The Social and Employment Situation in Greece

NOTE

EN 2013
The Social and Employment Situation in Greece

Abstract
This report provides an overview on the social and employment situation in Greece, as well as an overview on the policies put forward as a response to the crisis in the areas of employment, poverty and social exclusion. A special section in the report is allocated to the overview of presidency priorities. The last section of the report addresses current important issues in employment and social affairs.
## CONTENTS

**LIST OF ABBREVIATIONS**  
4

1. **GENERAL OVERVIEW OF THE EMPLOYMENT AND SOCIAL SITUATION IN GREECE**  
7  
1.1. Introduction  
7  
1.2. Employment  
8  
1.3. Unemployment  
9  
1.4. Poverty and social exclusion  
10  
1.5. Social dialogue  
11  
1.6. Conclusions  
12

2. **OVERVIEW OF SOCIAL AND EMPLOYMENT LEGISLATION AND POLICY**  
13  
2.1. Overview of the legislation in the fields of employment, social protection and working conditions  
13

3. **OVERVIEW OF PRESIDENCY PRIORITIES**  
26

4. **CURRENT IMPORTANT ISSUES IN EMPLOYMENT AND SOCIAL AFFAIRS**  
31

REFERENCES  
34
LIST OF ABBREVIATIONS

ADEDY  Confederation of Public Servants
CEA    Collective employment agreement
EC     European Commission
ECB    European Central Bank
EGSSE  National General Collective Labour Agreement
EKAS   Old age solidarity benefit
ELINYAE Hellenic Institute of Occupational Health and Safety
ELSTAT Hellenic Statistical Authority
ESEE   National Confederation of Greek Traders
ESF    European Social Fund
EYPEA  Special Monitoring Service
GDP    Gross Domestic Product
GSEE   Greek General Confederation of Labour
GSEVEE General Confederation of Greek Small Businesses and Trades
HELIOS System for the monitoring and payment of pensions
IMF    International Monetary Fund
NAA    National Actuarial Authority
NPR    National Reform Programme
OAED   Manpower Employment Organization
OEE    Workers Fund Organization
OEK    Workers' Housing Organization
OMED   Mediation and Arbitration Service
PES    Public employment Service
**SEPE**  Corps of Labour Inspectors  

**SETE**  Association of Greek Tourism Enterprises  

**SEV**  Hellenic Federation of Enterprises  

**SILC**  Survey on Income and Living Conditions  

**SKEE**  Social Inspection Council of the Labour Inspectorate  

**TAW**  Temporary Agency Work
EXECUTIVE SUMMARY

The last four years have been particularly hard for Greeks, as the economy is suffering from a serious and protracted recession. Since the beginning of the crisis (2008), private consumption has fallen sharply due to falling incomes and a decline in consumer credit. As the recession unfolded, labour market conditions have deteriorated. The unemployment rate escalated to record levels and employment levels have been falling. Furthermore, the number of people at risk of poverty or social exclusion has increased dramatically. In 2012, the unemployment rate was 24.2%, affecting primarily the young people.

During 2010-2012, the government instituted several important reforms in the field of employment and social affairs, especially in the areas of employment protection and wage setting. New provisions came into force regarding minimum wages, severance pay, mass dismissals, commercial shop opening hours, temporary work, arbitration, etc. In short, the most important of the reforms entailed: a/a new type of firm-level wage agreement, allowing employers and employees to agree on wages that are less favourable than those stipulated in sectoral agreements, b/ a reduction in minimum wages in the private sector and a modification of a number of wage-setting procedures, including the rules on the expiration of collective agreements and the arbitration of wage disputes, c/ measures to boost part-time work and facilitate more flexible work time, d/ shorter periods of notice for terminating an employment contract, which cut the legal severance pay by 50%, e/ an increase in the thresholds for collective dismissals, f/ a reduction of the ‘non-wage’ costs for employers and g/ the introduction of non-subsidised sub-minimum wages for youths. As a result of these policy reforms, the Greek labour market, one of the most regulated and rigid markets in the EU, has been transformed within just three years, to one of the most flexible labour markets of the EU.

The reforms have led to a dramatic decline of the labour cost as a result of wage cuts. The minimum wage has fallen by 20.8% between 2009 and 2012, while the cumulative reduction of the real unit labour cost reached 12.2% between 2010 and 2012. Overall, the total contraction of the average nominal wage in the Greek economy for the period 2010-13 will reach 30%, bringing down nominal wages to 2000 levels and real wages to 1996 levels.

The labour market reforms instituted by the government will lead to more efficient functioning of the labour market in the medium term. Thus, the foundations for a more efficient labour market have been laid. In the short-run however, it is unlikely that the new measures will suffice in preventing unemployment from escalating further, and in restoring employment.

In general, progress on the restoration of competitiveness appears to be painfully slow. On the other hand, the impact from the recession on the Greek labor market however has been much sharper than initially expected, triggering an extensive restructuring by Greek firms. The correction of the macroeconomic imbalances must go hand in hand with measures to strengthen social cohesion, measures to mitigate the effects of unemployment (forecasted to rise) and measures to avoid de-skilling and improve competitiveness (via, among other, education and training).
1. GENERAL OVERVIEW OF THE EMPLOYMENT AND SOCIAL SITUATION IN GREECE

**KEY FINDINGS**

- Greece has been hit hard by the financial crisis. Employment rates have been steadily declining since 2008, while unemployment has been continuously rising. In 2012, the unemployment rate was 24.2%.

- Youth unemployment in particular has reached record levels, having increased to 43.6% in 2012. The long-term unemployment rate has also increased impressively.

- Along with unemployment, the social situation deteriorated markedly since the start of the crisis. The share of the population which is either at risk of poverty, or severely materially deprived or lives in a household with very low work intensity is estimated at 31.0% in 2011.

### 1.1 Introduction

Greece is in a deep and protracted economic recession. The 2008-2009 global crisis exposed the country's vulnerabilities. Over the past several years, Greece gradually but persistently lost international cost competitiveness, resulting in widening current account deficits, a deteriorating international investment position, and a poor record of inward foreign direct investment. In effect, when the crisis came, Greece was significantly more exposed than others (EC, 2011). During the spring of 2010, it became clear that the Greek government was in serious financial trouble and needed massive support. There were, in principle, only three options; i) exiting the euro and introducing a devalued drachma, ii) a radical internal deprecation, with Greek prices and wages falling sharply relative to those in the rest of the euro area, and iii) an ongoing transfer program from the European Union to finance the deficit. In May 2010 a gigantic rescue package was put together by the European Commission, the European Central Bank (ECB) and the International Monetary Fund (IMF), in order to help Greece and reduce the risk of contagion to other EU member states. Starting in 2010, the Greek government has also embarked on an ambitious plan to sustain fiscal consolidation, to stabilize public finances and to reassure markets. But the path to recovery appears to be slow and painful for the Greek citizens. It is now realized that an internal depreciation as large as required will take time to work and can certainly not be achieved without a painful and sustained contraction of the economy and higher unemployment. Moreover, if recovery is to be durable, Greece's plethora of structural problems also needs to be tackled.

The deep recession is reflected upon GDP year-to-year changes. Following solid real volume GDP growth in pre-crisis years – 5.5% in 2006 and 3.5% in 2007 – economic activity began to decline in 2008 (-0.2%) and Greece entered a protracted recession. The situation deteriorated further in the following years, with sharp contractions of 3.1% (2009), 4.9% (2010), 7.1% (2011) and 6.4% (2012) recorded, reflecting marked falls in output in all sectors of activity (ELSTAT 2013). As a result of these developments, the GDP, expressed in current prices and in Billion € declined from 233.2 in 2008 to 193.7 in 2012 (a drop of 17%).

The short-run macroeconomic outlook of the Greek economy continues to remain difficult. According to the National Reform Programme (NRP) 2013, GDP is expected to contract by 4.2% in 2013. A moderate recovery is projected for the beginning of 2014, leading to annual GDP growth of 0.6% in 2014, accelerating in 2015 and beyond. The latest macroeconomic data leave some room for optimism. More concretely, the Greek economy shrank by less than expected in the second quarter of the year. According to figures
published recently by the Hellenic Statistical Authority (ELSTAT), the economy shrank by 3.8 percent in the second quarter of the year against a flash estimate of a 4.6 percent contraction. The better-than-expected GDP came largely as a result of improved tourism receipts. The overall figure was also helped by the fact that the country’s trade deficit shrank 75.7 percent in the second quarter from a year earlier, as imports dropped by 11.8 percent and exports rose by 0.9 percent.

1.2 Employment

As expected, labour market conditions in Greece deteriorated significantly since the start of the crisis and the short-term outlook remains grim. The unemployment rate escalated to record levels and employment levels have been falling. Furthermore, the number of people at risk of poverty or social exclusion has increased dramatically.

Employment reacted to the recession with considerable time lag, because of the employment protection legislation (thought to be strict in Greece). Firms have initially tried to avoid firing costs, while government sponsored employment maintenance schemes have somewhat cushioned the effect on employment during the early stages of the crisis. The pattern of quarterly employment growth rates reveals that the Greek labour market started to weaken considerably in the fourth quarter of 2008. From there on, there has been an almost unbroken period of contraction. In all, the overall employment rate declined from 49.4% in 2008 to 40.1% in 2012 (a drop of 9.3 percentage points). In terms of absolute numbers, the number of employed workers declined from 4,559.4 persons to 3,763 persons during the same time period. In relation to the Europe 2020 targets, the employment rate of those in the 20-64 age group stood at 55.3% in 2012, having lost 11.2 percentage points since 2008 (ELSTAT 2013a).

With respect to sectoral change it is evident that the fall in employment levels from 2008 to 2012 resulted from a contraction across all sectors of activity. Compared to agriculture and the services however, job losses have been strongest in industry. At a more detailed level, the manufacturing and construction sectors have experienced the largest employment contractions, together with the hospitality sector (hotels and restaurants) and the retail sector. Thus, the job destruction process has led to services and agriculture accounting for a higher share in total employment, at the expense of manufacturing activities. As regards types of work affected by the crisis, the wage and salary earners were the hardest hit. As an indirect result, the self-employed have increased their share in total employment. Adjustment to the crisis has also led many employers to convert the full-time work contracts of their employees into part-time contracts and, as an end result, part-time workers are on the increase. In contrast, workers with temporary (fixed term) contracts are on the decrease, possibly under the influence of non-renewal of many temporary contracts in the public sector. As regards the personal characteristics of those who have lost their jobs, men were the most affected. It is also worth noting that although the fall of the employment rate affected all educational groups, the better educated were affected the most. Finally, as elsewhere, young people were among the hardest hit by the recession.

As with the GDP figures, the latest employment data leave some small room for optimism. According to ELSTAT, the number of employed workers in the second quarter of 2013 reached 3.632,2, up by 1% in relation to the previous quarter. This latest development might indicate that most of the restructuring of the private sector of the economy is now completed and that dismissals will not dominate the picture from now on. Still, as regards future employment rate developments, there are concerns about the possibility of significant job losses in the public sector, as the government is under pressure to reduce government deficits through public spending cutbacks. The public sector is likely to play a key role in labour market developments in the coming years.
1.3 Unemployment

The Greek unemployment rate did decline substantially between 2001 and 2008 (down from 10.8% to 7.6%). Since 2009 however it has increased gradually, exceeding its peak of 2001 in 2010 (at 12.5%). The unemployment rate has more than tripled between 2008 and 2012 (from 7.6% in 2008 to 24.2% in 2012, i.e., up by 16.6 percentage points). Counted on an annual base, the number of the unemployed increased from 364.3 thousand in 2008 (the lowest level of unemployment recorded in the previous decade) to 1,172.2 thousand in 2012. The net increase amounts to 808 thousand. At 24.2% in 2012, the Greek unemployment rate was the second highest in EU 27, following that of Spain (25%).

In terms of age, young people (aged 15-29) remain the hardest hit by the crisis and its aftermath. Youth unemployment in Greece continued its rise in 2012, reaching 43.6%, double that of adults and 19.3 percentage points above its level of 2010. Rising unemployment rates have also been feeding long-term unemployment. The male long-term unemployment rate increased from 3.2% in 2008 to 12.5% in 2012 (up by 9.3 percentage points), while the equivalent rate for women increased from 7.9% to 17.8% (up by 9.9 percentage points), during the same time period. In 2012, the number of long-term unemployed was estimated at 734,772 persons (357,224 men and 377,548 women). The abrupt increase in the number of long term unemployed is a cause for alarm on various policy grounds. Eligibility for benefits expires after twelve months in Greece, raising the question of risk of poverty among the long term unemployed. There is also the issue of de-skilling and of the longer-term consequences from labour market detachment.

More recent data are available on a quarterly base. According to the latest statistical material published by the Hellenic Statistical Authority (ELSTAT), currently (2013Q2), the unemployment rate is at 27.1%, up by 3.5 percentage points in relation to 2012Q2 (23.6%). Women exhibit higher unemployment rate than men (31.1% in relation to 24.1%). In terms of age, the highest of the unemployment rates are reserved for the very young persons (15-24 years of age). Persons in this age bracket exhibit high unemployment rates (59.0% for both sexes), with young girls exhibiting extreme unemployment rates (above 65%). In terms of education, the highest of the unemployment rates are observed for those with no schooling (43.5%) and for those with basic education (39.6%). At the other end of the scale, those with postgraduate degrees and those with university diplomas exhibit much lower unemployment rates (14.2% and 17.7%, respectively). Newcomers in the labour market account for 23.0% of the total, while the long-term unemployed constitute the majority of the unemployed (66.8% of the total). Finally, in terms of regional variation of the unemployment rate, the highest rates are reserved for some of the mainland, remote, regions (Dytiki Makedonia, 32.9%), and the lowest for some island regions with strong tourist presence (Ionia Nisia, 16.6%).

The current deterioration in labour market conditions is exacerbating pre-crisis imbalances in the Greek labour market. Even before the crisis, almost half of the unemployed were long-term unemployed. But as it is often the case, disentangling structural developments from ad hoc crisis-driven measures is difficult. The particularly pronounced rise in unemployment in Greece reflects to a large degree the role played by the low-skilled-intensive sectors, such as construction and retail trade. The construction sector, attracting many foreign workers, was hit by a particularly strong collapse of the housing market, whereas the retail trade sector was hit by the decrease in disposable incomes brought about by severe wage cuts. The decrease in jobs has hit young people disproportionally, as among other they were over-represented in temporary contracts. Temporary jobs were heavily reduced, as employers tried to adjust to the crisis.
Apart from the young, foreigners have been affected to a greater extent than nationals. According to the latest data (2013Q2), the unemployment rate of third country nationals exceeds that of nationals by a considerable margin (38.3% as opposed to 26.1%). Migrant workers are overrepresented in occupations and activities that were the hardest hit by the economic crisis, and this explains their greater losses in relation to nationals.

In Greece, the majority of the immigrant labour force comprises of unskilled or semi-skilled manual workers, occupied in the primary sector, in construction, in the tourist sector, in small trade and in specific manufacturing activities (textiles, furniture, food and beverages). A sizeable part of the immigrant labour force is employed by private households, where they offer personal services. Most migrant workers are usually employed in low-paid, temporary and seasonal jobs, which are often undeclared and uninsured. Moreover, migrants are at higher risk of belonging to the ‘working poor’. The media have also been reporting the lowering of wages especially for undocumented workers as well as dire competition between legal and undocumented immigrants for low skill manual jobs in particular (bringing down daily wages from 50-60 € for unskilled workers to sometimes 15-20 €). In general, the work posts occupied by migrants are typically temporary, badly paid and unattractive to national Greeks. From this point of view, it is unlikely that their activity has been displacing domestic labour, except perhaps in construction.

According to studies, the origins of the recent rise of unemployment in Greece are largely cyclical. Slack demand for goods and services (that is, slack aggregate demand) appears to be the primary reason for the persistently high levels of unemployment observed today. While however the origins of the large recent rise in unemployment are predominantly cyclical in nature, there are indications that structural factors are beginning to enter into the picture and play a role greater than in the recent past. There are indications of labour market mismatches, due possibly to very diverse developments per sector of activity, inadequate skills supply and insufficient labour mobility. In conclusion, there is a clear risk that when aggregate demand ultimately picks up, the so called structural factors—specifically, employer-employee mismatches, the erosion of skills and stigma—may continue to keep unemployment and long-term unemployment to high levels.

### 1.4 Poverty and social exclusion

Along with unemployment, the social situation deteriorated markedly since the start of the crisis. According to the latest data drawn from the Survey on Income and Living Conditions (EU-SILC), the overall at-risk-of-poverty rate (before transfers) for the total population stood at 24.8% in 2011, slightly higher for females than for males (25.4% in relation to 24.2%). In terms of age groups, the risk of poverty is above the average for older people (65+) and for children, aged 0-17 (28.9% and 26.5%, respectively). The picture is moderately altered after taking in account the impact of social transfers. Thus, the overall at-risk-of-poverty rate (after transfers) for the total population stood at 21.4% in 2011, again slightly higher for women, older people and children. The at-risk-of-poverty rate has been increasing since 2009, in spite of the fact that the at-risk-of-poverty threshold has been adjusted downwards (from 6,897 € in 2009 to 6,591€ in 2011).

In terms of labour market status and other employment characteristics, the poverty risk is high for the unemployed (44.0%) and the inactive (30.0%). In general, as long term unemployment shares rise and unemployment benefits run out, there is a risk of seeing a significant decline in disposable income for low earners. Other categories of the population, such as the pensioners and the employed persons face lower poverty risk. However even

---

1 For the latest developments in migration, please see: European Migration Network, Annual Policy Report for Greece 2012.
among the employed, the risk of poverty is substantial (11.9%, higher for males than for females). It should be noted that the in-work poverty rate in Greece is one of the highest in the EU and that tax credits/rebates and benefits for low-wage workers are less common in Greece than in other Member States and are often much lower. Finally, those working on a part-time base face greater poverty risk than full-timers (21.4%, as opposed to 10.4%).

In terms of household composition, the highest of the at-risk-of-poverty rates has been recorded for single persons with dependent children (43.2%) and the lowest for two adults younger than 65 years old (16.2%). In general, households without dependent children face smaller poverty risk than households with dependent children (19.5% as opposed to 23.2%). As expected, education plays an important role in shaping poverty outcomes. The lowest of the at-risk-of-poverty rates is exhibited by university graduates (7.1%) and the highest for persons with pre-primary, primary and low secondary education (29.5%).

The crisis has led to increased risks of long-term exclusion from the labour market and society. Between 2009 and 2011, the rate of severe material deprivation increased from 23.0% to 28.4%, an increase of 5.4 percentage points within just three years. Households are reporting increasing financial stress on several fronts, including great difficulties in making ends meet, arrears (mortgage or rent, utility bills) and inability to afford a meal with meat, chicken, fish or vegetarian equivalent every second day. The share of children and adults living in jobless households (households with zero or very low work intensity) increased from 6.5 % in 2009 to 11.8% in 2011. In absolute figures, these rates correspond to 979 thousand in 2011, up from 539 thousand in 2009. Among jobless households, lone parents and their children are particularly at risk of long-term exclusion. In all, the share of the population which is either at risk of poverty, or severely materially deprived or lives in a household with very low work intensity is estimated at 31.0% in 2011, up from 27.6% in 2009. According to this definition of poverty, at-risk-of-poverty or social exclusion affected 3,403 thousand in 2011, or almost 400 thousand more than in 2009. In terms of international comparison, the Greek at-risk-of-poverty or social exclusion rate is clearly the highest among the Eurozone countries and one of the highest in EU27.

1.5 Social dialogue

In contrast with other member states, Greece has little tradition in social dialogue procedures. In September 2012 a thematic National Social Dialogue Committee was established with a number of issues for consultation, including: a/ the fight against unemployment, b/ the fight against undeclared employment, c/ non-wage costs, and d/ reforming the mechanism for the determination of the minimum wage. In addition, new representatives were appointed in the National Social Protection Committee, and in the National Employment Committee (both committees were established by Law 3144/2003).

The National Social Protection Committee will promote social dialogue for fighting poverty and social exclusion, as well as for developing a network for the social protection. It will also promote social integration, as well as delivering opinions on the formulation, the monitoring and the evaluation of the National Plan for Social Integration. Accordingly, the National Employment Committee aims to promote social dialogue for the development of policies to increase employment. It will also monitor and evaluate the National Action Plan for Employment and policies on labour issues, as well as labour law issues in general. The social partners participate in these committees, but it remains to be seen whether the committees will function properly and ensure fair arrangements in the framework of the current crisis. It should be noted however that the involvement of social partners in the

---

development and implementation of recession measures has so far been kept to a minimum with the government and its lenders having the final say.

1.6 Conclusions

The last four years have been particularly hard for Greeks, as the economy is suffering from a serious and protracted recession. Since the beginning of the crisis (2008), private consumption has fallen sharply due to falling incomes and a decline in consumer credit. As the recession unfolded, labour market conditions have deteriorated dramatically. The unemployment rate more than tripled from 7.6% in 2008 to 24.2% in 2012, affecting primarily the young people. A significant and growing proportion of youth, even among those who would have found jobs in good times, are at risk of prolonged unemployment or inactivity, with potentially long-term negative consequences for their careers.

Under these circumstances, the Greek economy faces two major challenges. The first is the need for strong economic recovery to increase vacancy creation, hiring, and create a sustained jobs expansion. The second is the need for policies to address structural labor market problems to improve the matching of job seekers to new job openings and to assist in the labor market adjustments of the long-term unemployed, so as to prevent the large increase in unemployment becoming structural.
2. OVERVIEW OF SOCIAL AND EMPLOYMENT LEGISLATION AND POLICY

KEY FINDINGS

- During 2010-2012, the government instituted several important reforms in the field of employment and social affairs, especially in the areas of employment protection and wage setting. New provisions came into force regarding minimum wages, severance pay, mass dismissals, commercial shop opening hours, temporary work, arbitration, etc.

- Various measures were also taken during 2010-2012 with respect to the pension system, in order to adjust benefits to lower levels and to apply stricter controls to beneficiaries.

- The reforms have led to a dramatic decline of the labour cost as a result of wage cuts, and an increase in labour market flexibility. The Greek labour market, one of the most regulated and rigid markets in the EU, has been transformed within just three years, to one of the most flexible labour markets of the EU.

2.1 Overview of the legislation in the fields of employment, social protection and working conditions

The main sources of employment law in Greece are: 1) National sources, which are divided into a) common/statutory (constitutional rules, labour laws, labour custom) and b) independent (collective agreements, arbitration awards, work regulations, union statutes, employers’ and employees’ co-decisions, business practice), and 2) European and International sources (international agreements, International Labour Organisation's recommendations, the European Convention of Human Rights, European Social Charter, International Covenant of Economic, Social and Cultural Rights etc.).

The law distinguishes between clerical workers, manual workers, managers and under-age workers. Specifically, clerical workers are those who render primarily mental work, while, manual workers are those who render primarily manual work. The importance of the distinction appears mainly in the notice period to be observed before terminating the employment agreement and in the severance payment. Managers are highly educated employees with special skills, who are involved in managerial decision making. Under-age workers are considered employees between 15 - 18 years of age.

Contracts of employment do not have to be in writing. However, employees must be informed in writing by the employer on essential terms of their contracts or regarding their employment, i.e: the names of the employer and employee; place and hours of work; job title; commencement of employment and its duration; duration of annual leave; when and how the annual leave will be granted; pay rates and payment intervals; conditions for termination of employment; and the amount of compensation etc.

Minimum employment terms and conditions are set down by law and the National General Collective Labour Agreement (EGSSE). In principle, the terms of collective agreements which are favourable to the employee prevail, unless law contains mandatory provisions. Moreover, the employment contract may provide a more favourable approach to the employee clauses than those prescribed by law.

The maximum legal working period for most employees is 40 hours per week. Moreover, the employee is entitled to receive a minimum notice period varying according to the years of service. Furthermore, the minimum wages for all employees in Greece, in both the public and private sector, have been determined for many years through free collective bargaining between the social partners. If the parties failed to reach an agreement,
assistance was sought from the Organisation for Mediation and Arbitration. That regime was recently reversed, prompted by the crisis, which has caused major changes in labour law: labour relations are now governed by new labour laws (Law 3863/2010, Law 3899/2010 etc.), altering certain long-standing rules.

The most common form of employment contract in Greece is the full-time employment contract of indefinite duration. Fixed-term employment contracts are frequently entered into, when it is agreed that the employment is for certain duration, or when the duration of the employment is obvious from the nature of the work for which the salaried person is being hired. Part-time employment is less common compared with other EU countries. Seasonal employment is widespread in tourist areas and in occupations directly connected with tourism. Labourers and technicians, especially in the construction and agriculture sectors, are paid a daily wage on a weekly basis. A lot of professionals, such as engineers, work for one employer on the basis of the issue of receipts for the provision of services, rather than receiving a salary. Each type of employment status has different legal rights with respect to: a/ length of trial period, b/ notice period, c/ dismissals, and d/ severance pay.

Regarding dismissals, the law does not require the employer to provide reasons to the employees when dismissing them. However, in the event of collective dismissal, the reasons for it shall be given to the workers' representatives (art. 3, Act 1387/1983).

In general, a period of continuous employment can generate important additional benefits for employees, such as on: a/remuneration, b/ annual holidays, c/ sickness absence d/ transfer, and e/ severance pay.

With respect to wages, the system for setting wages in Greece is different for workers in the private sector and workers in the public sector.

In the private sector, collective agreements set wages at various levels (national, industry-wide, enterprise-level), and where no agreement applies, either of the sides can take the initiative to request an arbitration decision, which has the character of a collective agreement and is binding. The basis for setting wages in the private sector is the National General Collective Labour Agreement (EGSSE), which usually has a term of two years and sets the overall minimum wages for white- and blue-collar workers in the private sector. The amount of minimum pay varies depending on a worker’s years of service and family status. On the sectoral level, the industry-wide collective agreements set minimum levels for the workers that they cover. The enterprise-level agreements set minimum wages for workers in individual enterprises. Operating on the principle of the applicability of the collective agreement with the most favourable terms, the industry-wide and enterprise-level agreements usually contain more favourable provisions than the EGSSE. Furthermore, if a new EGSSE sets minimum wages for some workers that are higher than those set by another collective agreement or arbitration decision, then these agreements cease to apply and the minimum levels set in the new EGSSE are applicable.

In the public sector pay is determined by law, according to the government’s annual incomes policy. Law 2738/1999, which recognizes the right to collective bargaining in the public sector, excludes pay issues from such bargaining.

The main actors in the private sector are the Greek General Confederation of Labour (GSEE), representing the workers, and the Hellenic Federation of Enterprises (SEV), the National Confederation of Greek Traders (ESEE), the General Confederation of Greek Small Businesses and Trades (GSEVEE), representing the employers and the Association of Greek Tourism Enterprises (SETE). Although no agreements address the issue of pay in the public sector, the public servants’ representative body, the Confederation of Public Servants
(ADEDY), brings pressure to bear on the government to improve both pay and non-pay conditions.

If bargaining fails, then the two sides apply either unilaterally or jointly to the Mediation and Arbitration Service (OMED), an independent body providing mediation and arbitration services. Arbitration decisions are binding on all members, and are based on the one hand on the points of convergence of the parties’ views, and on the other on the evidence presented during collective bargaining on their points of disagreement.

Union density has been calculated at about 28%, on the basis of member participation in procedures to elect representatives. More specifically, the level of trade union membership is substantially different between the private and public sectors. In the private sector, the density does not appear to be higher than 18% or around 472,304 workers, on the basis of 2007 data. By contrast, the number of union members among public sector employees is calculated at 311,000 persons and represents about 60% of employment in the public sector. The latter number does not include unionized employees of the security forces who are not represented by the public sector trade union, nor does it include non-unionized military personnel. In certain areas of the public sector, union density verges on 90% – for example, in banks and enterprises under state control. The reason for the strong difference between the private and public sectors is obvious. The private sector is dominated by small enterprises: 97% have fewer than 20 employees. This has a negative effect on workers’ joining trade unions, which are favored by bigger concentrations of workers, particularly when there is no possibility of union representation in the small enterprises.

**Occupational health and safety** is supervised by the Ministry of Labour, Social Security and Welfare. The Ministry is the responsible authority for preparing legislative acts, recommending measures and for providing the harmonization of national law with the corresponding Community and international regulations. The Corps of Labour Inspectors (SEPE) is the competent authority for monitoring the implementation of labour legislation and for performing checks and imposing sanctions. According to Law 3762/2009, on the reorganization of the Corps of Labour Inspectors, SEPE is supervised and evaluated by the Social Inspection Council of the Labour Inspectorate (SKEE). The latter is chaired by the Special Secretary of SEPE and comprises of representatives of the workers’ and employers’ third-level organizations. Finally, the Hellenic Institute of Occupational Health and Safety (ELINYAE), provides advisory and expert services to enterprises, trade union organizations and other agencies on matters of workplace health and safety. ELINYAE is the result of collaboration between the country’s main employer and trade union organizations. It is mainly active in the areas of information, applied research, training and education. It is the main institution conducting health and safety research in Greece.

Regarding pensions, these are provided by a plethora of funds, which have the status of public bodies and form part of the Greek public sector. These funds provide benefits based on employer and employee contributions. In general, the system operates as a ‘pay-as-you-go’ system, although funds are permitted to retain existing surpluses. Because of the large number of funds, the system is highly fragmented, reflecting a history of evolution from a piecemeal system of occupational schemes. As an end result, the various benefit schemes provided for different occupational categories differ, not only across the funds but often within the funds.

The majority of private sector employees and manual workers are covered by a single insurance scheme, administered by the Institute for Social Insurance (IKA), a legal entity

---

3 For an overview of health and safety in the workplace arrangements in Greece, please see: European Foundation for the Improvement of Living and Working Conditions, Health and Safety at Work in Greece, 2006.
supervised by the Ministry of Employment and Social Protection. With respect to non-agricultural self-employment, for post-1993 labour market entrants the parameters of the main pension system are similar to those for employees, but with some important differences with respect to how the assessed income against which contributions are determined and the pension is evaluated. Pension contributions are 20% of assessed earnings, but these are unrelated to actual earnings and instead correspond to notional income classes which, depending on the fund, increase with years of experience. The calculation of pension rights is then based on the income classes over which contributions have been made. Generally, contributions paid by the self-employed are lower than for wage and salary earners and this partly explains why self-employment is so attractive in Greece.

### 2.2 Overview of employment and labour market policy

Prior to the crisis, Greece appeared to rely mostly on passive measures in order to assist the unemployed. Active programmes were relatively underdeveloped and focused heavily on three types of intervention: wage subsidies, start-up incentives and work experience programmes (Stage). Starting from early 2010, the Greek ALMPs scene was radically changed with a new generation of active measures. In addition, the authorities increased the resources for active measures, in an attempt to deal with the crisis. The new measures differed from those implemented in the past, in the sense that the emphasis was now placed upon employment maintenance (securing jobs at risk), rather than upon new job creation. Furthermore, a new policy instrument was introduced, that of providing exemptions from social security contributions in exchange for saving jobs. In parallel with employment maintenance, active measures have increasingly targeted the young unemployed.

Evaluation studies of the active measures implemented during 2010-2012, reveal a mixed picture (EEO Group 2013). As regards the employment maintenance schemes, these were found to be more or less successful. In contrast with employment maintenance schemes, other schemes were found to be less successful. This is generally the case with schemes operating on the base of marginal employment subsidies and targeting job creation.

In the field of continuing vocational training, the Ministry of Labour has recently implemented various sectoral training programmes. The most important of these involved training in the field of construction and technical works (317 training courses, 7,000 participants at a cost of 89,600,000 €), training in tourist related activities (3,600 participants, 45,400,000 €) and training in ‘green’ professions (400 courses, 94,600,000 €). These training programmes started to operate in October 2011 and they are to be completed by the end of 2013. It should be noted that these programmes were implemented as part of the European Social Fund (ESF) co-financed Operational Programme ‘Development of Human Resources 2007-2013’. Along with the sectoral training programmes, the Ministry provides training in ICT, including: a/ training in information and communication technologies (30,000 unemployed with a budget of 30,000,000 €), and b/ training in information and communication technologies with training vouchers (36,664 unemployed with a budget of 44,000,000 €).

In late 2012, the Labour market authorities have announced plans to set in motion a number of new measures in the frame of the Youth Initiative. The most important measures envisaged by the plan include grants to enterprises in order to recruit unemployed university graduates, strengthening youth entrepreneurship, social work schemes, and various traineeships. It should be noted that it is the first time ever that

---

4 Ministry of Labour, Social Insurance and Welfare, Action plan of focused interventions to promote youth employability and entrepreneurship, October 2012.
Greece makes an integrated effort to respond to the challenge of tackling the extremely high youth unemployment rate. Furthermore, the plan signifies a departure from the stock subsidies, aimed at maintaining existing work posts, which were dominant in Greece since 2010. In contrast, the plan seeks to create new jobs rather than prevent dismissals, which is understandable given that the recession is now past its initial stage. Furthermore, the plan utilizes all available instruments (even direct job creation), rather than a few, or just one (stock subsidies).

Two, rather similar measures have so far been activated in connection to the plan. The schemes, titled respectively ‘Cheque for the entrance of unemployed young people to the labour market’ and ‘Cheque for the entrance of unemployed young people to the labour market in tourism-related activities’, aim at offering training to approximately 45,000 young unemployed persons (18-29 years of age), and then placing them as trainees in order to acquire work experience. Within this frame, specific interventions include training programs of up to 80 hours covering horizontal and specialized skills in combination with guidance / educational mentoring, and placement of trainees in private sector enterprises in order to acquire their first work experience for up to 5 months. Following the completion of training and traineeship, enterprises interested in offering employment to the trainee can apply for regular employment subsidies. Participants receive a training and placement allowance of 2.400-2.700 €, depending on whether they are university or secondary education graduates. Training providers receive a flat-rate sum, amounting to 1.100 € per participant, which increases to 1.400 € if they manage to secure an employment contract of at least 6 months duration for the trainee.

Finally, the latest of the ALMPs, put forward in September 2013, is titled ‘Promotion of employment through the provision of services of public interest’. The programme aims at the improvement of the social situation of the unemployed as well as at the improvement of social services. It is a programme targeting direct job creation at local level for the provision of services of public interest. More concretely, the programme envisages the recruitment of approximately 50,000 unemployed workers for certain types of social work in various areas and levels of public administration (e.g., municipal services, infrastructure, environment, educational and health services, etc). Participants are to be selected on the base of social criteria (members of households with low work intensity, unemployed lone parents, etc) and offered employment with basic pay for five months. Beneficiaries over the age of 25 will receive a monthly salary of 748 €, 258 € of which will go toward their social security contributions, while workers under the age of 25 will receive 652 € a month, 225 € of which will go to social security. The selection process will be handled by OAED based on the number of years that a person has been registered as unemployed, their declared annual personal and family income, and the number of minors they support financially. The budget of the programme amounts to 172,8 million € for 2013 and to 43 million € for 2014. This budget comes from unutilized funds situated in a number of O.P.s (Administrative Reform, Education and Lifelong Learning, Digital Convergence and Human Resource Development).

According to all existing evidence, undeclared work has assumed huge proportions since the start of the crisis, because of the need of employers to cut costs and survive the crisis. Inspections carried out by the Labor Inspection Corps (SEPE) in the first six months of the year on a total of 18,698 businesses, revealed that one in three workers are uninsured. Inspections conducted jointly by the Labor Inspection Corps (SEPE) and the Special Monitoring Service (EYPEA) found that 35,674 people were working without any social security benefits. Of these, 5,411 or 42.8 percent are foreign nationals and 7,218 or 57.2 percent are Greeks. None of them were registered in the inspected companies' personnel catalogs or with the IKA Social Security Foundation.
In an attempt to combat undeclared work the government has recently announced stiff penalties for businesses employing uninsured staff that may even include closure. Fines now amount to up to 10,550 € for each uninsured member of staff, depending on the size of the business and number of employees. The business can be ordered to close in case of a repeated violation. In addition, checks to combat undeclared labor have been strengthened. Over 1,000 Labor Ministry and Financial Police inspectors are currently conducting joint checks placing more emphasis on holiday destinations. According to press reports, making unregistered employment too costly has started to yield results (Newspaper ‘Kathimerini’, 14 September 2013). Data from the Labour Ministry indicate that the number of people registered for social security coverage as new employees increased abruptly in August and September, following the announcements for more checks and higher fines.

2.3 Overview of social policies

With respect to the pension system, various measures were taken during 2010-2012 in order to adjust benefits to lower levels and to apply stricter controls to beneficiaries. A first pension reform was attempted in the summer of 2010 (Law 3863/2010). This reform has put obstacles to early retirement, simplified the highly fragmented pension system and decreased the generosity of benefits. The relevant reform law envisages that long-term projections are to be run every 2 years by the National Actuarial Authority (NAA). Provided that these projections show the rise in public pension expenditure between 2009 and 2060 to exceed 2.5 percentage points of GDP, then the pension system parameters will be changed to bring the increase of expenditure below the targeted threshold. Following the 2010 reform, the focus shifted on other parameters of the pension system. The government adopted a revised list of arduous and hazardous professions (which allow earlier retirement ages), introduced a pensioner’s census (which has contributed to fighting fraud), and made the definition of disability more restrictive, so as to reduce the share of disability pensions to the EU average (10%). In addition, both auxiliary pension and lump-sum pensions of civil servants have been curtailed and a new reform of the auxiliary/supplementary pensions system came into force in 2012. Regarding the supplementary pension system, a new single fund (ETEA) in which almost all funds are to merge has been set up, a new formula for calculating pension benefits has been adopted (which will affect pensions paid as of January 2015) and reductions were made on too generous lump sum pensions at retirement. Moreover, an estimated total of 2.6 million people receiving pensions from all social security funds will stop receiving their Christmas, Easter and summer bonuses as of January 1, 2013. According to the latest provisions, pensions up to 1,500 € are to be reduced by 5 percent, those between 1,500 and 2,000 € by 10 percent, while pensions in excess of 3,000 € will be reduced by 20 percent. The reductions concern pensions paid for any reason (old age, disability or widowhood) and from any source. The cut is calculated on the sum of the main and the auxiliary pension, should that exceed 1,000 € per month.

As regards the regular unemployment benefits, these have been reduced as a result of the reduction of the daily minimum wage of the unskilled worker (Law 4046/2012) by 22% and by 32% for people younger than 25 years. The current monthly unemployment benefit is 360 € per month against 460 € before. Other benefits, linked to the minimum wage have also been impacted by Law 4046/2012. This is the case, among other, of seasonal unemployment benefits and of unemployment benefits targeted to specific geographical areas. Restrictions have also been imposed on the amount of benefits a person might receive. As from 1.1.2013 the unemployment benefits a person may be entitled to receive within a
period of four years can be no more than 4,500 € while from 1.1.2014 the maximum amount is reduced to 4,000 € (Law 3986/2011). Stricter controls of abuse and fraud, especially concerning invalidity benefits have been put in place, while the prerequisites for eligibility for the old age solidarity benefit (EKAS) have become stricter.

In addition, various “recreational” benefits (provided by OEE -Workers Fund Organization) as well as housing benefits (provided by OEK -Workers’ Housing Organization) have ceased or phased out. These new rules reduce ‘non-wage’ costs for employers. More concretely, employers’ costs are cut by 0.75% in relation to OEE, and by 0.35% in relation to OEK. The corresponding contributions by workers – 1% and 0.35% – however remain. This regulation was retroactively applied as of 1 November 2012.

In a similar vein, large-family benefits have been abolished (Law 4093/2012 and Law 4141/2013) and are to be replaced by a unified means-tested yearly large-family benefit. Birth grants and family benefits are readjusted so as to target families that are most in need. In this framework, a new means-tested ‘single child support allowance’ has been introduced since 01.01.2013 (Law 4093/2012). A means-tested heating allowance has been introduced since 16.11.2012 in order to compensate for the increase in the price of heating gas oil excise duty.

A recent law (Law 4093/2012) has defined new conditions for the grant of ‘long-term unemployed people benefit’. From 1.1.2014 the benefit may be paid to persons between 20 and 66 years of age provided that their annual family income does not exceed 10,000 € (increased by 586.08 € for every child under the age of 18). Currently, it is only people older than 45 years of age who could be entitled to this benefit (under means-testing conditions).

Finally, a Special Fund for the “Self-Employed” has been established, (Law 3986/2011) providing for at least three months a special assistance in cases of proven ending of an occupation. Previously self-employed and currently unemployed workers are thus able to claim monthly unemployment benefits for the first time. The benefit amounts to 360 € and the maximum period that self-employed professionals will be able to claim this benefit will be nine months. Certain criteria however have to be fulfilled: beneficiaries should not owe any social security contributions and be able to prove that they are not working and not earning a pension.

As a result of the various cuts imposed over the last few years the average monthly pension in Greece in 2013 has dropped below 700 € per month. More concretely, according to HELIOS, the recently introduced system for the monitoring and payment of pensions, the average pension now amounts to 694.56 € per month. In spite of the recent adjustments however, the future viability of the pension system is far from safeguarded. Greece is facing record level unemployment, widespread undeclared work, a rapidly ageing population and, recently, a massive wave of early retirements, which has burdened several funds, particularly those representing employees at former state banks and utilities. All these factors have resulted in reduced revenues for the funds and have caused large deficits, which in turn, threaten the viability of the pension system.

In the area of poverty and social inclusion, the National Reform Programme (NRP) 2013 has set up three national targets: a/ Reduction in the number of people at risk of poverty and/or social exclusion by 450,000 by 2020 which means a reduction of the at-risk-of poverty and/or exclusion rate from 28% in 2008 to 24% in 2020, b/ Reduction in the number of children (0-17 years) at-risk-of poverty by 100,000 until 2020, which is translated into a reduction of at-risk-of poverty rate for children (0-17) from 23% in 2008 to 18% in 2020, and c/ Development of a “social safety net” against social exclusion, which includes access to basic services, such as medical care, housing and education. This
specific objective is not quantified, but highlights the need and willingness of the State to increase access to basic services in the framework of the third pillar of active inclusion policy. On account of the evidence presented in the first section of this report, the above targets are clearly outside the reach of the authorities. According to this evidence, as far as the reduction of poverty and/or social exclusion is concerned, the tendency currently is to diverge rather than to converge to the targets set in the end of 2010 within the framework of the Europe 2020 Strategy. A drastic revision of targets is urgently needed.

In general, the social welfare system is grossly inadequate. There is a need for re-shaping social transfer mechanisms to strengthen the incomes of poor families and low earners. In addition, the system is poorly targeted. Net social transfers appear to be much more targeted towards jobless households, thus reducing their poverty rates to a much greater extent than those of working households. In addition, they tend to be less effective in reducing poverty among families with children than in childless households.

Within the current budgetary restrictions, the government has announced the creation of a minimum income scheme (on a pilot basis), without however explaining how this scheme will tie in with other active and passive labour policies and social transfers. Authorities have also responded to concerns that an increasing number of people may not have full access to a number of healthcare services and goods (as a result of long-term unemployment), by setting aside 46 million € to fund a scheme of health vouchers. The program aims to provide up to 230,000 applicants with vouchers that will allow them to see doctors without charge, over the next two years. It is evident however that a more structural long-term solution is needed.

### 2.4 Overview of most recent crisis-related reforms in the field of employment and social affairs

During 2010-2012, the government instituted several important reforms in the field of employment and social affairs, especially in the areas of employment protection and wage setting. New provisions came into force regarding minimum wages, severance pay, mass dismissals, commercial shop opening hours, temporary work, arbitration, etc. In short, the most important of the reforms entailed: a/a new type of firm-level wage agreement, allowing employers and employees to agree on wages that are less favourable than those stipulated in sectoral agreements, b/ a reduction in minimum wages in the private sector and a modification of a number of wage-setting procedures, including the rules on the expiration of collective agreements and the arbitration of wage disputes, c/ measures to boost part-time work and facilitate more flexible work time, d/ shorter periods of notice for terminating an employment contract, which cut the legal severance pay by 50%, e/ an increase in the thresholds for collective dismissals, f/ a reduction of the ‘non-wage’ costs for employers and g/ the introduction of non-subsidised sub-minimum wages for youths. As a result of these policy reforms, the Greek labour market, one of the most regulated and rigid markets in the EU, has been transformed within just three years, to one of the most flexible labour markets of the EU.\(^5\)

Regarding social partner reaction to the labour market measures instituted during 2010-2012, the Greek General Confederation of Labour (GSEE) and the Confederation of Public Servants (ADEDY) have described them as inefficient, harsh and unfair. Further, they have argued that the sacrifices would be pointless because they will not help the country emerge from its economic crisis, and are instead more likely to lead to a violent internal devaluation. The employers’ organizations representing small and medium enterprises, the National Confederation of Greek Commerce (ESEE) and the General Confederation of Greek

---

\(^5\) For an overview of recent reforms in labour market policy, see Mouriki 2012 and Karantinos 2011.
Small Businesses and Trades (GSEVEE) were also opposed to a continuous reduction in salaries and the abolition of collective agreements. Their view was that a deeper recession and further unemployment was being caused by the reduction of salaries, not by labour costs. They called for the definition of the minimum wage to be the exclusive responsibility of social partners, and to be set by a collective agreement. They also suggested other solutions such as the freezing of salaries. The employers were also concerned that the measures would cause unrest in the labour force, causing further disruption to economic recovery.

With respect to the National Reform Programme (NRP) 2013, in the area of employment Greece has set the target of an employment rate of 70 per cent for those aged 20–64 by 2020. Given the financial crisis however and the evidence presented in the first section of this report, the above target amounts to little more than a purely theoretical exercise. In order to attain the set target, the Greek economy must achieve growth rates in excess of 5 per cent annually and until 2020, a scenario that currently hardly seems plausible. The national target ought to be revised downwards to more realistic levels, as a matter of priority.

The economic crisis and passing of laws on the loan support to Greece (Memoranda) brought extensive changes to labour legislation, effectively decreasing the level of employment protection. The most important legislative changes in this field are the following:

**Law 3863/2010** introduced several fundamental changes in labour relations, including: a/ the notice period for terminating white collar workers’ open-ended employment agreements is significantly shortened. This amounts to an indirect reduction of white collar workers’ severance pay by 50%, b/ the thresholds for collective dismissals are lowered considerably. Dismissals are now considered to be collective where more than six employees lose their jobs with companies which have between 20 and 150 employees, compared with the previous threshold of four employees for companies with 20–200 employees. The threshold is set at 5% of staff or more than 30 employees for companies with more than 150 employees, compared with the previous level of 2%–3% of staff and 30 employees for companies with more than 200 employees.

Following this law, **Law 3986/2011** introduced changes on fixed-term contracts. This law prescribes that the unrestricted renewal of fixed-term employment contracts be allowed only if justified by an ‘objective reason’ as determined by law. If an objective reason does not exist, and as long as the duration of the successive fixed-term contracts or employment relationships exceeds a total period of three years, they are presumed as intended to meet fixed and permanent needs of the enterprise or undertaking; as a consequence, they are converted into employment contracts or relationships of indefinite term. In any case, the employer carries the burden of counter-proof.

**Law 3899/2010**, the last law concerning the labour market which passed in 2010 (December), brought significant changes to the collective labour law that was in force until then. Until law 3899/2010 was passed, the principle of applying a regulation that is more favorable to the employee in case of concurrent collective employment agreements (CEAs) applied absolutely; there was no possibility of departing from it. Law 3899/2010 introduced a new type of company-related CEA, the ‘special company-related CEA’, which may provide for remuneration and other working terms that are less favorable than the remuneration and working terms provided for by the respective sectoral CEA. Minimum wages and minimum working conditions at national and sectoral level are still laid down by the EGSSE. In addition, Law 3899/2010 introduced important regulations with respect to the institution of arbitration.
As regards Temporary Agency Work (TAW) a recent Law (\textit{Law 4093/2012}) has amended the types of work for which TAW is legal. These now include: a/ job matching, b/ assessment or training of workers, and c/ vocational guidance and counselling. With respect to restrictions on number of renewals, a previous Law (\textit{Law 3899/2010}) amended the rules regulating the duration of temporary agency employment. This Law has increased the temporary agency worker’s duration of employment for the same indirect employer. This duration, including the renewals, may not exceed 36 months. Prior to the modified rules, the duration of employment for the same indirect employer could not exceed twelve months. In exceptional circumstances, this duration could be exceeded by a maximum of eighteen (18) months, if the temporary worker was replacing an employee whose contract had been suspended (\textit{Law 2956/2001}). Finally, with respect to maximum cumulated duration of TAW contracts, \textit{Law 3899/2010} reiterates the principle that the employment relationship is to be considered an indefinite when the above rule of maximum duration is not respected, in effect meaning that a contract of indefinite duration has been concluded between the temporary agency worker and the user company.

Recent changes have also radically altered the system of collective bargaining (intact for 30 years). The right to determine the minimum wage through collective agreements is taken from the key social partners in Greece, and handed to the government. In addition, new provisions have abolished regulations limiting commercial shop opening hours, reduced time limits on obligatory rest, and changed the distribution of annual leave.

The first reform probably came with \textit{Law 3833/2010}, which affected industrial relations in the public and wider public sector and which specified: a/ cutbacks in the earnings of all persons employed in the wider public sector, b/ a ban on the stipulation of salary increases for employees in the public and wider public sector through collective agreements or individual agreements between the employee and the employer c/ a 30% reduction in the maximum limit of overtime afternoon hours for employees and salaried persons in the public sector, public entities and local authorities, d/ the suspension of new jobs and appointments in the wider public sector, with the exception of those in education, health and safety, and e/ the introduction of a ratio of one hire to five departures for permanent employees and for those with indefinite-term private law employment contracts.

Subsequently, \textit{Law 3845/2010} introduced measures affecting individual and collective employment relationships, as well as wages and pension cuts. In the field of individual employment relationships, the law introduced the so-called ‘stage agreements’ for hiring unemployed persons up to 24 years of age, who are registered in the PES (OAED) lists, for a period of up to 12 months. During the term of this agreement, the gross earnings will correspond to 80% of the unskilled worker’s minimum wage, as stipulated by the National General Collective Agreement that is in force at the time. The social security contributions shall be paid by OAED.

In the field of wages, the law specifies that the earnings, severance pay, allowances and all kinds of remuneration of public servants and of personnel employed under a private-law employment relationship – that is, in the state, in public law corporate bodies and local government organizations, in the armed forces, in the Hellenic police, the fire brigade and the coast guard – are to be reduced by 8%. This is in addition to the reduction provided for by \textit{Law 3833/2010}. The earnings, severance pay, allowances and all kinds of remuneration of personnel employed by private-law corporate bodies that are owned by the state, or which are regularly subsidized by the national budget, or are public enterprises, are to be reduced by 3%. This is in addition to the reduction provided for by \textit{Law 3833/2010}.

On 14 February 2012 Greece adopted \textit{Law 4046/12}, concerning a new loan agreement reached with the Troika. The new law widely referred to as Memorandum 2, changes
employment relationships, agreements and salaries, and overturns long-standing laws, principles and practices. With respect to minimum wages, a reduction in salary is now permitted for all employees receiving the minimum wages agreed in the National General Collective Agreement (EGSSE), signed by the social partners on 15 July 2010 and intended to be valid for three years. The salary cut for employees generally is 22% and 32% for those below the age of 25. This cut can be imposed by employers without employees’ consent. The base monthly salary agreed by the National General Collective Agreement for an employee who is single and has no children or work experience was 751.39 € (gross). Following the 22% cut, the new minimum monthly salary for this category of worker will be 586.08 €. After deduction of social insurance contributions and taxes, net monthly salary will be 476.35 €, and for those under 25, 426.64 €.

As regards collective employment agreements, these can now only be fixed-term, with a minimum duration of one year and a maximum duration of three years. Previously, collective agreements could be made for an indefinite term. Collective agreements (sectoral and occupational) that have been in place for 24 months or more will expire no later than one year after the new act was adopted, on 14 February 2013. Collective agreements signed on or after 14 February 2010 can be valid for three years, but employers have the right to terminate them and start a new bargaining round after one year.

The previous system of ‘extension’ of collective agreements meant that even after expiry, an old collective agreement would remain in force while a new round of bargaining started. The agreement could be extended for up to six months. If, after this period, no new collective agreement had been signed, the ‘after-effect’ principle meant that employees’ salaries and allowances would remain unchanged and would become a legally binding part of their individual employment contract. Under the new legislation the possible extension period is reduced to three months. Furthermore, the ‘after effect’ principle has been altered to ensure that employers are not obliged to pay all the allowances and bonuses contained in the previous agreement, but only the basic salary of that sector, occupation or firm, and only allowances related to seniority, children, studies and hazardous work. This can be imposed without the employee’s consent and will continue to apply until replaced by a new collective agreement or individual contract, which might contain even more disadvantageous terms. In addition, provision is made for a freeze of increases at the completion of one year with an employer, the so-called ‘service maturity’, with suspension of the effect of any relevant law, provision, collective agreement or even arbitration award. Moreover, the new legislation provides that arbitration takes place exclusively under an agreement between employer and employee, and applies only to basic salary and/or basic remuneration and does not include any other issue such as allowances, benefits or institutional regulations. Finally, with respect to permanent contracts in the broader public sector, as of 14 February 2012, employment agreements that would normally only expire on retirement or reaching the statutory retirement age, and that employers could not terminate under any other circumstances, are now to be regarded as collective agreements of indefinite duration. This change makes it possible for employers to terminate such contracts as long as they comply with the relevant legislation on matters such as compensation and proper notification. This affects a large number of employees in the broader public sector, and also some bank workers who had ‘permanent’ employment contracts that protected them from dismissal.

A major development in the way the national minimum wage is determined, and in labour relations, was brought about by the passing of Law 4093/12 in November 2012. This stipulates that the minimum wage will not be determined through collective bargaining between the national social partners. Instead it will be fixed at legislative level by the government, following simple consultations with the social partners. Previously collective bargaining had been decided by a National General Collective Employment Agreement
The ‘legislatively determined wage’ for the year 2013 was fixed by Act of the Cabinet in February 2012, by way of derogation from the minimum wage agreed by the social partners through an EGSSE. This remains as it was –586 € gross and 510 € gross for those under 25 years of age.

The minimum wage is the only binding agreement for all employers and the law stipulates that it may be increased only through the seniority allowance granted for every 3 years of work up to three 3-year periods (i.e. 9 years of previous experience in total). On the other hand, the marriage allowance, amounting to 10% of gross wages, which was granted universally to all married employees, has been abolished. In future, the National General Collective Employment Agreement (EGSSE) will be binding so long as it is signed by the leading organizations of workers and employers. These groups are the Hellenic Federation of Enterprises (SEV), the National Confederation of Hellenic Commerce (ESEE), and the Hellenic Confederation of Professionals, Craftsmen & Merchants (GSEVEE). A new national social partner, Association of Greek Tourism Enterprises (SETE) was recently added to the list. The EGSSE will be binding only upon the enterprises that are members of these organizations. As a consequence, the EGSSE loses its universally binding character and its obligatory application for all Greek employers.

### 2.5 Assessment of the reforms

The reforms have led to a dramatic decline of the labour cost as a result of wage cuts, and to an increase in labour market flexibility. The minimum wage has fallen by 20.8% between 2009 and 2012, while the cumulative reduction of the real unit labour cost reached 12.2% between 2010 and 2012. Overall, the total contraction of the average nominal wage in the Greek economy for the period 2010-13 will reach 30%, bringing down nominal wages to 2000 levels and real wages to 1996 levels. In employment, the picture is less clear cut. The level of employment continues to drop, but the pace of change has slowed down considerably during the last quarters, suggesting that the employment decline might soon come to a halt. Currently (2012) employment is at 55.3 %, down from 59.9 % in 2011. Total unemployment climbed to 24.3 % in 2012, and 55.3 % for those aged between 15-24 years old, keeping the unemployment rate of young people the highest in the EU. Furthermore, long-term unemployment (as a percentage of total unemployment) escalated from 45 % (2010) to 49.6 % (2011), to reach 59.3 % (2012).

As a conclusion, it can be safely expected that the labour market reforms instituted by the government will lead to more efficient functioning of the labour market in the medium term. In particular, wage settlements and unit labour costs are currently moderating thanks to these reforms, leading to improved competitiveness. Thus, the foundations for a more efficient labour market have been laid. In the short-run however, it is unlikely that the new measures will suffice in preventing unemployment from escalating further, and in restoring employment. Declining wages lead to (disposable) income losses, pressing private consumption to contract, and this can be expected to lead to a further weakening of the labour demand. The recruitment freeze and cuts in short-term contracts in the public sector, are also currently contributing towards the same direction. The social cost of the reform measures cannot be ignored.

Greece belongs to the group of Mediterranean countries with relatively low security/income protection. Greece does not provide any financial support to the unemployed who exhaust their unemployment benefits after twelve months and their net replacement rates drop to zero. Due to the absence of social assistance, long-term unemployed persons remain practically without any income and have to rely on family support. As the long-term unemployment rate is very high, the absence of a social safety net implies high at-poverty-risk rates. Besides, Greece exhibits one of the highest incidences of working poor in the EU
and with concrete evidence that the social situation is markedly deteriorating, the need to protect the unemployed and the more vulnerable becomes apparent and a pressing priority.
3. OVERVIEW OF PRESIDENCY PRIORITIES

3.1 Overview of the presidency programme of relevance to the EMPL committee

On the 7th of August 2013, Deputy Prime Minister and Foreign Minister Evangelos Venizelos presented to the Cabinet the priorities of the Greek EU Presidency in the first half of 2014, which were unanimously approved\(^6\).

These are divided in four chapters:

- Growth, jobs and cohesion.
- Further integration of EU and Eurozone.
- Migrations, borders and mobility.
- Maritime policies.

Mr. Venizelos underscored that Greece is assuming the Presidency of the Council of the European Union at a critical transitional juncture for Europe. The economic crisis forced the adoption of fiscal constraint policies aimed at ensuring financial stability and returning the economy to health. The extent and intensity of the crisis and the resulting recession and unemployment undermined the trust of a significant number of European citizens in the ability of the European edifice to implement credible and effective policy for a return to prosperity, economic recovery and a high level of employment. At the same time, confronting the crisis through the implementation of policies of strict fiscal discipline strongly impacted social cohesion, particularly in countries directly affected by the crisis. As such, Mr. Venizelos stressed, the great challenge for prosperity and stability in the EU lies in reaffirmation of the EU's mission in the hearts and minds of European citizens. In this context, Europe is currently being called upon to respond to the challenge of the economic crisis, safeguarding the common currency through deepening of the EMU, while promoting direct policies for confronting the recession and unemployment by stimulating growth.

Mr. Venizelos also proceeded to a brief presentation of the priorities of the Greek Presidency of the Council of the EU, as follows:

1. **Growth-Jobs-Cohesion**

In a period when unemployment has reached record-high rates in most EU member-states, affecting especially the young, and when recession is a constant threat to European economies, growth cannot but figure as a matter of overriding importance for the Greek Presidency in our common goal to remove European economies from recession. From the Greek perspective, Jobs and Growth are structurally and inextricably connected. The main objective is to balance the timetable of fiscal consolidation with the implementation of a substantially enhanced and realistic Compact for Growth and Jobs that can be transformed into a diverse European investment program, modeled after the cohesion policy, with a focus on employment. The European Investment Bank (EIB) can have a strong role in relation to the labour-intensive projects (e.g. projects for SMEs, basic infrastructure, energy and climate) with the support and trust of the European Central Bank (ECB).

---

2. Further integration of EU-Eurozone

Tackling the financial and economic crisis in the Eurozone and completing the new EMU architecture will certainly remain priorities for the EU rotating presidencies of the coming years, including the Greek one. The main objective is to safeguard the stability of the common currency by advancing the deepening of the EMU and the ex-ante coordination of national fiscal and economic policies. In this framework, progress on the following building blocks will be emphasized:

(a) The promotion of the banking union. This remains essential to the improved functioning of the EMU and a prerequisite for increased confidence in the European economy.

(b) Agreement on the principles of the reinforced budgetary and economic integration frameworks. The aim is to ensure the effective implementation and further integration of the new EU/Eurozone economic governance mechanisms so as to enhance synergies between member-states in a growth-and-jobs-friendly way.

(c) Special emphasis will be attached to the social dimension of the EMU, as one of the pillars for its further deepening.

3. Migration-Borders-Mobility

Instability in the European periphery and the persistence of the causes that lead to immigration flows into Europe increase these flows and place an extra burden on EU member states during a period of economic crisis when all forces and efforts should be focused on reforms aimed at safeguarding stability and revitalizing growth. This burden falls mainly on the EU member-states that are on Europe’s external borders, as well as on those heavily affected by recession and unemployment. In this context, the Greek Presidency will concentrate its efforts on highlighting the positive aspects of a comprehensive migration management to the benefit of boosting growth and will spare no efforts in promoting all dimensions of migration and mobility policies. At the same time, action is envisaged to tackle the problems arising from illegal migration in economy, social cohesion and political stability.

4. Maritime Policies

Being a traditionally maritime country, Greece recognizes the great potential that marine and maritime activities have of benefitting the EU economy as a whole, in a sustainable way. At the same time, obvious strategic interests point up the urgency of bringing to the fore and dealing with security problems of sea border management. In this context, Greece introduces a horizontal thematic that will run through all three of the presidency’s priorities, namely the EU Maritime Policy. The main idea is to redefine and restart the EU Maritime Policy in all its aspects, not solely confined to issues of growth and development (Limassol declaration).

Turning to a more analytical level, it is evident that the ongoing economic crisis, followed by recession and high unemployment rates has led to severe pressures on national and regional economies of the Member States. Under these circumstances, it is crucial to initiate the dialogue for the establishment of an ambitious and targeted European Development Plan, which will be designed to deal with the consequences of the crisis and provide opportunities for growth, while enabling the creation of sustainable jobs on the basis of the EU 2020 Strategy.

Taking into consideration the gravity of this situation, the Greek Presidency plans to organize the Informal Ministerial Meeting in charge of the Cohesion Policy under the theme of "Regional Growth, Jobs and Cohesion in the European Union, in the time of crisis", during
spring 2014. At the Meeting, the pros and the cons of the Cohesion Policy will be discussed in order to enable this development tool to become efficient with the adoption of actions for the effective confrontation of the recessive “swamp”. This discussion among all EU countries should concentrate sine qua non on economic development and employment.

Regarding the issues of territorial cohesion, the Ministerial Meeting will examine the different dimensions of Blue Growth and the development of European insular areas, activating the debate on the corresponding article of the Treaty translating it to specific policies. Emphasis will be given on issues of accessibility and attractiveness of the islands for residence and entrepreneurship, utilizing the “smart specialization strategy”.

The Greek Presidency will also encourage the continuation of the debate on urban development issues paying special attention to urban poverty and social exclusion phenomena, being evident mainly in metropolitan areas.

The macro-regional strategies, which concern issues of territorial cohesion and are promoted by the European Territorial Cooperation goals, emerge with particular emphasis for the programming period 2014-2020. The Presidency organizes jointly with European Commission a Conference for the formulation of the Strategy for the “Adriatic-Ionian Macro-region”, in February 2014.

The Presidency will also support the work to reach agreement on the finalization of the legislative package of Cohesion Policy and its implementation framework.

3.2 Indication of Greece’s position on dossiers for which the EMPL committee is responsible

As noted in the previous section, the overarching priority of the Greek presidency is Growth, Jobs and Cohesion. From the Greek perspective, Jobs and Growth are structurally and inextricably connected, so as to avoid the phenomenon of the so-called ‘Jobless growth’.

As regards Greece’s priorities in the field of employment which are specifically relevant to the EMPL Committee, these are classified under two headings: Employment and Social Protection. Operational priorities are expected to include the following:

**Employment**

- Successful implementation of the European Semester 2014. The European Semester, the new system of coordinating economic and budgetary policy within the EU, includes broad guidelines for Member States in order to meet the Europe 2020 targets.
- Tackling Youth unemployment and swift implementation of the Youth Guarantee. Although this topic has attracted the interest of several past Presidencies, the scale of the problem is such that requires continuous attention. Besides, 2014 will see the start of the Youth Guarantee system.
- Combating undeclared work. Undeclared work is mentioned by the Employment Guidelines. The Presidency intends to launch discussions on the appropriate indicators to monitor the situation.
- Enterprise restructuring. The management of human resources during restructuring is an important issue and is also part of the conditionalities for the new Partnership Agreement 2014-2020.
- Ensuring good quality Apprenticeships. There is currently renewed interest in apprenticeships as a means to fight youth unemployment and to provide successful matching between the skills processed by young people and the needs of employers.
• Combating illegal work. The management of migratory flows and the combating of work performed illegally by third country nationals can have beneficial effects and limit distortions in the labour market.

**Social Protection**

• Strengthening of the social dimension of EMU. The object here is the strengthening of policy coordination in the area of social protection through the continuation and deepening of the discussion on the employment and social scoreboard.

• Fighting the social impact of the economic crisis. Poverty aversion, strengthening of social inclusion and tackling the impact of the crisis, are all in the centre of discussions on economic recovery.

Regarding legislative work, there is preliminary information as to which dossiers are likely to move forward during the Greek presidency and which are less likely to do so. At the time this report was being prepared, the issue was under discussions.

The dossiers which are likely to be subject to discussions during the Greek Presidency include the following:

- Directive, Worker mobility-improvement of acquisition and preservation of supplementary pension rights.
- Directive, posting of workers.
- Directive, the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation.
- Directive, on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers.

The Presidency also intends to promote discussions on the following Proposals, provided that these will be adopted by the European Commission:

- EURES Regulation.
- Proposal for ensuring good quality apprenticeships (stage).
- Initiative regarding illegal work.
- Social dialogue and enterprise restructuring.

Finally, the Greek Presidency plans to host the following events:

2) "The role of the Public Employment Services to address the crisis: Apprenticeships" (29/1/2014)-Manpower Employment Organization (OAED).
4) Informal meeting of the Social Protection Committee -SPC (19&20/3/2014) - SPC Members.

5) Informal meeting of Employment Committee (7&8/4/2014)- EMCO Members.


7) Committee of Senior Labour Inspectors(SLIC)- Senior Labour Inspectors.


9) Head of PES Meeting (HOPES) (12&13/06/2014)- Manpower Employment Organization (OAED).


11) ESF Committee meeting- European Commission (DG Employment) - ESF Coordination and Monitoring authority.

As the subjects of Greece’s priorities and of legislative work which are relevant to the EMPL Committee are currently in progress, the above lists might be revised in the course of the following weeks.
4. CURRENT IMPORTANT ISSUES IN EMPLOYMENT AND SOCIAL AFFAIRS

KEY FINDINGS

- The economic crisis and passing of laws on the loan support to Greece (Memoranda) brought extensive changes to legislation, covering most policy areas. The most prominent of the policy reforms affected employment protection and wage setting mechanisms. Nevertheless, progress on the restoration of competitiveness appears to be painfully slow.

- The correction of the macroeconomic imbalances must go hand in hand with measures to strengthen social cohesion, measures to mitigate the effects of unemployment (forecasted to rise) and measures to avoid de-skilling and improve competitiveness (via, among other, education and training).

- In essence, what appears to be the main problem of the Greek economy is the existence of a weak productive base, and what is needed in this respect is a strategic plan to provide options for economic growth for the medium term.

Greece is in a deep and protracted economic recession. The 2008-2009 global crisis exposed Greece’s vulnerabilities. Over the past several years, Greece gradually but persistently lost international cost competitiveness, resulting in widening current account deficits, a deteriorating international investment position, and a poor record of inward foreign direct investment. In effect, when the crisis came, Greece was significantly more exposed than others. In May 2010 a gigantic rescue package was put together by the European Commission, the ECB and the IMF, in order to help Greece and reduce the risk of contagion to other EU member states. Starting also in 2010, the Greek government, in agreement with its lenders, embarked on an ambitious plan to sustain fiscal consolidation, to stabilize public finances and to reassure markets.

The economic crisis and passing of laws on the loan support to Greece (Memoranda) brought extensive changes to legislation, covering most policy areas. The most prominent of the policy reforms affected employment protection and wage setting mechanisms. New provisions came into force regarding minimum wages, severance pay, mass dismissals, commercial shop opening hours, temporary work, arbitration, etc. In other areas there have also been reforms, mainly in social security (pension cuts, raising of the retirement age, reductions in non-wage costs for employers, unemployment benefits for the previously self-employed) and in taxation (lowering tax-free thresholds, broadening the tax base, new property taxes, fighting tax evasion).

Nonetheless, progress on the restoration of competitiveness appears to be painfully slow. The decline in labor costs only gained momentum in late 2011, accelerating further in 2012, while consumer prices, even adjusted for the impact of adverse developments unrelated to domestic economic conditions, have exhibited even longer adjustment lags, with their decline starting in earnest only in early 2103. In addition, other intrinsic characteristics of the Greek economy appear to have also played a significant part in delaying the transmission of labor cost reductions to consumer prices: i) The still high share of imports in final consumption -- even following the recent sharp contraction in the imports of durables; ii) Relatively high levels of imported inputs -- due to the narrow domestic production base; iii) Tax hikes; and iv) Inelastic profit margins due to the existence of many small firms in the production process. On the other hand, the impact from the recession on the Greek labor market however has been much sharper than initially expected, triggering an extensive restructuring by Greek firms.
The correction of the macroeconomic imbalances must go hand in hand with measures to strengthen social cohesion, measures to mitigate the effects of unemployment (forecasted to rise) and measures to avoid de-skilling and improve competitiveness (via, among other, education and training). In this frame, the National Reform Programme (NRP) 2013 mentions a plethora of measures designed to mitigate the effect of the recent rises in unemployment and in poverty rates. Yet the scale of the social problems is such that a lot more needs to be done.

In the area of active labour market programmes (ALMPs) there is scope for improvement as Greece spends, relative to GDP, approximately one-third of the euro area average. In addition, active labour market measures are designed on the basis of various target groups (e.g., young unemployed, long term unemployed, women, etc) rather than on the base of sectors of activity and potential areas for job growth, or on some combination of the two. Moreover, anticipation of skill needs is still at an embryonic stage in Greece, while active programmes are rarely evaluated and evaluations do not, as a rule, guide future actions. Lastly, the concept of flexicurity and the target of facilitating transitions, rather than simply protecting existing jobs, have not yet entered the employment policy instruments. The cumulative result of these features is that the assistance provided through ALMPs may drive people to dead-end jobs, or to jobs with little prospects, rather than to jobs with a high potential.

What is needed is placing a greater emphasis on activating the unemployed, especially youth and women. Existing employment subsidies should be better targeted to the most disadvantaged youth, such as early school leavers and individuals who have not been in employment, education or training for a long-term. The development of ALMPs must be aided by suitable developments in other fields: a skills anticipation system must be designed and put in place; active measures must be decentralized and implemented at the local level, where networks with local actors can be formed; and the links between economic policies and employment must be analyzed and communicated to actors. Most of all however, the concept of flexicurity as an instrument facilitating transitions must be strengthened.

Admittedly, the improvement of the conditions in the labour market depends upon general policies designed to bring about a broader economic recovery. These policies are largely outside the reach of labour market authorities. In spite of this however, a well-designed package of labour market policies has an important role to play, as a supportive instrument for economic recovery. It is true that the scale of the unemployment problem today is such that the potential impact of labour market policies on the unemployment rate in the short term is bound to be limited. This is primarily because these measures do not address the single most important factor behind today’s persistently high unemployment rates—weak demand for goods and services. Typical policies to boost demand and strengthen employment include increases in government spending (e.g. on infrastructure), lower taxation (to increase household’s disposable incomes) and increased support to business. Such policies however would add to the already large budget deficit and under the current economic climate this would be unacceptable. Even so, a well-designed package of labour market policies can minimize the long-term costs of high unemployment and help to lay the foundation for a sustainable return to high employment rates and rising earnings. Such a package must ensure that the sustained period of high unemployment does not undermine the recovery by raising the level of structural unemployment or permanently lead to increased levels of inactivity.

Furthermore, the social cost of the reform measures cannot be ignored, as Greece belongs to the group of Mediterranean countries with relatively low security/income protection. Greece does not provide any financial support to the unemployed who exhaust their
unemployment benefits after twelve months and their net replacement rates drop to zero. Due to the absence of social assistance, long-term unemployed persons remain practically without any income and have to rely on family support. As the long-term unemployment rate is very high, the absence of a social safety net implies high at-poverty-risk rates. The need to protect the more vulnerable is an apparent and a pressing priority.

More generally, the nature of the Greek economy largely influences and shapes the potential for a sustained recovery. There is a relatively low proportion of salaried work, and conversely a high proportion of self-employed workers (employers and own account workers). Furthermore, the labour market is dominated by the existence of hundreds of thousands of micro enterprises, which are often run by members of the same family. On top of these features, there is widespread undeclared work and tax evasion, while large segments of the GDP go undetected. Under these circumstances, designing and implementing a recovery plan is a difficult task.

In essence, what appears to be the main problem of the Greek economy is the existence of a weak productive base, and what is needed in this respect is a strategic plan to provide options for economic growth for the medium term. In the short term, cutting wages further will probably contribute to higher unemployment and to more poverty (including in-work poverty). Wage cuts help restore competitiveness, but the latter is an extraordinarily complex concept and wages is only one but important economic parameter in determining the competitiveness of a country. Others parameters include price formation structures and mechanism, innovation, R&D and most importantly adequate skills levels and skills matching. In this respect, prices have only recently started to fall, as a response to falling incomes. Slow price adjustment has been caused by a number of factors, notably by increases in taxation and possibly by employers utilizing the drop of the labour costs as a means to strengthen profits.

Wage cuts should be replaced by intensive efforts to improve access to training as well as to other activation measures provided by employment services to help tackle the current high levels of unemployment, particularly long-term and youth unemployment. After all, ensuring adequate skills levels and skills matching are the most vital elements in guaranteeing long term competitiveness.
REFERENCES

- EEO Group, 2013, Comparative Evaluation of ALMPs for Young Unemployed, Athens.
- ELSTAT, 2013a, Living Conditions in Greece, 5 July 2013, Athens.
DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT A
ECONOMIC AND SCIENTIFIC POLICY

Role

Policy departments are research units that provide specialised advice to committees, inter-parliamentary delegations and other parliamentary bodies.

Policy Areas

- Economic and Monetary Affairs
- Employment and Social Affairs
- Environment, Public Health and Food Safety
- Industry, Research and Energy
- Internal Market and Consumer Protection

Documents