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# Labour & Employment 2019

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# Labour & Employment 2019

**Contributing editors****Matthew Howse, Sabine Smith-Vidal, Walter Ahrens,  
K Lesli Ligorner and Mark E Zelek****Morgan Lewis & Bockius LLP**

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Lexology Getting The Deal Through is delighted to publish the fourteenth edition of *Labour & Employment*, which is available in print and online at [www.lexology.com/gtdt](http://www.lexology.com/gtdt).

Lexology Getting The Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting The Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on Armenia, Finland, Indonesia, Brazil, Bangladesh, Greece, Egypt and Portugal.

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Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting The Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing Matthew Howse, Sabine Smith-Vidal, Walter Ahrens, K Lesli Ligorner and Mark E Zelek of Morgan Lewis & Bockius LLP, for their continued assistance with this volume.



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# Greece

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## LEGISLATION AND AGENCIES

### Primary and secondary legislation

1 | What are the main statutes and regulations relating to employment?

Greek law does not include a core statute or code. Labour laws and regulations are scattered in many legal documents, each regulating a different matter (such as working hours, termination of employment, non-discrimination). General collective labour agreements also set a wide range of rules.

### Protected employee categories

2 | Is there any law prohibiting discrimination or harassment in employment? If so, what categories are regulated under the law?

The main and labour-specific statutes are Law No. 3896/2019, transposing Directive 2006/54/EC of the European Parliament and of the Council on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation; and Law No. 4443/2016, transposing the following:

- EU Directive 2000/43/EC implementing the principle of equal treatment between persons irrespective of racial or ethnic origin;
- Council Directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation; and
- EU Directive 2014/54/EU of the European Parliament and of the Council on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers.

Apart from the above specific legislation, the legal basis of the non-discrimination rule can be found in article 22(1b) of the Greek Constitution, article 288 of the Greek Civil Code and article 119 of the EU Treaty establishing the European Community.

### Enforcement agencies

3 | What are the primary government agencies or other entities responsible for the enforcement of employment statutes and regulations?

Responsibility of enforcement of employment statutes and regulations lies with the Labour Supervision Agency (SEPE). SEPE is regulated by Law No. 3996/2011 and reports directly to the Minister of Labour, Social Security and Social Solidarity. SEPE's main responsibilities include supervision and control of labour legislation implementation, compliance with social security legislation, compliance with and settlement of labour disputes (although SEPE's opinions on labour disputes are not enforceable per se) and provision of information on both employees and

employers in relation to the most effective means towards compliance with applicable rules and regulations.

## WORKER REPRESENTATION

### Legal basis

4 | Is there any legislation mandating or allowing the establishment of employees' representatives in the workplace?

The establishment of employees' representatives is regulated mainly by:

- Law No. 1264/1982 on unions;
- Law No. 1767/1988 on works councils;
- Law No. 4052/2012 on European works councils, transposing EU Directive 2009/38/EC of 6 May 2009;
- Presidential Decree 91/2006, transposing EU Directive 2001/86/EC; and
- Presidential Decree 240/2006, transposing EU Directive 2002/14/EC.

### Powers of representatives

5 | What are their powers?

Trade unions are entitled to put up bulletin boards and distribute bulletins in the workplace, to declare strikes and work stoppages. Their representatives have the right to meet with the employer at least once a month, at their request, and to be present during inspections carried out by the competent labour authorities. The most representative union is entitled to convene in ordinary and extraordinary general assemblies in the workplace, provided that there are more than 80 employees in the undertaking. Moreover, Greek law provides for various types of leave of absence that are granted to trade union directors and representatives, to facilitate the carrying out of their duties. For example, the directors of the undertaking's most representative top-level trade union are entitled to paid leave of absence for the entire duration of their term of office.

Works councils have access to all workplaces at any time they see fit, in order to carry out their duties, which include mainly consultation and entering into agreements with the employer in order to improve working conditions and to cooperate with the company's existing trade unions. Moreover, they enjoy extensive information rights, before the employer proceeds with important decisions regarding the company's organisation. Works councils also decide jointly with the employer, upon various matters including internal rules, health and safety regulations, ongoing education and training.

## BACKGROUND INFORMATION ON APPLICANTS

### Background checks

- 6 | Are there any restrictions or prohibitions against background checks on applicants? Does it make a difference if an employer conducts its own checks or hires a third party?

The general principle is that background checks should only be carried out if they are relevant, proportionate and absolutely necessary for a specific position being applied for and only if there is not a less intrusive means of obtaining the information required. Candidates should be informed of the checks being carried out and how they are being conducted, and candidates should be allowed to make representations regarding information that will affect the decision to make the final appointment. According to the Greek draft bill complementing the EU General Data Protection Regulation (Regulation (EU) 2016/679 (GDPR)) (expected to be finalised and officially enter into force soon), employers can process employees' personal data that is relevant to criminal convictions, only if absolutely necessary for the evaluation of the employee for a specific position or duty or in order to take a specific decision within the employment framework. The said data can be collected directly by the employer or by a third party on the basis of the employee's relevant written consent.

### Medical examinations

- 7 | Are there any restrictions or prohibitions against requiring a medical examination as a condition of employment?

The general principle included in the Greek Data Protection Authority (DPA) Directive 115/2001 (on privacy at work) is that candidates' or employees' health data must be collected directly by the candidate or employee and only when this is absolutely necessary in order to:

- assess the suitability of a candidate or employee for a specific job position (eg, medical examinations for employees of children's nurseries or restaurants, or for drivers, pilots);
- fulfil employers' obligations regarding health and safety at work; and
- establish and enjoy employees' social security benefits.

The above rules are also included and provided by the Greek draft bill complementing the GDPR (expected to be finalised and officially enter into force soon), which also includes provisions for the use of psychological and psychometric tests and for the processing of genetic data in the context of employment.

### Drug and alcohol testing

- 8 | Are there any restrictions or prohibitions against drug and alcohol testing of applicants?

See question 7.

## HIRING OF EMPLOYEES

### Preference and discrimination

- 9 | Are there any legal requirements to give preference in hiring to, or not to discriminate against, particular people or groups of people?

See question 2, noting that such obligations and limitations also apply to the hiring process, thus prohibiting discrimination on the basis of race, colour, nationality or origin, religion or beliefs, disability, age, family or social status, sexual orientation, gender identity or sexual characteristics.

- 10 | Must there be a written employment contract? If yes, what essential terms are required to be evidenced in writing?

Employers are required to supply employees with a written document stating the terms of the contract for employment. Such document must include the following minimum terms:

- (i) name and details of the contracting parties;
- (ii) location of the employment and address of the employer;
- (iii) position, rank, job description of the employee;
- (iv) starting date and duration of employment (if it is of fixed duration);
- (v) duration of paid leave, and the way and time that such leave is to be granted;
- (vi) compensation to be paid and deadlines to be met, by both parties, in the case of termination of employment;
- (vii) all wages the employee is entitled to and their payment times;
- (viii) duration of standard daily and weekly work; and
- (ix) reference to the applicable collective agreement, determining the minimum terms for salary and employment.

Information in (v) to (viii) may be provided by simple reference to the applicable labour law.

- 11 | To what extent are fixed-term employment contracts permissible?

Fixed-term contracts are allowed under Greek law and are regulated by Presidential Decree 81/2003, transposing EU Directive EC/99/70 in relation to the framework agreement on fixed-term work. Fixed-term contracts may be renewed; however, if the total term of all successive contracts exceeds three years, they are deemed as indefinite-term contracts, without the need for a valid reason. If, during this three-year period, the contract has been renewed more than three times, such contract is also treated as an indefinite-term contract, without the need for a valid reason. If the contract expires but the employee continues offering his or her services, with the employer's acceptance, for a period exceeding 10 days, the contract shall be deemed an indefinite-term contract.

Successive contracts are fixed-term contracts that are entered into between the same employer (or its affiliates) and the same employee, including the same or similar terms, and the time between such contracts does not exceed 45 calendar days.

Fixed-term contracts can be terminated earlier only for cause, unless the parties agree on an early termination right without cause, in which case, termination severance may be due and payable.

### Probationary period

- 12 | What is the maximum probationary period permitted by law?

The maximum probationary period is 12 months. During that time, the employer may terminate the employment agreement without severance.

### Classification as contractor or employee

- 13 | What are the primary factors that distinguish an independent contractor from an employee?

From an employment law perspective, in the event that a service or work is provided in person, exclusively or primarily to the same employer for nine consecutive months, it is presumed that such agreement is a 'dependent employment agreement' rather than a contractor agreement.

Further, the Greek Income Tax Code defines 'dependent employment' in a way to include any services provided by individuals or freelancers when the following conditions are met:

- there is a written service agreement between contacting parties;

- the individual has are no more than three employers or 75 per cent of his or her annual income derives from one of the employers; and
- the individual providing the services uses their home as premises for their business activities.

### Temporary agency staffing

#### 14 | Is there any legislation governing temporary staffing through recruitment agencies?

The establishment and operation of temporary recruitment agencies (EPAs) is mainly regulated by Law No. 4052/2012, implementing EU Directive 2008/104/EC (L327/5 December 2008), as amended by Law No. 4093/2012. EPAs are also allowed to engage in head-hunting activities, evaluate and train human resources under the terms and conditions set by applicable law and provide careers advice.

The total term of assignment to the indirect employer (including all renewals, which must be concluded in writing) may not exceed 36 months unless an interval of 23 days between assignments occurs. If these time limits are violated, the temporary employee is considered an employee of the indirect employer under an indefinite-term contract.

## FOREIGN WORKERS

### Visas

#### 15 | Are there any numerical limitations on short-term visas? Are visas available for employees transferring from one corporate entity in one jurisdiction to a related entity in another jurisdiction?

No, numerical limitations exist only in relation to residence permits for dependent employment. Specialised technical personnel of a non-EU or non-European Economic Area (EEA) company may, on the basis of a national visa, transfer to a company in Greece, in order to provide specific technical services, namely installation, testing and maintenance of supplied items under agreement between his or her employer (ie, the non-EU or non-EEA company) and the Greek company. No residence permit is required, but the stay cannot exceed 180 days. Moreover, an employee of an EU or EEA company, may, on the basis of a national visa, transfer to a company in Greece in order to provide a specific service under a service agreement between his or her employer (ie, the EU or EEA company) and the Greek company. No residence permit is required, but the stay cannot exceed 365 days.

### Spouses

#### 16 | Are spouses of authorised workers entitled to work?

Spouses of non-EU or non-EEA nationals (who are holders of a valid resident permit for work) are entitled to work only after the first renewal of their residence permit as dependents.

### General rules

#### 17 | What are the rules for employing foreign workers and what are the sanctions for employing a foreign worker that does not have a right to work in the jurisdiction?

The general principle is that a foreign worker must be eligible to work in Greece on the basis of a residence permit or visa offering access to work. Employers found to be illegally employing foreign nationals may be subject to a fine of €5,000 (in the case of repeat offenders, the fine may be doubled). Further administrative and criminal penalties are provided by applicable legislation, including imprisonment of up to five years.

### Resident labour market test

#### 18 | Is a labour market test required as a precursor to a short or long-term visa?

No such requirement is set for the issuance of a short or long-term visa. Labour market testing requirements exist only in relation to residence permits (see question 15).

## TERMS OF EMPLOYMENT

### Working hours

#### 19 | Are there any restrictions or limitations on working hours and may an employee opt out of such restrictions or limitations?

The limits are two-fold: weekly and daily, and are as follows:

- 40 hours per week divided into either five or six working days per week; and
- eight hours per day (for a five-day working schedule) or six hours and 40 minutes per day (for a six-day working schedule).

Further, in businesses operating on a 40-hour and five-day working week basis, the employer is allowed to request that the employee works an additional five hours per week, which is known as 'overwork'. For a business that operates six days each week, the weekly overwork is eight hours. The daily working schedule then becomes nine hours per day (for a five-day working week) or eight hours per day (for a six-day working week).

Work performed beyond overwork (ie, beyond the 45 or 48 hours per week) is considered overtime in a legal sense. For each hour of overwork, an employee is entitled to receive 120 per cent of his or her standard hourly rate.

Work above the daily schedule and overwork is overtime. Legal overtime cannot exceed two hours per day and 120 hours per year (unless special circumstances apply). The hourly rates for overtime are as follows:

- standard overtime (not exceeding 120 hours per year): 140 per cent of the standard hourly rate;
- legal overtime beyond 120 hours: 160 per cent of the standard hourly rate; and
- exceptional overtime (overtime for which legal procedures and requirements have not been met): 180 per cent of the standard hourly rate.

All provisions regarding working hours set the statutory minima. Neither the employer nor the employee may agree on terms more detrimental to the employee (eg, longer working hours or lower pay for overwork and overtime).

### Overtime pay

#### 20 | What categories of workers are entitled to overtime pay and how is it calculated?

All categories of workers are entitled to overwork and overtime pay except for 'managerial employees'. The term managerial employee has been defined by the courts, which have been following a rather narrow approach when defining who is and who is not a managerial employee.

The basic criteria when deciding if an employee is managerial or not would depend on whether such employee exercises basic employers' rights and powers or whether the employee has been assigned with broader management duties in relation to the entire company; for example:

- whether the employee is empowered to take independent decisions and initiatives, make plans and have responsibility for the smooth and efficient operation of the company;
- whether the employee has the right to hire and dismiss personnel;
- ascertaining the degree of independence when adopting decisions that are crucial for the company's business;
- a very high level of wages compared with the rest of the employees of the company (not just the statutory minima); and
- whether they can be held criminally liable for violations of labour laws and regulations.

**21 | Can employees contractually waive the right to overtime pay?**

No. However, the parties may agree that the fee for overwork may be set-off against the monthly salary provided that the salary is at least equal to or even higher than the statutory minima (such minima to include both the statutory salary and the statutory fee for overwork). However, there cannot be such agreement for overtime pay.

**Vacation and holidays**

**22 | Is there any legislation establishing the right to annual vacation and holidays?**

Holiday entitlements for employees of businesses operating five days per week are as follows:

- the first 12 months of employment with the same employer: 20 working days, prorated;
- the second calendar year of employment with the same employer: 21 working days, prorated;
- years three to 10 with the same employer: 22 working days;
- over 10 years of employment with the same employer or 12 years of employment with any employer: 25 working days; and
- over 25 years of employment with any employer: 26 working days.

Holiday entitlements for employees of businesses operating six days per week are as follows:

- the first 12 months of employment with the same employer: 24 working days, prorated;
- the second calendar year of employment with the same employer: 25 working days, prorated;
- years three to 10 with the same employer: 26 working days;
- over 10 years of employment with the same employer or 12 years of employment with any employer: 30 working days; and
- over 25 years of employment with any employer: 31 working days.

**Sick leave and sick pay**

**23 | Is there any legislation establishing the right to sick leave or sick pay?**

Sick leave may last up to six months, depending on length of employment as follows.

Amount of service	Annual short-term sickness duration
Between 11 days and 1 year	15 days
Between 1 and 4 complete years	1 month
Between 4 and 10 complete years	3 months
Between 10 and 15 complete years	4 months
Over 15 years	6 months

If the employee is ill for up to three working days at a time, he or she only gets one-half of his or her daily salary from the employer for each day of absence until the above-mentioned limits are reached.

The first time an employee takes sick leave for more than three days within an employment year, the employer pays one-half of the daily salary for the first three days of sick leave. From the fourth day of sick leave, the social insurance agency (EFKA) provides compensation to the employee for each day of sickness and the employer tops up such contribution up to the payable salary. When the required sick leave set out above is exhausted (ie, 15 days or one month), the employer stops paying the employee, and the employee only receives a contribution from EFKA.

Each subsequent time within an employment year that an employee is absent for at least four days owing to sickness, the employee is entitled to sickness benefit from EFKA covering all days of his or her sickness, and receives nothing from his or her employer.

The basis of calculations for sickness days is the 'employment year' (rather than the calendar year), which starts on the commencement of employment date and ends on the respective date of the following calendar year.

**Leave of absence**

**24 | In what circumstances may an employee take a leave of absence? What is the maximum duration of such leave and does an employee receive pay during the leave?**

If the type of leave is not prescribed by law (eg, annual, maternity, parental or holiday leave), the parties may agree on a leave of absence. Specific terms of this absence may be freely agreed by the parties. Typically, when the employee is on leave of absence, the employment agreement is suspended but not terminated, so the employer is not obliged to pay salary.

**Mandatory employee benefits**

**25 | What employee benefits are prescribed by law?**

Various benefits are prescribed by various labour laws. Main benefits include maternity protection, parental leave, annual leave, various types of sickness leave for the employee or members of his or her family (eg, children).

**Part-time and fixed-term employees**

**26 | Are there any special rules relating to part-time or fixed-term employees?**

**Part-time employment**

Part-time agreements need to be registered with the labour authorities within eight days of execution, otherwise full-time employment is presumed. Part-time work must be provided continuously and once a day, except for some specific categories provided for by the law, such as school bus drivers and teachers. A full-time employee in a business employing more than 20 employees is entitled, upon completion of one calendar year of employment, to ask for the conversion of his or her employment contract from full to part-time employment, with an option to return to a full-time employment scheme, unless the employer's refusal is justified by business needs. A part-time employee has priority as regards recruitment to a full-time job position in the same enterprise. The part-time employment period is taken into consideration as prior service.

**Employment in rotation**

This is another form of part-time employment but differs in that the employee may work less days but on a full-time schedule each day. In the case of a downturn in the business, the employer may, instead of terminating employees, unilaterally apply a rotation system, for up to nine months within the same calendar year. Prior notification and

consultation with employee representatives is required. Rotation agreements or unilateral implementation must also be notified to the labour authorities within eight days.

### Fixed-term employment

See question 11.

### Public disclosures

27 | Must employers publish information on pay or other details about employees or the general workforce?

Employees are not required to publish this type of information in general; however, they are required to provide this type of information to the labour authorities.

## POST-EMPLOYMENT RESTRICTIVE COVENANTS

### Validity and enforceability

28 | To what extent are post-termination covenants not to compete, solicit or deal valid and enforceable?

This is not specifically regulated by law. Greek courts, however, accept validity of this type of agreement between the employer and the employee, under the freedom to contract principle, provided that they:

- are of a reasonable term (up to two years);
- narrowly define the restricted market or activity, taking into account the employee's position and duties; and
- provide for adequate remuneration (it has been held that 50 per cent of the monthly salary for each month of restriction is adequate).

### Post-employment payments

29 | Must an employer continue to pay the former employee while they are subject to post-employment restrictive covenants?

See question 28.

## LIABILITY FOR ACTS OF EMPLOYEES

### Extent of liability

30 | In which circumstances may an employer be held liable for the acts or conduct of its employees?

According to the Greek Civil Code, an employer can be held liable for any damage that its employee has illegally caused to a third party, during the course of employment (liability in tort, article 922 of the Greek Civil Code). The employer's liability is strict liability, regardless of whether there was wrongdoing on his or her part.

An employer can also be held liable for breach of contract caused by employees (contractual liability, article 334 of the Greek Civil Code).

## TAXATION OF EMPLOYEES

### Applicable taxes

31 | What employment-related taxes are prescribed by law?

Salary tax is payable at a scaled percentage ranging from 22 to 45 per cent (for annual income exceeding €40,000). Although tax-free income is not provided, various tax reductions are provided depending on the level of income (eg, annual income of less than €20,000) or other circumstances (such as the number of children).

Solidarity tax is payable at a scaled percentage ranging from 2.2 to 10 per cent of an employee's total annual income exceeding €12,000.

## EMPLOYEE-CREATED IP

### Ownership rights

32 | Is there any legislation addressing the parties' rights with respect to employee inventions?

As a matter of mandatory law (article 6 of Law No. 1733/1987 on patents), the general principle is that an invention made by an employee shall belong to him or her (free invention). Significant exceptions apply:

- a service invention is an invention that is produced in the framework of an employment relationship having as its objective the performance or development of inventive activity; it belongs to the employer and the employee is entitled to 'additional reasonable compensation' if the invention is 'particularly profitable' for the employer; and
- a dependent invention is an invention made by an employee with the use of materials, means or information of the employer. In such case, the employer is entitled to exploit the dependent invention by priority against compensation to the inventor, proportional to the economic value of the invention and the profits it brings.

The employee must first communicate to the employer the intention to file a patent application. The employer may then choose to be co-owner of the invention (by 40 per cent, which is set by law), with the remaining 60 per cent belonging to the employee. If the employer does not respond within four months, the invention shall belong entirely to the employee.

### Trade secrets and confidential information

33 | Is there any legislation protecting trade secrets and other confidential business information?

Noting that Greece has not yet (but is expected to soon), transposed Directive (EU) 2016/943 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure, relevant legislation currently applicable in Greece include article 39 (protection of undisclosed information) of Law No. 2290/1995 (implementing the Trade-Related Aspects of Intellectual Property Rights agreement). Confidential business information is also protected against unfair competition under the provisions of Law No. 146/1914. Criminal law protection is also offered via article 370B of the Criminal Code.

## DATA PROTECTION

### Rules and obligations

34 | Is there any legislation protecting employee privacy or personnel data? If so, what are an employer's obligations under the legislation?

The general data processing principles of the GDPR apply. Also applicable is Directive 115/2001 on privacy at work according to which, for instance, decisions regarding every aspect of the personality of employees may not be taken solely based on automated processing of their personal data, meaning that the evaluation of the employees' productivity should include human assessment and should not be based solely on statistics and data aggregated via automated processing of data. Moreover, according to Directive 115/2001, the collection and processing of employees' communication data (eg, emails, call logs) is permitted only if this is absolutely necessary for the performance of the

assigned work or for general management purposes (eg, communication costs management). Such data must be limited to what is absolutely necessary and appropriate to achieve the data collection purposes. The Greek draft bill complementing the GDPR regulates that employees' health data can only be collected directly from the employee and only if absolutely necessary for:

- evaluation of an employee's suitability for work;
- compliance with a legal obligation; and
- establishment of an employee's social security rights.

Special rules apply for psychological and psychometric tests and also for the processing of criminal records and genetic data.

## BUSINESS TRANSFERS

### Employee protections

**35** | Is there any legislation to protect employees in the event of a business transfer?

Presidential Decree 178/2002 transposed, in Greece, EU Directive 98/50/EC on the approximation of law of the member states relating to the safeguarding of employees' rights in the event of transfer of undertakings, business or parts of businesses.

The core of such legislation provides that whenever there is a transfer of business from a labour law perspective, all existing employees' rights (including the employment agreements as such) are transferred from the transferor to the transferee, whereas, the transferor remains jointly and severally liable along with the transferee for all the obligations that arise until the effective date of transfer. If there are changes in the employment agreements because of the transfer, there must be prior consultation and agreement with the employees.

## TERMINATION OF EMPLOYMENT

### Grounds for termination

**36** | May an employer dismiss an employee for any reason or must there be 'cause'? How is cause defined under the applicable statute or regulation?

Employees under indefinite-term employment contracts may be dismissed without cause at any time. If they are dismissed within the first 12 months of employment, no dismissal severance is due. After 12 months of employment, severance must be paid; otherwise the dismissal is null and void. The dismissal must be in written form.

Cause is only required for dismissal of employees under fixed-term contracts unless otherwise provided in the contract.

### Notice

**37** | Must notice of termination be given prior to dismissal? May an employer provide pay in lieu of notice?

Written notice of termination is required for the termination to be valid. The employer may either give prior notice or terminate with a notice of prompt effect. Length of notice depends on length of service with the same employer and is as follows:

- for service of between one and two years: one month;
- for service of between two and five 5 years: two months;
- for service of between five and 10 years: three months; and
- for service above 10 years: four months.

If prior notice is given, as per the above, payable severance is reduced by 50 per cent, compared with the severance payable in a termination without prior notice.

**38** | In which circumstances may an employer dismiss an employee without notice or payment in lieu of notice?

The employer is at all times entitled to terminate the employment agreement by a written notice of prompt effect, in which case, due severance is double that of the severance payable when due notice is given.

### Severance pay

**39** | Is there any legislation establishing the right to severance pay upon termination of employment? How is severance pay calculated?

Severance pay is due and payable upon the termination of employment and it is one of the three typical prerequisites ensuring the termination is valid (the other two prerequisites are written notice of termination and registration of employment with the social security agency).

The amount of severance pay depends on the length of service with the same employer:

- more than one year but less than four complete years: two months of ordinary wages;
- more than four years but less than six complete years: three months of ordinary wages;
- more than six years but less than eight complete years: four months of ordinary wages;
- more than eight years but less than 10 complete years: five months of ordinary wages; and
- up to 16 complete years: one month's ordinary wages per year of service.

For employees under an employment contract of an indefinite term, who were already employed on the day Law No. 4093/2012 came into effect (ie, 12 November 2012) and had, at that time, completed at least 17 years of employment with the same employer, additional severance is payable (over and above the levels provided above) in the case of termination of their employment, equal to one month's ordinary wages for each additional year and up to 28 years of service.

To calculate such additional severance, the following need to be taken into account:

- the duration of employment on 12 November 2012. Additional severance entitlement 'froze' on this date. Any employment above 16 years completed after this date is not to be taken into account for purposes of severance calculations; and
- ordinary wages on the last month of employment in full-time employment status, which cannot exceed €2,000.

The calculation of severance pay is based on the ordinary wages of the last month of full-time employment. This includes all salaries paid in the year (14 in total: 12 monthly salaries, one salary for Christmas bonus, one-half salary for Easter bonus and one-half salary for annual leave bonus), as well as all other bonuses and benefits (monetary or in kind, such as company car or health insurance policies), which the employee receives as a remuneration for his or her services unless the employer has identified those as discretionary payments.

For severance pay purposes, the ordinary monthly wage cannot exceed an amount equal to eight times the daily statutory pay of an unskilled worker multiplied by 30, which is currently set at €6,969.60.

### Procedure

**40** | Are there any procedural requirements for dismissing an employee?

Termination of employment must be submitted electronically to the Ministry of Labour's official website (ERGANI) within four business days

of termination. The same applies to notices of resignation, which must also be signed by the employee.

No approval is required from any government agency to effect a termination.

### Employee protections

#### 41 | In what circumstances are employees protected from dismissal?

The most important cases where employees are protected from dismissals are the following:

- female employees may not be dismissed during pregnancy and for 18 months following labour or during a longer period if the employee is absent from work for pregnancy or delivery related sickness, unless there is cause;
- union representatives are protected from termination for the entire period of their office and one year thereafter, unless there is cause (as this term is defined by law) and such cause is ascertained by a special committee in accordance with the law. Greek courts, however, tend to adopt a wider approach and apply further criteria for union representatives' protection, including the actual feasibility of a representative's employment in the undertaking; and
- Greek male nationals during army service. Male nationals who are employed under a valid employment agreement for a period of at least six months with the same employer, are allowed to maintain their employment agreement, even though they are not working if they so wish and submit a request to their employer within a month of their release from the army, stating that they wish to return to their employment within 15 days of their request.

### Mass terminations and collective dismissals

#### 42 | Are there special rules for mass terminations or collective dismissals?

Collective redundancies are regulated by Law No. 1387/1983 (transposing EU Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the member states relating to collective redundancies), as amended.

Collective redundancies are those made by businesses or undertakings employing more than 20 employees, for reasons unrelated to employees' performance, which exceed, in each calendar month, the following limits:

- six employees, for businesses employing between 20 and 150 employees; and
- 5 per cent of the employees and up to 30 employees, for businesses employing more than 150 employees (other dismissals (eg, for poor performance, breach of contract or fixed-term contracts expiry) are not included in the above thresholds).

Collective redundancies require prior consultation with the employees' representatives for a period of up to 30 days. The outcome of the consultation is reflected in written minutes, which are then submitted to the Supreme Labour Council of the Ministry of Labour (ASE) by the employer, while the employees' representative may also submit their own brief.

If agreement has been reached during consultations, then terminations are effected in accordance with such agreement and become effective 10 days from submission of the written minutes with the ASE.

If no agreement is reached, then the ASE shall confirm within 10 days of submission of the consultation minutes whether the employer complied with all information and consultation obligations. In the affirmative, terminations are valid as of 20 days from issue of its decision. In the negative, the ASE extends the consultation process and



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sets a deadline for the employer to comply. If the ASE confirms at a later stage that all formalities have been met, terminations are effected 20 days from the issue of such subsequent decision. In any case, the terminations are effective 60 days from the submission of the consultation minutes.

ASE's involvement is not required if the redundancies are because the company has ceased operating by virtue of a court decision.

### Class and collective actions

#### 43 | Are class or collective actions allowed or may employees only assert labour and employment claims on an individual basis?

Although class actions are not provided by law as such, employees may submit common law suits against the employer for common claims.

### Mandatory retirement age

#### 44 | Does the law in your jurisdiction allow employers to impose a mandatory retirement age? If so, at what age and under what limitations?

Employers are allowed to request that an employee leaves when he or she reaches the age of full retirement. The general rule is that full retirement age is 67 with 15 years of employment or 62 years of age with 40 years of employment.

However, there are multiple other provisions providing for different (lower) age limits depending on various factors (eg, number of children or type of employment).

If the employee leaves because of full retirement, he or she is entitled to 40 per cent of statutory severance.

## DISPUTE RESOLUTION

### Arbitration

#### 45 | May the parties agree to private arbitration of employment disputes?

No. Employment disputes are heard by the ordinary civil courts.

**Employee waiver of rights****46 | May an employee agree to waive statutory and contractual rights to potential employment claims?**

It depends. Employees may only waive rights that are not provided by mandatory laws (ie, that are not statutory minima). Therefore, an employee cannot contractually waive his or her right on due salaries, overtime pay, statutory severance, etc.

An employee may elect not to sue the employer, which is a form of waiver in practice, but he or she cannot contractually waive his or her statutory minimum rights beforehand.

An employee may contractually waive non-mandatory rights (eg, he or she may agree to a salary decrease, to the extent the new decreased salary is not lower than the statutory minimum salary).

**Limitation period****47 | What are the limitation periods for bringing employment claims?**

Limitation periods vary depending on the type of claim:

- three months from termination to challenge validity of the termination;
- six months from termination to claim further termination severance (although validity of the termination cannot be challenged after three months); and
- five years to claim unpaid wages. Statutory prescription starts at the end of the year within which such claims were borne.

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