers) by sex and age groups (2014-2015)**

Age groups	Total		Male		Female	
	2014	2015	2014	2015	2014	2015
Total	22,1%	21,4%	22,0%	21,5%	22,2%	21,2%
0-17	25,5%	26,6%				
18-64	23,4 %	22,5%	23,6%	22,6%	23,4 %	22,1%
65+	14,9%	13,7%	16,1%	11,9%	13,4%	15,2%

*Source: ELSTAT, 2015 Survey on Income and Living Conditions, Press Release of 23.06.2016*

**Table 6: Poverty gap (after social transfers), by age groups and sex (2014 -2015)**

Age groups	Total		Male		Female	
	2014	2015	2014	2015	2014	2015
Total	31,3% 30,6%		30,8% 32,9%		32,1% 28,3%	
0-17	34,4% 34,5%					
18-64	34,2 % 33,5%		33,9 % 33,5%		34,4% 32,9%	
65+	17,3% 17,3%		16,8% 18,9%		18,5% 15,5%	

*Source: ELSTAT, 2015 Survey on Income and Living Conditions, Press Release of 23.06.2016*

**Table 7: Percentage of persons living in severe material deprivation**

Year	Percentage	EU Average	Eurozone Average
2008	11,2%	8,5%	
2011	15,2 %		
2012	19,5 %	9,9%	7,7%
2013	20,3%	9,6%	7,5%
2014	21,5%	8,9%	7,4%
2015	22,2%	8,2%	6,9%

*Source: Eurostat, Material deprivation statistics -early results, April 2016*

**Table 8: Children in material deprivation (Aged 0-17)**

Year	Rate	EU Average
2009	12,2%	
2011	16,4 %	
2012	20,9%	
2013	23,3%	11%
2014	23,8%	10,4%
2015	25,7%	

*Source: Eurostat (EU-SILC, LFS)*

The percentage of persons in severe material deprivation has increased very much and is much higher than the European average.



Moreover, it has to be noted that **material deprivation does not apply only to population at-risk of poverty, but also to part of non-poor population.** Examples include the following:

- **44,5 % of the non-poor population** has difficulties in meeting **extraordinary expenses amounting to almost 410 euros** (the corresponding percentage of poor population is 87,2%).
- Moreover, **23,7 % on the non-poor population cannot afford adequate heating**, while the corresponding percentage of the poor population is 50,8%.
- The risk of poverty rate during the previous years was slightly higher for women compared to men; in 2014 it stood almost at the same levels for both sexes while based on 2015 data, it is slightly higher for men compared to women, i.e., 21,5% and 21,2%, respectively.

With regard to the **socioeconomic situation** in Greece in general, it would be also important to mention the following:

**Table 8: GDP - Annual growth rates (%) 2008-2015**

EL	EU28									
	2008	2009	2010	2011	2012	2013	2014	2015	2014	2015
Real GDP growth (y-o-y % change)	-0.3	-4.3	-5.5	-9.1	-7.3	-3.2	0.7	-0.2	1.4	2.0
Employment growth (y-o-y % change)	1.3	-0.6	-2.6	-6.9	-6.3	-3.6	0.1	1.9	1.0	1.1
Unemployment rate (% of labour force)	7.8	9.6	12.7	17.9	24.5	27.5	26.5	24.9	10.2	9.4
Long-term unemployment rate (% of labour force)	3.7	3.9	5.7	8.8	14.5	18.5	19.5	18.2	5.0	4.5
Social Protection expenditure (% of GDP)	24.5	26.6	27.7	29.1	30.3					

Source: Eurostat (National Accounts, LFS, ESSPROS). Data as at 5 July 2016.

**Table 9: Social Protection Expenditure 2008-2013**

EL		2008	2009	2010	2011	2012	2013	EU28	
								2012	2013
Social protection expenditure (in % of GDP)	Total	24.5	26.6	27.7	29.1	30.3		27.5	
	Sickness/Health	7.1	7.8	8.1	7.5	6.5		8.0	
	Disability	1.1	1.3	1.3	1.4	1.4		1.6	
	Old age	10.4	11.0	11.7	12.8	15.5		10.0	
	Survivors	2.0	2.2	2.1	2.4	2.4		1.6	
	Family/Children	1.5	1.8	1.8	1.8	1.7		2.3	
	Unemployment	1.2	1.6	1.7	2.2	1.9		1.5	
	Housing	0.5	0.5	0.4	0.4	0.3		0.5	
	Social Exclusion n.e.c.	0.5	0.6	0.6	0.7	0.6		0.5	
	Means-tested								
	Total	1.8	1.9	1.9	1.8	1.7		2.1	
	Sickness/Health	0.0	0.0	0.0	0.0	0.0			
	Disability	0.2	0.2	0.2	0.2	0.2		0.5	
	Old age	0.3	0.3	0.3	0.3	0.4		0.6	
	Survivors	0.1	0.1	0.1	0.1	0.1		0.1	
	Family/Children	0.5	0.6	0.6	0.6	0.5		0.5	
	Unemployment	0.0	0.0	0.0	0.0	0.0			
	Housing	0.5	0.5	0.4	0.4	0.3		0.5	
	Social Exclusion n.e.c.	0.1	0.1	0.2	0.2	0.2		0.4	
	Non-means tested								
	Total	22.6	24.7	25.8	27.2	28.6		24.1	
	Sickness/Health	7.1	7.7	8.1	7.5	6.5		7.9	
	Disability	0.9	1.0	1.1	1.2	1.2		1.5	
	Old age	10.1	10.7	11.4	12.5	15.1		10.4	
	Survivors	1.9	2.1	2.0	2.2	2.3		1.5	
	Family/Children	1.0	1.2	1.2	1.2	1.1		1.5	
	Unemployment	1.2	1.6	1.7	2.1	1.9		1.2	
	Housing	0.0	0.0	0.0	0.0				
	Social Exclusion n.e.c.	0.4	0.4	0.4	0.5	0.5		0.1	

Source: Eurostat (ESSPROS), Data as at 5 July 2016.

- As regards **inequalities in income distribution**, Greece ranks among the countries with highest inequalities both today and before crisis. The **S80/S20 ratio remained for 2015 at the same level** compared to the previous year, i.e. at 6,5. This means that in our country 20% of the population with higher income has 6,5 times more than the 20% of the population with lower income.

**Table 9. Greece, Income distribution index S80/S20**

2008	2009	2010	2011	2012	2013	2014	2015
5,9	5,8	5,6	6	6,6	6,6	6,5	6,5

Source: ELSTAT, June 2016

### Evaluating the impact of programs

In the case of Greece, where the country's economic development model relies heavily on domestic demand, the social impact of economic adjustment (unemployment rate, long term unemployed persons, youth unemployment) were particularly

pronounced.

Private consumption, as highlighted in a relevant study of the International Labour Office, was the central driver to Greek economic growth in the decade of 2000. However, after 2008, private consumption dropped significantly, as a result of the reduction in private income caused by reducing wages and pensions and increasing tax and unemployment.<sup>6</sup>

---

<sup>6</sup> In addition, the basic structure of the Greek economy (99,5% of all undertakings) consists of small and very small undertakings (up to 49 employees). The proportion of very small undertakings (96,2%) is higher than the average of the European Union average of 28 Member States (92,4%). Micro - undertakings (up to 9 employees) employ more staff (55,2%) than the average European micro - undertaking (29,1%). The decline in demand and the subsequent drop in production eroded the dynamics of job creation in the economy. The impact on small and medium enterprises was significant, partly because of the reduction of low income, after domestic demand was restrained more than expected, given that the marginal propensity to consume is higher in low income. In effect, the economy was driven into a higher than expected recession. Secondly, the reduction of labour costs did not improve the competitiveness of the economy, as it was, essentially, neutralized by the simultaneous increase in taxation.

---

Regarding the impact, Greece shows one of the highest long - term unemployment rates (70% of total unemployed persons) and, additionally, the biggest leak of trained human resources to third countries. These two elements militate in reducing the competitiveness of the Greek economy.

As it concerns the movement of young persons to third countries, it should be noted that the «brain drain» phenomenon is profound one. According to a research conducted by the University of Macedonia, approximately 114.000 - 139.000 Greek scientists are working abroad<sup>7</sup>. As a sign of this shift to foreign markets, as recorded in a relevant Cedefop study<sup>8</sup>, Europass website visitors from Greece doubled since 2009, while, in the same period, the European CVs completed by citizens residing in Greece increased seven-fold. In particular, the visits amounted to 310.463 in 2014, while, already by July 2015, 190.516 visits had been registered<sup>9</sup>. Also, according to data received from the Bank of Greece, in 2008-2013, almost 223.000 young persons, aged 25-39 years, left permanently the country, heading for more developed countries, looking for work with better pay and better social and economic progress perspectives (Annual Report of the Bank of Greece for the Year 2015, p. 74.)

---

<sup>7</sup> «Enimerossi» (Update) Magazine, issue 217, Labour Institute of the General Confederation of Labour (INE-GSEE), June 2014

<sup>8</sup> European Centre for the Development of Vocational Training (Cedefop), «Vocational education and training in Greece», Luxembourg, 2014.

<sup>9</sup> Europass website activity report for the years 2014 & 2015 (Greece, Greek) (illegible url)

-----

On the other hand, there are encouraging signs. As noted in the Labour Force Survey of the Greek Statistical Authority (ELSTAT) for the second quarter of 2016, the number of employed persons, in the reported period, amounted to 3.702.613 and those unemployed to 1.112.075. Unemployment rate was 23,1%, versus 24,9% in the previous quarter and 24,6% in the corresponding quarter of 2015. Employment grew by 2,7%, compared with the previous quarter and by 2,1%, compared to the second quarter of 2015. The number of unemployed persons decreased by 6,9%, compared to the previous quarter and by 5,8%, compared with the second quarter of 2015. The unemployment rate for women (27,6%) is significantly higher than that of men (19,4%). The highest unemployment rate is noticed among young persons aged 15-24 years (49,1%), which, for young women, reaches 52,5%. The distribution of unemployment, taking into account education levels, is as follows: the highest unemployment rate is noticed among those who have not attended school at all (31,6%) and those who have completed the three - grade secondary education (27,4%). The lowest rates were observed in those possessing a doctorate or master's degree (11,8%) and higher education graduates (17,3%). Moreover, as evident from the output of the «ERGANI» Information System, the balance of flows for paid employment, in the eight months from January to August 2016, is positive in the private sector, according to the data from the «ERGANI» Information System, recording the highest score for an eight - month period, from 2001 until today. Cumulatively, for the period January-August 2016, recruitment announcements amounted to 1.413.978 jobs and withdrawals totalled 1.176.161, of which 626.896 resulted from terminated open - ended employment contracts or fixed-term employment contracts and 549.265 from voluntary withdrawals. Specifically, the balance of flows for paid employment in the first eight months of 2016 is standing at 237.817 new jobs.

#### E) Programmes - best practices of our country

In order for the human resources losing their jobs not to be deprived of their skills as well, or even a large part of them, and, equally, acquire skills that will facilitate their integration in the emerging economy sectors and, generally, find work, they are required to use the training, employment, business start-up opportunities, etc., provided under the relevant actions supported by the European Union's Structural Funds. This framework of policies and actions includes public benefit employment programs. Especially in countries where, in recent years, an economic and / or financial crisis erupted or where other policies have not contributed to the improvement of employment prospects

and reintegration into the labour market, public benefit employment programs are used to support financially weak persons.

Originally, in Greece, two rounds of public benefit programs were implemented, the first round from mid - 2012 to mid - 2013 and the second round during the years 2013 - 2014. Their beneficiaries were 90.100 persons (against a target of 108.700), while the total expenditure incurred reached 360 million euros (against a budget of 394,4 million euros). In the context of a study prepared by the Economic and Industrial Research Foundation (IOBE) entitled «Evaluation of public benefit programs funded by the Operational Programmes of the National Strategic Reference Framework (NSRF)», which was conducted by IOBE on behalf of the Ministry of Labour, the design, implementation method and procedures, the effectiveness and efficiency of the public benefit programs had been evaluated. In particular, the objective of the study is to evaluate the second round programs, with regard to their design, implementation, effectiveness and efficiency, and evaluate the programs of the first round for effectiveness / efficiency.

The Final Evaluation Report was issued by IOBE in February 2015, with reference to the public benefit programs implemented (first and second round). It provides a wealth of information, evaluation conclusions and notes crucial data and observations, which were taken into account in the design of the subsequent rounds of public benefit programs.

Based on the findings of the research carried out in both program rounds, achieving their public benefit purpose was considered satisfactory. Taking also into account the results of the evaluation, in 2015, public benefit employment programs were implemented for 53.951 beneficiaries.

To increase the low labour demand, typical of the labour market in our country in recent years, public benefit programs were redesigned and are being implemented (2016), which, by enhancing their efficiency, will stimulate demand and cause a constant increasing trend in the growth of private consumption.

The new public benefit employment programs were redesigned, focusing on unemployed persons and the real needs of the local communities. They, therefore, link jobs with the upgrade of skills of unemployed persons, in order to allow their sustainable integration into the labour market. Their current duration of eight months (and not five), ensures a guaranteed employment, while providing full insurance and labour rights. Unemployed persons may join in targeted training programs, in dynamic sectors of the economy.

The programs are aimed at improving the financial status of unemployed persons, effectively supporting vulnerable social groups, meeting social needs, upgrading the flows of facilities and public benefit services provided by the public administration to citizens, dealing with refugee flows and upgrading asylum

services.

In 2016, the new programs are mostly addressed to long - term unemployed persons, who are the most vulnerable social group as: a) they abandon more easily the job search process and b) their possibilities to be recruited by undertakings are reduced as time spent away from work increases.

These are implemented in 17 municipalities of the country, areas of high long - term unemployment (with approximately 6.900 beneficiaries) and, at a second phase, they will be implemented in 34 additional municipalities (with approximately 12.000 beneficiaries), aiming at gradually being expanded to all municipalities in Greece. New jobs will be created in 2016 in the remaining 274 municipalities of the country, with 23.000 additional beneficiaries. At a later stage, more unemployed persons (5.000 beneficiaries) will be employed in jobs related to first reception, asylum and refugee flow management services.

Regarding questions (7) and (8) on discrimination, we would like to inform you that there are no discriminatory terms on the grounds of sex, racial origin, religion or other beliefs, disability, sexual orientation etc, in the texts of applicable Collective Agreements signed by virtue of Law 1876/1990 on Free Collective Bargaining and other provisions, as amended and in force today.

Furthermore, no changes have occurred in the legislative framework of equal opportunities and equal treatment of men and women in workplace and employment and in maternity protection rights.

We remain at your disposal for any further clarification.

**THE GENERAL SECRETARY**

**ANDREAS NEFELOUDIS**