

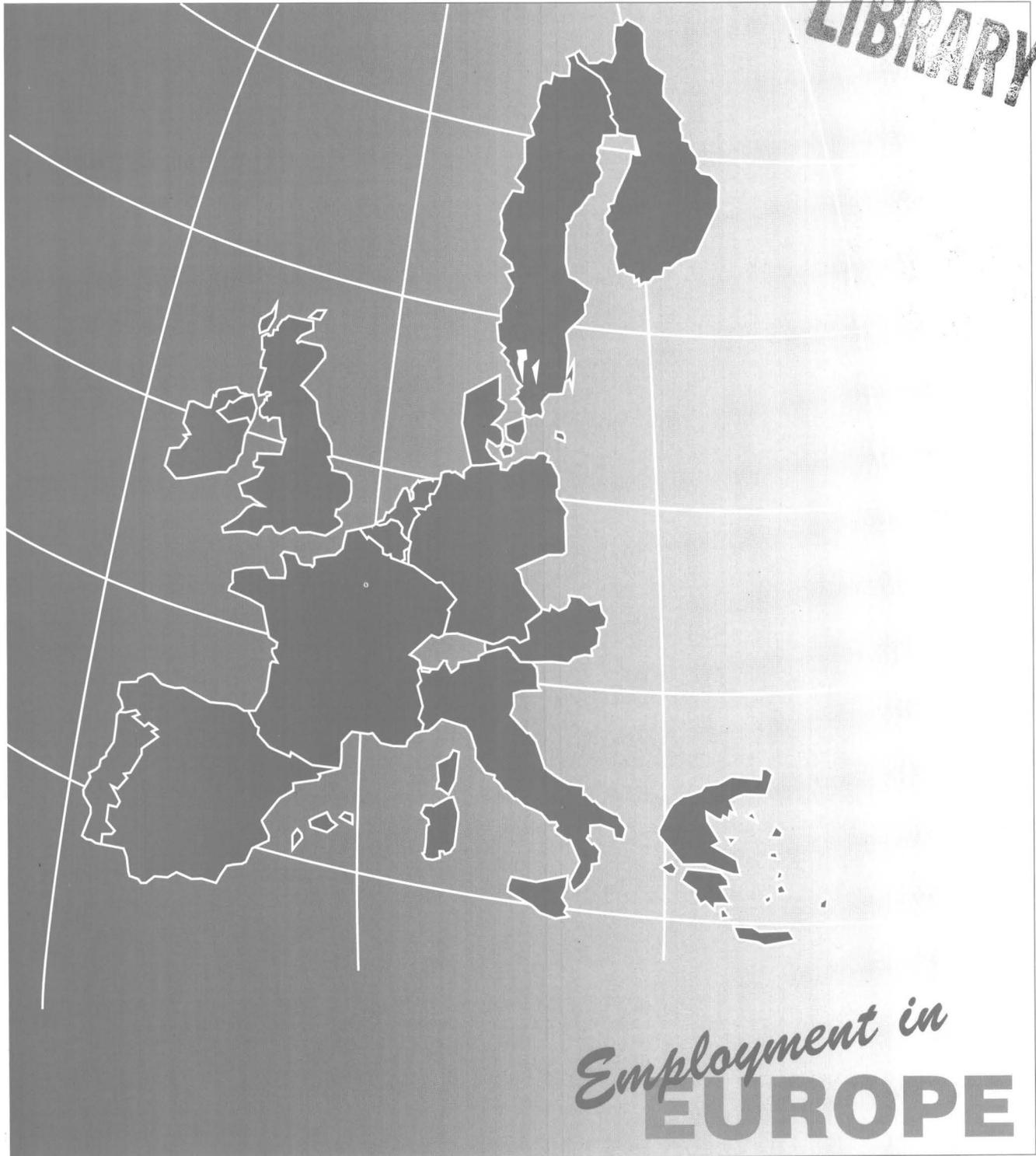
# EMPLOYMENT OBSERVATORY

## Basic Information Report

## Greece

on employment policies in Europe.  
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EUROPEAN COMMISSION  
 DIRECTORATE-GENERAL FOR EMPLOYMENT  
 INDUSTRIAL RELATIONS  
 AND SOCIAL AFFAIRS

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MISEP



Mutual Information System  
on Employment Policies (MISEP)

Basic Information Report

**GREECE**

Institutions, Procedures and Measures

1995

European Commission

CEE: V/96

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Published in October 1995

On the basis of an agreement of the directors-general for employment, the European Commission created a Mutual Information System on Employment Policies (MISEP) in 1982.

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States or from employment services. The centralised secretariat is fully accountable to the Commission.

MISEP was set up by the Commission in response to a need voiced by the delegations of the Member States in the Council for a mutual information exchange on developments in national employment policy measures and structures. The definition of MISEP's objective is to gather, synthesise, translate and disseminate relevant information in the Member States, serving each of the responsible national ministries and agencies in their daily decision-making, and aiding the Commission in its co-ordinating role at Community level.

The Basic Information Reports describe the structure and content of employment policy in each Member State. The reports all have a common structure and contain basic information which is essential for an understanding of how employment policies are conceived and implemented.

The material in this Basic Information Report has been provided by the Greek correspondent and is correct as of 31 May 1995. It is intended as a guide and an explanation of national policy measures in force at that date in Greece; it is not a substitute for the corresponding legal texts. It is designed to describe the policies and practices in Greece without value judgements either on the part of the Commission or the national correspondent.

While these reports will be updated periodically, further information and regular updating of measures are published in the system's quarterly policy bulletin, "inforMISEP Policies".

This document was produced on behalf of the European Commission by the Greek MISEP-correspondent and the I.A.S.

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## BENCHMARK STATISTICS 1993

<b>THE LAND</b>	
Area	131,957 sq.
<b>THE PEOPLE</b>	
Resident Population	10,118,232
<b>PRODUCTION</b>	
Gross Domestic Product	DRA 16,854.6 bn.
<b>LABOUR MARKET</b>	
<b>Working age population (over 14)</b>	<b>8,491,620</b>
Of which:	
- women	4,427,199
- men	4,064,421
<b>Labour force</b>	<b>4,118,379</b>
- Of which women	1,534,386 (37%)
<b>Activity rate</b>	<b>48.5%</b>
- For women	34.7%
- For men	65.3%
<b>Employment</b>	<b>3,720,179</b>
Of which:	
- women	1,300,707 (35%)
- under 25 years	158,775 (12.2%)
By Sector:	
- Primary sector	20.9%
- Secondary sector	17.6%
- Tertiary sector	61.5%
By education:	
- Higher education (degree)	18.8%
- Secondary school certificate	34.8%
- Primary school certificate	45.8%
- No school education	1.4%
<b>Unemployment</b>	<b>398,200</b>
Of which:	
- women	233,769 (58.8%)
- under 25 years	101,305 (25.4%)
<b>Unemployment rate by education</b>	
- Higher education (degree)	20.5%
- Secondary school certificate	52.0%
- Primary school certificate	26.4%
- No school education	1.0%
- Total	9.7%
<b>Registered unemployment (OAED)</b>	<b>175,885</b>



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# CHAPTER I INSTITUTIONS

The creation of employment opportunities for all men and women is an essential component and one of the main objectives of the social and economic policy of the overall governmental programme. Among the long-term objectives is the gradual creation of new jobs through the structural realignment of the economy within the framework of the convergence of EC economies. The fight against unemployment is a priority in planning the State's policy.

The general policy of the country is, furthermore, greatly concerned with working conditions and the reorganisation of the services responsible for employment. It should be noted that over the last thirty years Greece has achieved substantial economic growth. However, this type of growth has been characterised by distinct regional disparities and unequal and unbalanced development between the different sectors of the economy. This has resulted not only in the exodus of the population from the rural areas to the large urban centres and in emigration but also in the peculiarity of the structure of occupations and in the lack of manpower planning. International conditions and national measures over the last ten years have resulted in an increase in the Greek labour force, which has outstripped the increase in the level of economic growth. This increase in the size of the labour force is explained by women's employment, net immigration and population increase.

With this in mind, governmental policies are striving to make an equitable contribution to regional development and a positive impact on the problem of employment disparity.

The following institutions and public services are directly involved in employment policy in Greece.

- The Ministry of Labour.
- The National Manpower Employment Organisation (OAED). Responsible for labour market policy in general, with broad responsibilities influencing the supply and demand of labour, OAED has more than 100 local centres around the country.
- Ergatiki Hestia (Workers' Fund) (Law 5204/1931) is responsible for the implementation of certain aspects of social policy for workers and their families:
  - the cultural and social improvement of employees and pensioners;
  - the development of employees' group organisation and activities.This is a legal entity governed by public law. It is administered by a Board of Directors consisting of its president, one civil servant from the Ministry of Labour, a specialist in social policy matters, three representatives of the trade unions and three of employers' associations. It has a total staff of 916 established civil servants and 73 employees with private law contracts. It has a central office and many centres around the country.
- The Organisation of Ergatiki Katikia (Workers' Housing Agency) is a legal entity and is governed by public law (Legislative Decree (ND) 2963/54). Its principal aim is to build and grant houses or apartments to workers. It may also make loans to workers, on very favourable terms, so that they can purchase, build or complete a house.

The Governing Board consists of nine members: the president of the Organisation, one civil servant from the Ministry of Labour and one from the Ministry of Public Works, three employers' representatives and three employees' representatives. Its staff consists of 445 civil servants and 150 employees with private law contracts. Its headquarters are in Athens. There is also a local office in Thessaloniki. Workers may also be served by the local offices of the Ministry of Labour.

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# 1. Ministry of Labour

## 1.1 Legal status and constitutional competence

The Ministry of Labour (ND 1558/85) is responsible for governmental policy on:

- full employment;
- vocational guidance and vocational training;
- the level of wages and salaries, working conditions, employee cultural and social improvement;
- social equilibrium by encouraging collective bargaining;
- health and safety at work;
- trade union rights.

All these tasks are carried out by the central services of the Ministry as well as by the above-mentioned organisations, which are supervised by the Ministry of Labour. These organisations are administered by boards, appointed by decision of the Minister of Labour. Each of these boards decides on all matters concerning the realisation of the organisation's goals. The law always defines those cases in which decisions of these boards need to be signed by the Minister of Labour.

## 1.2 Decision-making bodies

### The Supreme Council of Labour (ASE)

This body is competent to give advice on any subject of research and study related to the implementation of labour and social policy. It operates on two levels – in full Council meetings and in sub-committees as follows:

- a) Remuneration and conditions of employment in the private sector.
- b) Remuneration and conditions of employment in the public sector.
- c) Equality between the sexes.
- d) Workers' health and safety. The title of this sub-committee is "Council of Health and Safety at Work".
- e) Promotion of international labour regulations and conventions.

ASE is a tripartite body made up of government and employers' and employees' representatives. Sub-committee (c) above also includes local government representatives.

### The National Council of Vocational Training and Employment (ESEKA)

ESEKA proposes to the Government the direction which vocational training and employment is to follow at national level. It also furthers coordination of the organisations which implement programmes of vocational training and employment and generally directs their activities according to national development programmes.

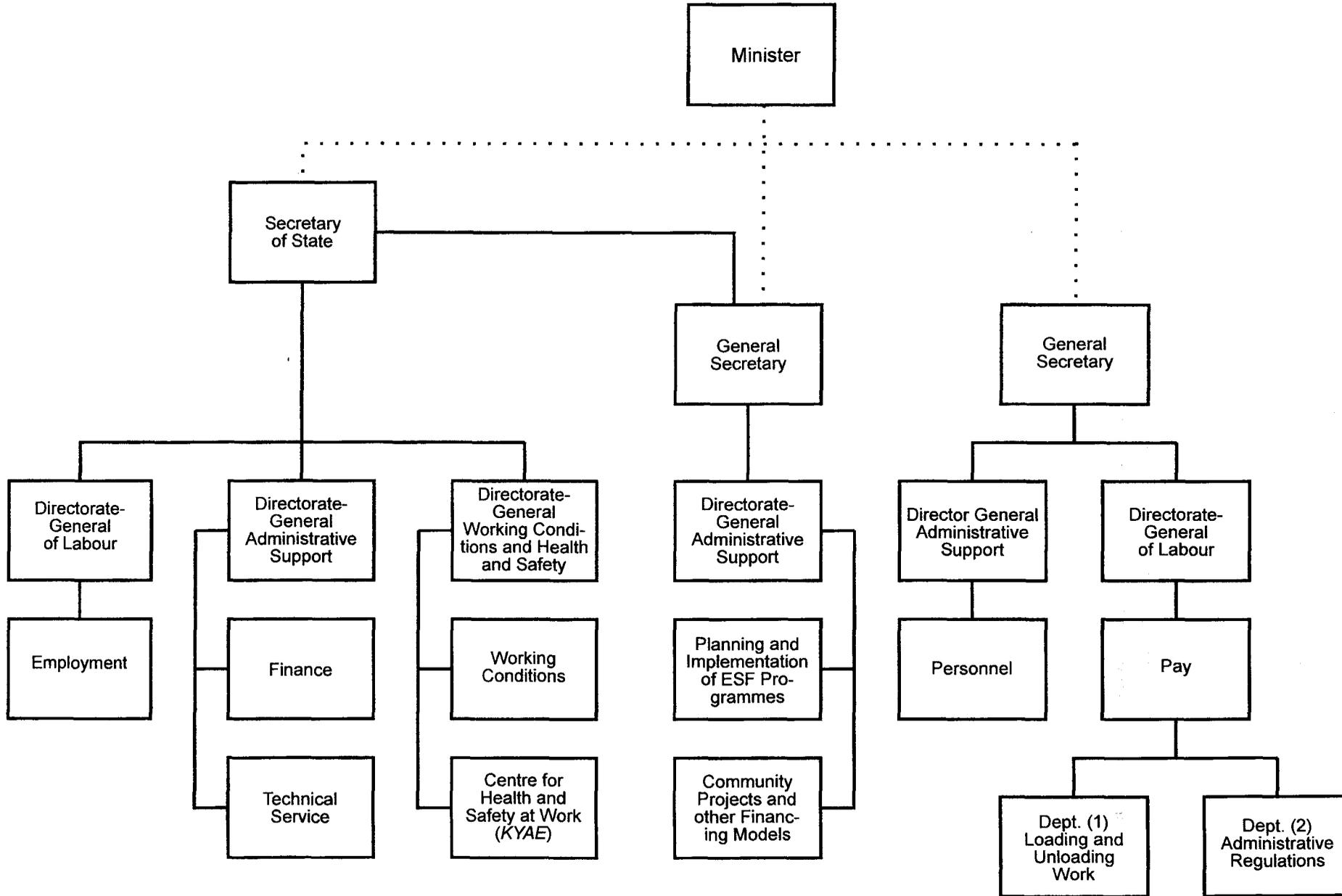
The membership of ESEKA consists of representatives from:

- 
- the National Authorities and major employer and union organisations, namely the Confederation of Greek Industry (SEB), the Greek Trade Union Confederation (GESEE) and Local Government;
  - the Panhellenic Confederation of Associations of Agricultural Cooperatives (PASEGES) and the General Confederation of Handicraft Producers of Greece;
  - the Greek National Union of Students.

ESEKA takes into consideration decisions made by corresponding organisations at regional and prefectural level (cf. analysis in Chapter II).

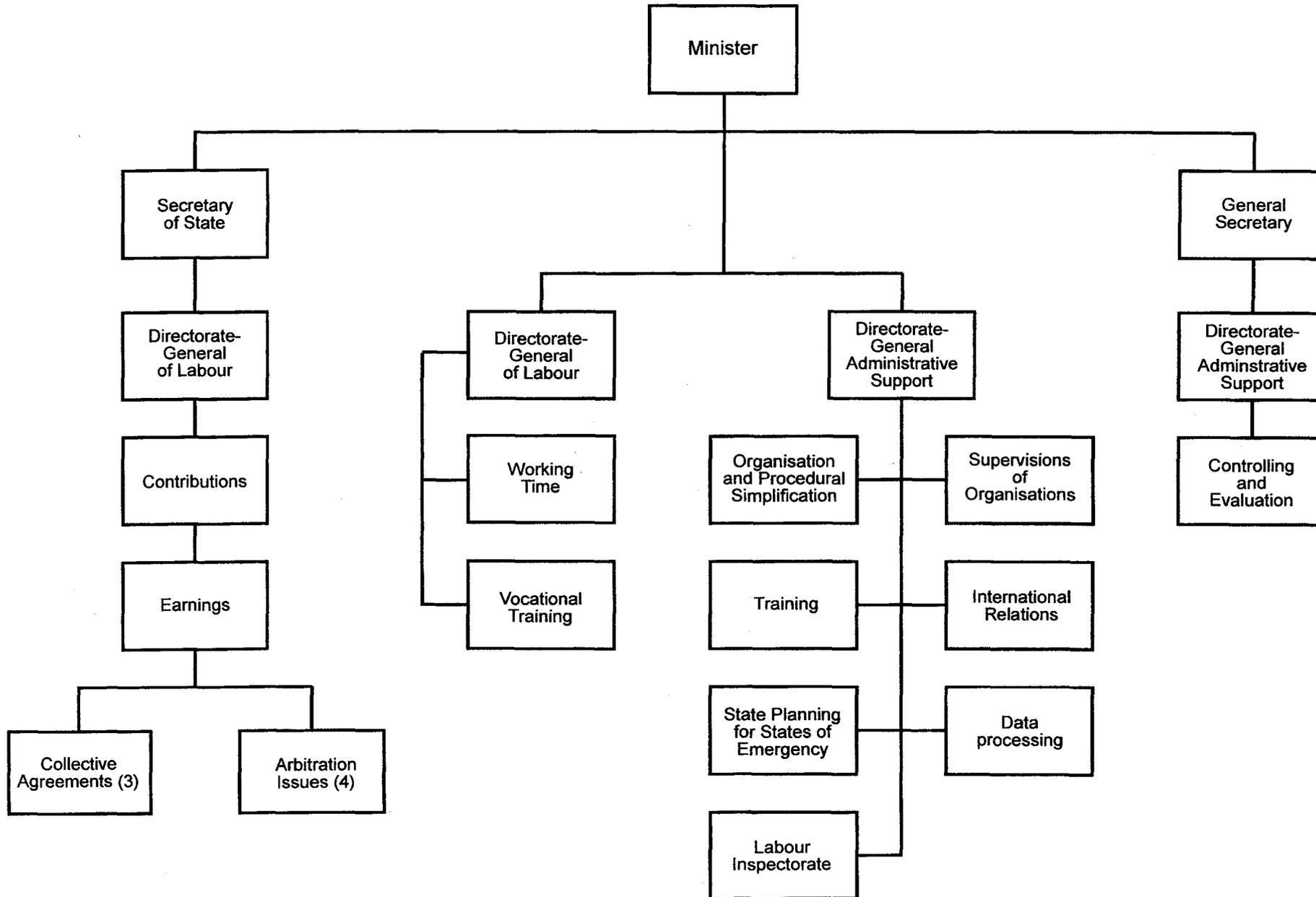
Hence, the promotion of democratic dialogue and the decentralisation of decision-making is achieved within the ambit of planning policy for vocational training and employment.

**Ministry of Labour**  
Responsibilities transferred to the Secretary of State and the General Secretary

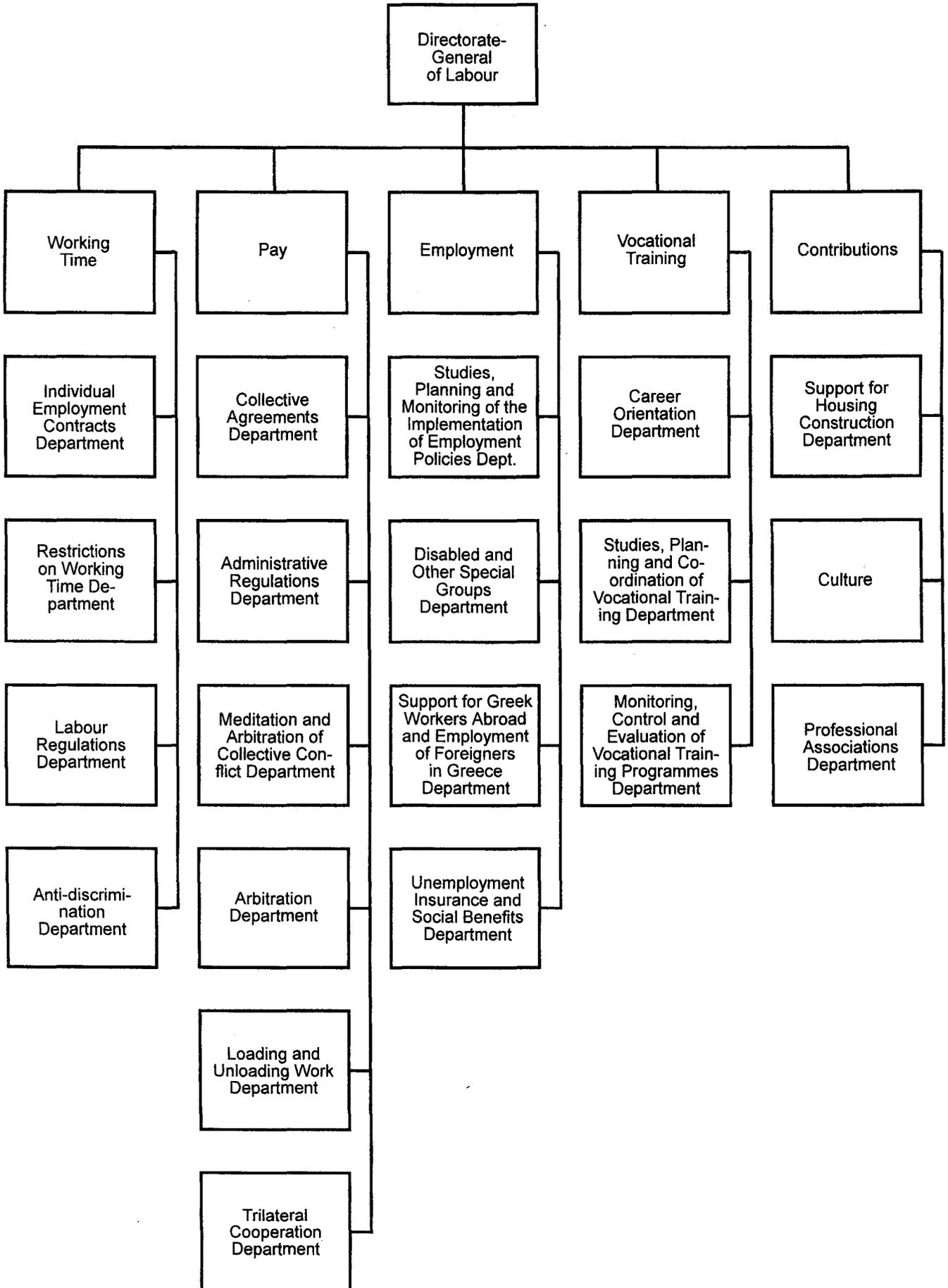


**1.3 Organisation charts**

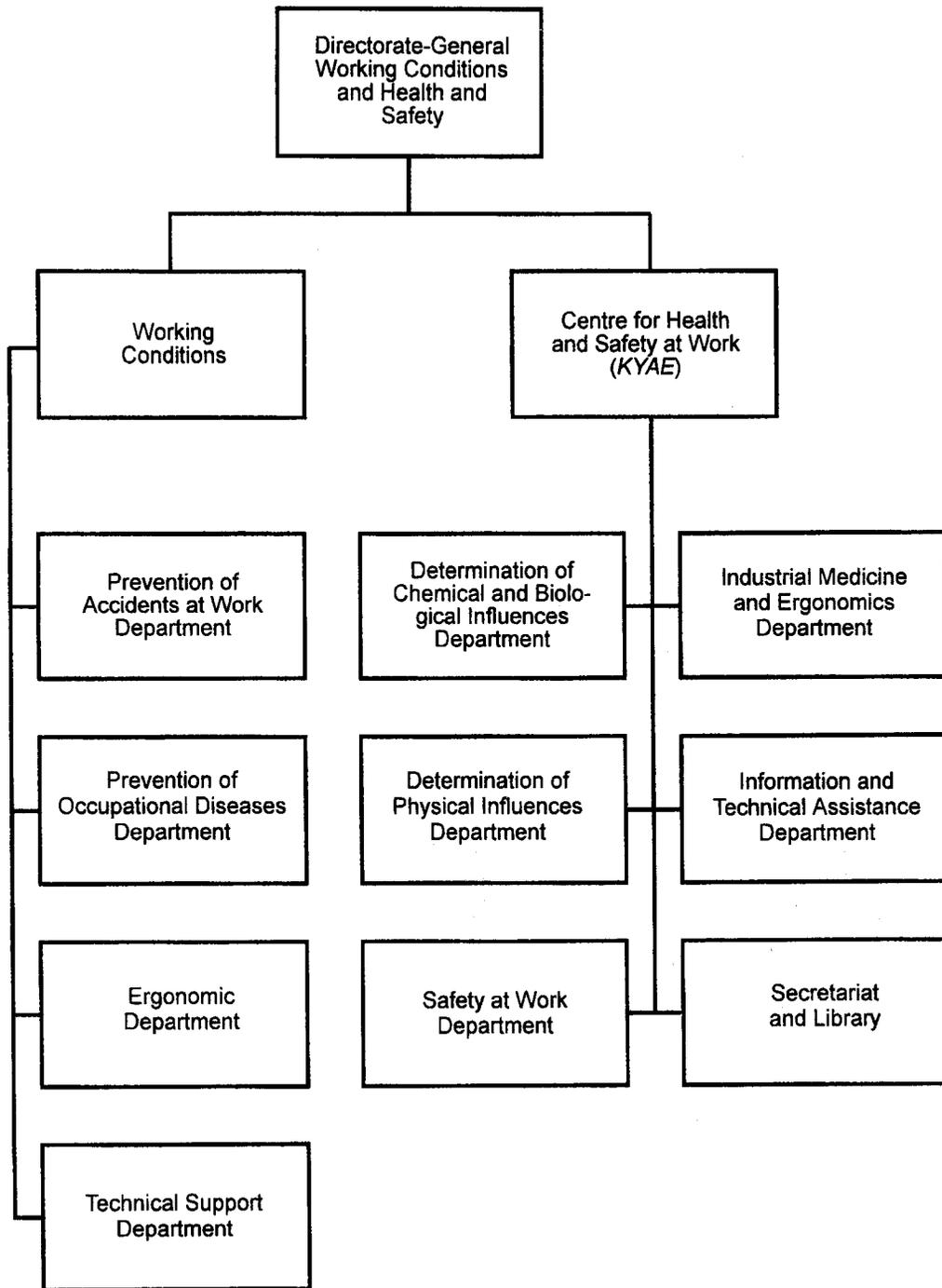
**Ministry of Labour**  
Responsibilities of the Minister, the Secretary of State and the General Secretary



**Directorate-General of Labour**

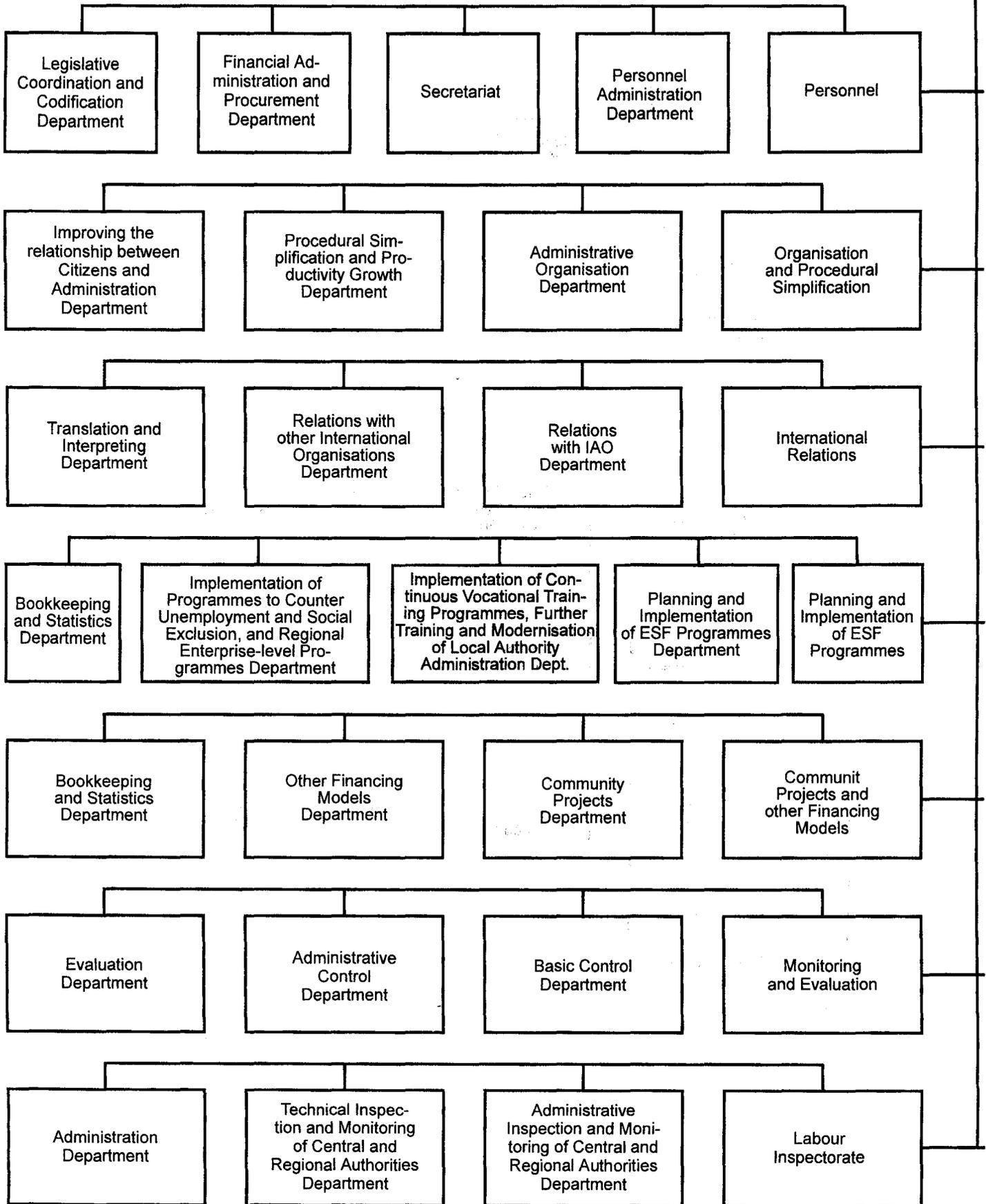


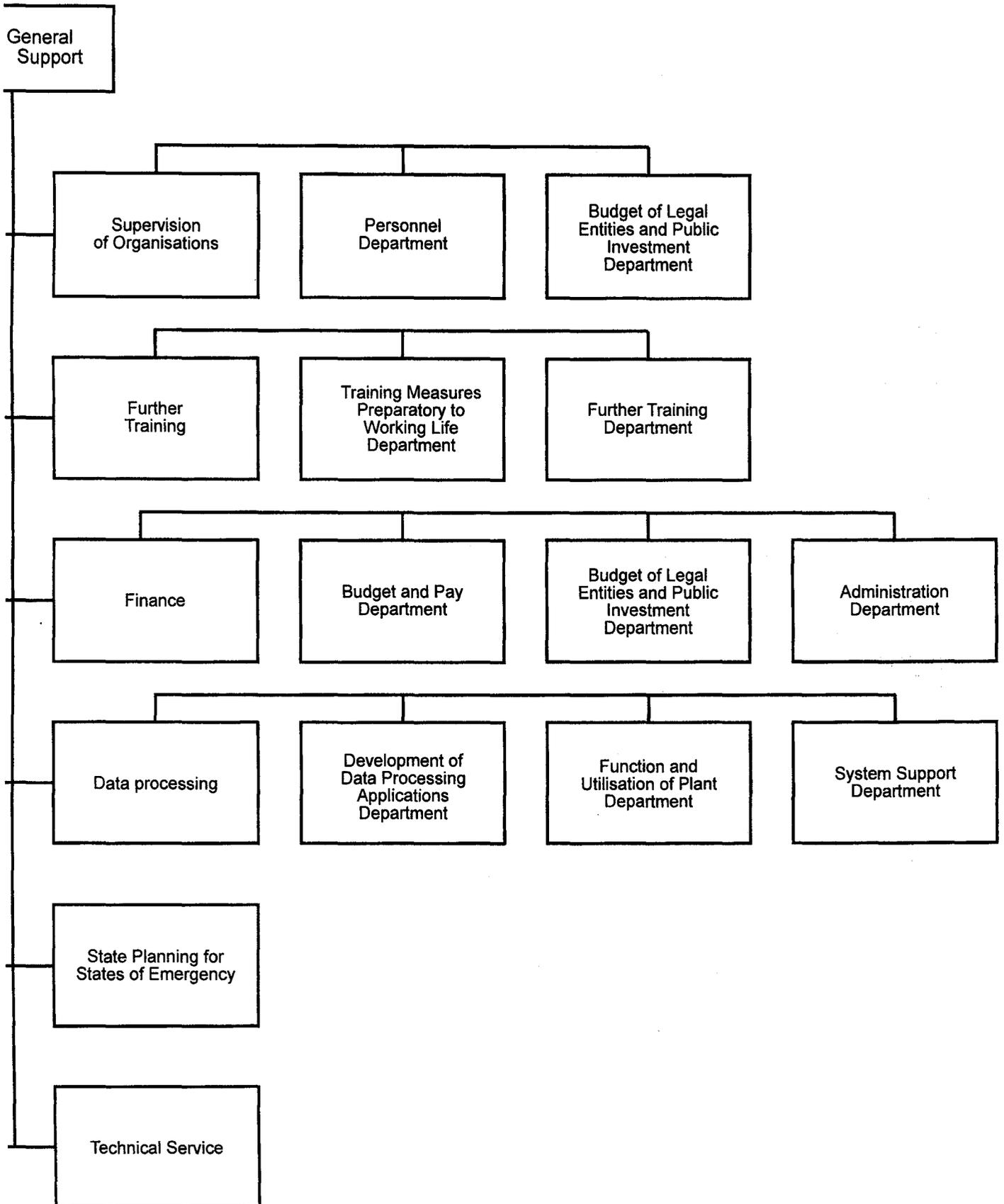
**Directorate-General – Working Conditions and Health and Safety**



**Directorate-General – Administrative Support**

Directorat  
Administrati





## 1.4 Personnel (1995 figures)

Civil servants	843
White-collar employees on permanent contract	29
White-collar employees on fixed-term contract	29
Educational level of staff	
Doctorate	28
University degree	407
Vocational college certificate	66
Secondary school certificate	382
Number of employees active in the labour inspectorate offices (included in the total number of employees)	683

## 1.5 Budget

(Budgetary statistics from the Labour Ministry for 1994 in DRA)

1. Wages and salaries of staff on permanent contracts	3,054,042,000
Wages and salaries of seasonal staff	123,774,000
2. Ministry operating costs	1,260,184,000
3. Benefits and subsidies (OAED)	
a) Spending on unemployment	6,000,000,000
b) Wage cost subsidies for industrial firms in the provinces	2,280,000,000
c) Welfare spending	1,258,000,000
Subsidised loans (Employee housing agency)	100,000,000
Total budget	14,067,000,000

## 1.6 Co-operation and co-ordinated activities

Due to the complexity of implementing governmental employment policy, the Ministry of Labour has to work closely with other Ministries, especially with:

- the Ministry of National Economy on the planning of general guidelines of governmental policy and on the implementation of development measures at national or regional level;
- the Ministry of National Education on the planning of the vocational training programmes;
- the Ministry of Social Security, as both Ministries are responsible for the social security of workers;
- all Ministries implementing training programmes (according to subject).

It also has close relations with private and public organisations running training and educational programmes such as the Greek Productivity Centre (ELKEPA), the Centre for Planning and Economic Research (KEPE), the Greek Society for Business Administration (EEDE), the Greek

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Society for Operations Research (EEEE), the Hellenic Organisation of Small and Medium-sized Industries and Handicrafts (EOMMEX), etc.

It maintains contact with trade union and employers' groups (GESEE, SEB, etc.). Since the entry of Greece into the European Community the Ministry has been responsible for the European Social Fund. It therefore consults all interested groups and supervises the financing of the programmes adopted.

## 1.7 International contacts

### Directorate of the European Social Fund (ESF) and other funding

In accordance with § 18 of Law 2224/94 the Directorate-general for the European Social Fund (ESF) has been divided into three directorates-general. The Secretariat-general for Employment and the Administration of Community Funds was renamed the Secretariat-general for the Administration of Community and Other Funds. This office is in charge of the three new directorates-general:

- a) Planing and Implementation of ESF Programmes;
- b) Community Projects and other Financing Models;
- c) Controlling and Evaluation.

It is the tasks of these directorates-general to plan, implement, supervise and monitor activities financed by the European Social Fund.

### Directorate for International Affairs

The Directorate is divided into two departments.

The first department deals with the International Labour Organisation (ILO):

- the Annual Labour Conference;
- participation in meetings on special topics and reporting the conclusions to the appropriate public services or ministries;
- study of international labour conventions (or recommendations) and introduction to the proper legal authority for ratification (submittal);
- reporting on the application of ILO instruments.

The second department is responsible for all other international organisations:

- OECD:
  - participation in the preparation of conferences or meetings of Ministers of Social Affairs (Labour);
  - participation in the Committee of Manpower and Social Affairs;
  - participation in ad hoc or permanent working parties.

- 
- Council of Europe:
    - participation in the preparation of conferences or meetings of Ministers of Social Affairs (Labour);
    - participation in the Steering Committee of Social Affairs (CDSA);
    - participation in the Steering Committee of Intra-European Migration;
    - participation in the Governmental Committee on the European Social Charter.

### **Bilateral contacts**

Bilateral contacts which are very common for the Ministry are made by the appropriate Directorate, through the Directorate of International Affairs.

### **Foreign workers**

Since the mid 1980s, and particularly since the end of the 1980s, there has been an increasing influx of migrants from Eastern and Central Europe and from the Third World. This prompted the enactment of Law 1975/91 in 1991 the aim of which is to control and contain the flow of foreign labour into Greece.

The basic characteristics of the new legislation are:

- the entry criteria and the requirements as regards entry documentation have been made stricter, for instance:
  - there is an obligation to pay a deposit which is held by the Reserves and Loans Fund;
  - there is an obligation to join a major insurance organisation;
  - the maximum length of stay is fixed at five years for foreigners living in Greece;
- penal and administrative sanctions have been made stricter (fines of between DRA 20,000 and DRA 300,000) for employers who hire foreign workers illegally.

The regime of legally employed foreign nationals in Greece has not basically been changed. In this regard, foreign nationals are prohibited from carrying out any occupational activity in Greece prior to acquiring a residence permit and a work permit. The work permit is made out in the name of the holder and it specifies occupation or profession, employer and place and duration of employment. It is issued for a specific length of time and may be renewed.

Legal foreign workers enjoy the same civil rights as native workers (Article 4 of the Civil Code). From the point of view of labour legislation, there is no discrimination between foreign and native workers with regard to remuneration, conditions of employment and social benefits.

### **Local offices of the Ministry of Labour for the Labour Inspectorate**

The local offices of the Ministry are responsible for supervising the implementation of labour legislation, protecting the standards of health and safety at the place of work and for resolving disputes via their tripartite cooperation committees. According to Art. 9 of Law 186/69, these committees are composed of three members: the labour inspector, representing the Ministry, as chairman, and one representative each of the employers' organisation and of the trade union in which the interested parties are members.

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The objective of the committees is to bring about an amicable settlement of any dispute between employers and employees which is not characterised as a collective dispute or punishable under penal law provisions. This procedure does not have the character of arbitration and each of the interested parties can appeal to the pertinent court. Such disputes may concern:

- dismissals;
- the way in which internal regulations are implemented;
- detrimental changes in working conditions;
- wage rates;
- delays in paying wages.

These committees are convened at the request of the interested trade unions, employers' organisations or the labour inspector. Their decisions are not binding, but if the parties agree, decisions are considered as agreements and regulate the relations between the interested parties.

## **2. National Manpower Employment Organisation (OAED)**

### **2.1 Legal status and constitutional competence**

OAED (cf. 1.1 above) is the main institute for planning and applying governmental policy on employment and assessing the impact on unemployment. To achieve these goals, OAED operates in various fields, including:

- Matching labour supply and demand.  
The aim here is to improve the functioning of the labour market and promote an optimum integration of people and work. This is done by the employment offices which have recently been reformed in line with the needs and peculiarities of the Greek labour market and which operate free of charge. Their function is three-fold:
  - to maintain close relations with employers through frequent visits to enterprises to discuss problems and examine the possibilities of creating new jobs, pointing out the various financial incentives available for hiring special categories of the unemployed;
  - to try to find vacancies and to send the appropriate jobseeker to them;
  - to consult with and make proposals for the disadvantaged experiencing problems in finding a job, to inform jobseekers, especially the young, on new developments and trends in the labour market as regards new skills and professions, and to provide them with vocational guidance on vocational training or re-training.  
The new offices are connected to a central computer which stores data on both job vacancies and jobseekers, thereby providing immediate matching.
- OAED is responsible for paying unemployment benefits and family allowances.
- It undertakes vocational guidance, by facilitating the drafting of special studies on the trends and prospects of the labour market, and on developing and declining professions. Vocational guidance is given by special services which provide information on training and professional opportunities for everyone, and especially for young people who are just entering the labour market.

- 
- It undertakes vocational training in its various training centres. It chooses candidates among people aged 16-46 and trains them according to the needs and prospects of the Greek labour market, in order to ensure permanent jobs.
  - It supervises the apprenticeship system for young people (15-18 years old) in its apprenticeship centres and at the same time their practical periods in enterprises according to their specialities.
  - It finances the creation of new jobs by giving subsidies to employers and local authorities for categories of employees who have difficulty being hired, for instance young people, unskilled workers, women, etc.
  - It is responsible for the vocational rehabilitation of the disabled by adopting special measures for them in its offices specially created for that purpose.
  - It finances seasonal enterprises to enable them to continue their activities during slack periods.
  - It partly finances certain social security allowances, such as maternity benefits.

## **2.2 Decision-making bodies**

OAED is administered (Law 1387/83) by a Board of Directors with the OAED Governor as chairman. It consists of representatives of the Ministry of National Economy (1), the Ministry of Labour (2), employees' associations (3), employers' associations (3), the staff of OAED (1) and two specialists on matters for which OAED is responsible.

## **2.3 Organisation**

OAED has special Directorates for:

- Vocational guidance;
- Apprenticeship;
- Vocational training and adults;
- Teaching programmes and methods;
- Employment;
- Social security.

It also has regional and local services with special offices for employment, social security, workers' assistance and vocational training. These offices are structured according to local needs, following a decision of the OAED Governor, with a view to decentralising the responsibilities of the central services.

## 2.4 Personnel (as of 31.12.1994)

Total number of employees	4,308
of which:	
- civil servants (including 692 teaching staff)	2,901
- white-collar employees with standard employment contract	327
- teaching staff on the basis of professional fees	1,080

## 2.5 Budget

The total 1992 operational budget amounted to DRA 209,239,000,000 with DRA 76,000,000,000 being contributed by employers and DRA 42,000,000,000 being contributed by employees. The remainder comes from the State's budget (DRA 4,820,000,000) and from the Programme of Public Investment (DRA 23,693,795,000).

The main items of expenditure (inDRA) are:

Staff	13,000,000,000
Types of benefit:	
- normal unemployment benefits	88,000,000,000
- extraordinary unemployment benefits	29,100,000,000
- family benefits	15,000,000,000
Job creation programmes:	
- for newly-created jobs	11,000,000,000
- for new entrepreneurs	3,200,000,000
- for the disabled	220,000,000
Vocational Training Centres, etc.	38,542,000,000

**Budget (1993-1995)**

	1993	1994	1995
<b>1. Revenue</b>	<b>234,094,000,000</b>	<b>263,080,132,000</b>	<b>296,534,800,000</b>
Employer contributions	96,000,000,000	114,200,000,000	150,260,000,000
Contributions from insured persons	52,000,000,000	60,000,000,000	78,300,000,000
Central government grant	10,890,000,000	10,521,832,000	9,538,000,000
Grant from the Public Investment Programme	29,178,306,000	9,629,000,000	6,260,000,000
<b>2. Expenditure</b>	<b>234,094,000,000</b>	<b>263,080,132,000</b>	<b>296,534,800,000</b>
Wage and salary costs <sup>1</sup>	10,300,000,000	13,300,000,000	14,700,000,000
Benefits			
Standard unemployment benefit	88,000,000,000	112,100,000,000	114,400,000,000
Special unemployment benefit	14,500,000,000	16,100,000,000	16,000,000,000
Family allowances	18,600,000,000	16,300,000,000	16,800,000,000
Employment programmes			
for young entrepreneurs	4,000,000,000	5,000,000,000	5,300,000,000
for job creation	12,000,000,000	13,000,000,000	15,000,000,000
for the disabled	250,000,000	300,000,000	800,000,000
for vocational training	42,883,151,000	38,683,033,000	43,476,313,000

<sup>1</sup> This figure does not include the salaries of teaching staff, which are included under spending on vocational training.

# CHAPTER II LEGAL FRAMEWORK AND PROCEDURES

## 1. Labour Law

Labour law is only applied as regards employment in the private sector. In the public sector, labour relations as regards public employees, local administration officers and employees of public law (all legal entities) are not covered by the provisions of labour law, but by regulation of the more general branch of public law. Nor does labour law cover agricultural and maritime labour. Special standards regulate the employment of agricultural workers and seamen, which is the responsibility of the Ministries of Agriculture and the Merchant Navy, respectively. Persons working in transportation come under the responsibility of the Ministry of Transport. Working conditions in these categories are decided upon in cooperation with the Ministry of Labour.

The sources of the labour law are the Constitution, international conventions, laws, customs, collective agreements, decisions of arbitration in collective disputes and internal labour regulations.

From the Constitution: Article 22, par. 2 provides that the general terms of labour are laid down by the law and that they can be complemented by the collective labour contracts signed after free bargaining or, if this bargaining fails, by arbitration.

Article 4, par. 1,2 and 22 par. 1 provide for equality in law and the right to equal payment for the same job regardless of sex or other discrimination: "Employment is a right protected by the State. The State takes care of the proper conditions of employment of all citizens. Every worker, male or female, has the right to equal wages or salary for equal work. The State takes the proper measures for the protection of trade unionism and the unobstructed exercise of the relevant rights."

From International Conventions of the ILO, Greece has ratified 65 conventions which have become an integral part of national law.

From the law: A special Chapter in the Civil Code includes provisions related to labour (Art. 648-680). These provisions do not specifically refer to employment but to any type and form of "hiring labour" and complement the statutes or contracts whose subject is the offer of labour for payment. Thus provisions forming a main legal framework on employment apply only when a specific law does not provide for a specific subject and in cases where more favourable conditions for the employee do not exist. Provisions set an obligatory minimum level of rights of employers towards employees and vice versa. More favourable terms for the employees are obtained by collective agreements and arbitration decision (cf. 2.3 below). There is also a special short and simple procedure followed by the courts in judging labour disputes, set up by Art. 663-676 of the Greek Civil Procedure Code.

## 2. Main Legislation

Special laws regulating various issues include:

Law 1876/89 for collective agreements which defines the procedure, the bodies responsible, the contents, etc. of a collective agreement as described below (cf. Chapter II, 3.).

Royal Order (BD) 748/66 on holidays, which lays down workers' rest days, working in different sectors, and official holidays per year.

Laws 2112/1920 and 3198/55 on the procedure and compensation for dismissals (cf. Chapter II, 2.5).

Law 1264/82 on trade unionism (cf. also Chapter II, 3.). This Law contains various so-called "institutional" arrangements. These refer to democracy in the workplace, the purposes of strikes, protection of trade unionists and of trade union activities, leave for trade union work, etc. This set-up gives a new quality to trade unionism in Greece and a new dimension to daily trade union struggles. Briefly, the Law:

- guarantees the right to strike;
- prohibits lock-outs;
- prohibits the use of anti-strike procedures during a strike;
- prohibits dismissals during a strike;
- protects trade union officers, i.e. members of a board;
- requires the employer to give the trade union offices and appropriate venues for general assemblies;
- requires the employer to be in contact with the shop stewards of the trade union, meeting them at least once a month to discuss workers' problems.

Law 1346/83 "modifying and complementing certain labour legislation arrangements and setting miscellaneous issues". This Law modifies and complements various arrangements of labour legislation. The reason for the Law having been passed was the need to improve the working conditions of wage-earners to correct faults and weaknesses ascertained in the arrangements in operation, to update other arrangements and their adaptation to new conditions as well as to fill in gaps in current labour law.

The main regulations of this Law are as follows:

- annual paid leave for all wage-earners is fixed at four weeks;
- additional leave to be covered by the State budget and that of OAED given to working students and scholars is more than doubled, from 6 to 14 working days;
- wage indexation for workers is laid down in collective agreements;
- additional family allowance is given for the third child born after 1.1.1982;
- the possibility is given for establishment to work in rotation during the summer;
- the exception of mining companies from control as regards collective dismissals is abolished;
- the compulsory rehiring of workers employed seasonally in hotels is settled;
- sanctions concerning breaches of arrangements on occupational health and safety, on employing foreigners, and on mediation in finding work are made stricter;
- the anachronistic arrangement concerning the conclusion of employment contracts for a duration of 6 days for tobacco workers is abolished;

- incentives are given by OAED to employers for hiring and giving practical work experience to Greek schoolchildren;
- provision is made for payment of a grant from the State budget to employers who hire the disabled who are governed by Law 903/76.

Law 1414/84 on "applying the principle of equality between the sexes in labour relations and other arrangements" (Official Gazette no. 10, Vol. A, 2.2.1984).

This Law embodies the constant concern of the Government to establish conditions of real equality between the sexes. The key aim of this Law is to achieve equality of the sexes in the field of labour relations and to eradicate all discrimination regarding vocational guidance and training, access to employment, vocational advance, pay and other working conditions. It also defines the recipients of marriage allowances and family allowances. Sanctions are provided for against offenders. The law sets up sex equality services, both at the central level of the Ministry of Labour as well as at the labour inspectorates, and also a special section of the Supreme Council of Labour (ASE) which deals exclusively with these matters.

Thus the Law sets out in formal terms the requirement of the Constitution for sexual equality and covers the requirement to adapt Greek legislation to Directives 75/117 and 76/207 of the European Community.

Law 2190/1994 "On the constitution of an independent authority to select personnel and settle administrative issues".

Law 2224/1994 "On the regulation of questions pertaining to labour, trade union rights, health and safety at work, the organisation of the labour ministry and its subordinate legal entities, and other provisions".

Law 2150/1993 "The National Institute of Labour and other provisions".

## 2.1 Hiring

In accordance with Law LO 2656/53, unemployed persons capable of working and seeking a job may register at the local employment office in the region in which they reside. It also lays down that every employer willing to hire any skilled or unskilled employee must contact the employment office for this purpose.

If the employer selects from the list of registered unemployed someone he/she wishes to hire, the employment office must comply. If the employer wishes to hire a certain person who is not registered, he may do so by notifying the office within a period of 8 days. Failing this, the employment office may suggest other persons from its list who can be hired, subject to the agreement of the employer.

The law also imposes a fine on an employer who hires a worker without the involvement of the employment office. This fine does not, however, have any effect on the employment contract, which remains valid.

Law 1346/83 prohibits the establishment of private employment offices. Anyone who violates the Law is liable to a fine and imprisonment of up to three months.

## 2.2 Employment contracts

There is no set type of contract (No. 158, Civil Code – AK). According to AK Article 648, an employment contract between an employer and an employee may be fixed-term or open-ended. In both cases no formalised written document is required (AK Article 158) except if special provisions exist, for example for artists, industrial doctors, safety officers and in the case of contracts in the public sector.

According to AK Article 651, the worker must perform the work him or herself. The employer has the right to manage his/her enterprise in such a way that profitability is maximised. He/she also has the right to determine the duties of the workers and more particularly to determine the nature, place and hours of work. This right is limited by the conditions of the contract and by the rules of compulsory law.

The worker is not required to carry out work which contravenes the Law, even if he/she has made such an agreement with the employer – such an agreement being invalid. However, if he/she works despite the agreement being null and void, he/she has the right to demand, according to the regulations concerning unjustified enrichment, the amount of money which the employer gained through his/her work.

## 2.3 Pay

According to Article 2 of Law 1876/90, collective wage agreements fix, among other things, wages and salaries of employees according to their field of application. Legal remuneration consists of the basic wage and supplementary benefits, e.g. family, seniority and a special allowance for dangerous work. However, apart from the rates of pay and conditions of employment provided for in the collective agreements, other conditions of employment can be negotiated between the individual worker and his/her employer. If these conditions and pay are more favourable than those contained in the collective agreements, then these provisions have precedence over those specified in the agreements.

Government incomes policy for 1994 provided for a 5% increase in wages and salaries on 1 January 1994 and a further 5% rise on 1 July 1994. For 1995 the following increases are planned: in the private sector 4% on 1.1.1995 and a further 4% on 1.7.1995; in the public sector 3% on 1.1.1995 and an additional 3% on 1.7.1995, whereby an additional payment will be made at the end of the year, the level of which depends on the rate of inflation.

## 2.4 Working time

The collective agreement of 14.2.1984 reduced the working week to 40 hours. Employees may work up to 48 hours a week, without any need for special permission, and be paid for every extra hour over 40 with a 25% premium. An employee may only work more than 48 hours a week and up to a total of 35 hours overtime in a six month period (there are a few exceptions of 50 hours overtime every six months) after receiving permission from the local office of the Ministry of

Labour. Such employment is considered as working overtime and is paid, according to Law 435/76, at premium rates as follows:

- the first 60 hours in one year: 25%;
- the next 60 hours: 50%;
- every extra hour over 120: 75%.

Any employment over the above-mentioned limits is considered unlawful and is subject to sanctions.

The national framework collective agreement was confirmed by § 50 of Law 2224/94, Article 5 of which raises leave entitlement for the purpose of taking examinations to 20 days for school-children or students aged less than 25, attending an educational establishment of any sort and at any level and employed within the public sector or in an enterprise assigned to the public sector. The leave entitlement can be taken as a block or in single days. § 9 of Law 2224/94 has set the total duration of maternal leave at 16 weeks. The maternity allowances provided by the social insurance institutions will be paid as previously and extended to cover the sixteenth week.

## 2.5 Dismissal

According to Law 2112/20 there are three prerequisites for dismissal to be legal in the private sector and for white-collar workers:

- The employer has to give the employee prior written notice before dismissal. The period of notice depends on how long he/she has been employed by the employer concerned as follows:
  - for employment up to 1 year: 30 days' notice;
  - for employment up to 4 years: 60 days' notice;
  - for employment up to 6 years: 3 months' notice;
  - for employment up to 8 years: 5 months' notice.
- Compensation has to correspond to half the salary paid in the above-mentioned periods. The above requirements do not apply for fixed-term contracts or for dismissals on the grounds of a crime committed by the employee and for any employment lasting less than two months. For blue-collar workers the notice and compensation depends on the kind of work performed and the duration of the employment.
- Notice has to be given to OAED and the employment office concerning the dismissal. If the first two conditions are not fulfilled, the dismissal is invalid. In the case of invalid dismissal, the employer has to pay the employee all the wages due until he/she would have been able to dismiss the employee legally.

## 2.6 Collective dismissal

Law 1387/83, inspired by EC Directive 75/129, sets out the legal framework for collective dismissal of employees. Under this Law, the right of the employer to resort to collective dismissal is considerably reduced. Before taking any steps the employer is obliged to consult with employee representatives with a view to finding a solution which would avoid collective dismissal. The employer also has to follow a special procedure through the competent authorities before

receiving their agreement to such dismissals. The employer decides in consultation with the representatives.

Contrary to the previous situation, this Law applies to all enterprises with more than 20 employees. It allows employers with between 20 and 50 employees to dismiss up to 5 persons. Employers with more than 50 employees may dismiss up to 3% of the workforce. The exact proportion is defined every six months according to the conditions prevailing on the labour market. The total number of persons dismissed may not, however, exceed 30.

## **2.7 Law 1568/85 "Health and Safety of Workers"**

A broad-based statutory framework covers health and safety at work; around 100 pieces of legislation have come into force since 1911. This legislation can be classified in five main groups:

- a) legislation of an institutional nature, general content and broad field of application;
- b) legislation containing provisions to protect employees exposed to toxic substances or other harmful phenomena;
- c) legislation stipulating measures for special types of work or work in special rooms;
- d) legislation containing safety regulations and regulations on the safe use of materials and machinery;
- e) legislation for branches in which accidents at work are more frequent and more serious, both in Greece and other countries.

Law 1568/85, as amended by the Presidential Decree on the harmonisation of national law with EC directive 89/391/EEC, for example, is a fundamental piece of legislation of an institutional nature, general content and broad field of application; it covers all private and public sector employees and all branches. This institutional framework sets out the fundamental principles and the responsibilities of employers, employees and government.

This Law provides for methods of prevention and organisation of health and safety in the workplace in both the public and private sectors.

The organisational aspect of prevention is achieved by the participation of all parties concerned at different levels.

Within the enterprise, the Law provides for the establishment of a Health and Safety Committee which has the competence and the brief to participate in shaping policy on the health and safety of employees.

The other two persons who support the work of the Committee are the Safety Officer (usually an engineer) and a doctor specialised in occupational medicine. Their role is to advise both employers and employees in identifying and eradicating work hazards. Every three months there is a joint meeting of the Committee, the Safety Officer and the doctor with the employer, with the purpose of analysing and seeking solutions to health and safety problems that have arisen in the interim.

The legislation covers public and private enterprises employing more than 50 people.

At national level, the main organisation is the Council of Health and Safety at Work (SYAE) (cf. Chapter II) while the Prefecture Health and Safety Committee operates at prefectural level.

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The parties participating in the SYAE are as follows:

- the social partners (SEB, GESEE);
- the national authorities represented by the Ministries of Labour, Industry and Health;
- scientific bodies such as the Panhellenic Medical Association, the Technical Chamber of Greece and the Association of Greek Chemists.

The brief of these bodies is to advise on drafting legislation (laws and regulations), to propose measures and to coordinate the activities of those involved in occupational health and safety.

The Law establishes the principles for planning, focussing on the protection of the human being in different work situations and according to ergonomical standards. The Law stipulates the obligations and responsibilities of manufacturers, importers and suppliers with regard to the safe operation of machinery and the issue of licences for their use. It also sets protection standards in respect of mechanical and electrical hazards. Finally, the Law provides for protection against exposure to physical, biological and chemical agents.

The implementation of the Law is assured by penal sanctions imposed by the courts and administrative measures which range from fines to a complete shut-down of production. All these sanctions are imposed on the basis of the seriousness of the hazards involved, the history of behaviour and the responsibility of the employer.

As regards Commission Directive 89/391 on "the introduction of measures to encourage improvement in the health and safety of workers", a dialogue has already started between the parties concerned for the harmonisation of the national legislation.

## **Employer responsibilities**

### *Responsibility for protection and prevention*

In all public and private sector enterprises, no matter what branch, the employer is responsible for protecting the health and safety of the workforce and preventing work-related dangers.

### *Evaluating potential dangers*

The employer is required to be in a position at any time to present a written report on the dangers encountered during work and on the health and safety of employees.

### *Measures*

Within the framework of his responsibility for the health and safety of employees at work the employer is required to take the necessary measures to ensure their health and safety.

*Employees' right to be heard and to participate*

The employer is required to seek the opinion of employees and their representatives prior to any measure likely to have significant repercussions on employee health and safety, in drawing up the written evaluation of potential dangers, planning and implementing training and in developing regulations pertaining to health and safety.

*Employees' right to information*

The employer is required to take such measures as are appropriate to inform employees and their representatives in the enterprise of the prevailing legislation pertaining to health and safety at work, of potential dangers to their health and safety and of protective and preventive measures.

*Training*

The employer is required to provide each employee with adequate training on health and safety, in particular in the form of information and the relevant regulations, on recruitment, on redeployment or the assumption of a new task, contact with new or different materials and equipment and the introduction of new technology.

*First aid, fire safety, evacuation*

The employer is to take the measures necessary for first aid, fire safety and the evacuation of the premises by the workforce.

*Direct and acute danger*

The employer is obliged to maintain production rooms and plant and equipment in perfect condition and to ensure that any faults that are of relevance to the health and safety of employees are corrected as quickly as possible.

*Protection against physical, chemical and biological influences*

In order to guard against the dangers arising from the physical, chemical and biological influences to which workers are exposed in the workplace, the employer is required to take such technical and organisational measures as are necessary to inform employees and to provide medical supervision and monitoring of their health.

*Cooperation between employers*

If more than one company is active in one and the same production location, the employers are required to cooperate and coordinate their activities with regard to health and safety and to the protection against and prevention of work-related dangers.

### *Special obligations*

The employer is required to report any accidents at work to the labour ministry department responsible and to the relevant social insurance institution within 24 hours. A special record of accidents at work is to be kept, in which the accident is to be described and the cause of the accident indicated.

### **Employees' rights and obligations**

1. Employees are required to adhere to the health and safety regulations and, in accordance with their position and the directives issued by the employer, to ensure their own health and safety.
2. In all private and public sector enterprises, irrespective of the size of the workforce, employees have the right to elect representatives, who have special rights in the area of health and safety.

### **Obligations of the public authorities**

The public authorities are required to provide both employers and employees with information on health and safety issues, to initiate a social dialogue on such issues and to implement control mechanisms to ensure adherence to the relevant legal provisions.

1. Information: The Ministry of Labour informs all employer and employee organisations of the legislation currently in force and the relevant circulars, publishes information brochures and posters, organises seminars and offers support in a variety of forms for any events organised on these issues.
2. Social dialogue: The focal point for the social dialogue on health and safety issues is the Council for Health and Safety at Work and the Prefectorial Council on Health and Safety at Work.

### **Inspection and control**

Health and safety at work inspectors, which come under the prefectorial departments, are responsible for ensuring that the legal provision pertaining to the health and safety of workers are adhered to. On identifying contraventions, § 24 of Law 2224/94 accords such inspectors the right to impose a fine of up to 3,000,000 DRA, to close the enterprise for a period of up to six days and to issue a recommendation for a longer suspension of activity and, indeed, for the irrevocable closure of the company. In the case of public sector employers a special procedure comes into effect, rather than a fine: the contravention is reported to the Minister of Labour who examines the case together with the minister responsible for the department in which the offence was identified.

## 3. Labour Market Institutions and Processes

### 3.1 Trade union organisations

Article 22 of the Constitution recognises the right to form unions and associations. Furthermore, Article 23 of the Constitution, referring to trade union freedom, establishes and secures the right to strike. BD 4204/61 and ND 4205/61 ratified International Labour Conventions Nos. 87 and 98 concerning these rights. Greece has also ratified International Labour Agreement 135 (Law 176/88) "On the protection of worker representatives at enterprise level".

The main legal instrument which regulates the formation, functions and activities of trade unions and defines, in detail, the relevant rights of employees is Law 1264/82. This Law is complemented by the provisions of the Civil Code relating to unions and associations in general (Art. 61-107, as well as Art. 107 of its Introductory Law).

Trade unions are organised hierarchically on three levels (Law 1264/82):

- First-level unions consist mainly of associations. Associations may be formed by workers either of one enterprise or in the same occupation, locally or nationally. There are also a few general associations, constituted by workers in the same economic sector, independent of the enterprise they belong to or of their particular occupation;
- Second-level unions consist of "worker centres" and "federations". Worker centres are formed by several associations in the same region while federations are formed by associations in the same sector;
- Third-level unions are confederations of workers centres or of federations and are national in character.

The first-level associations are organised independently with their own administration and character. They elect representatives to the federation or centre to which they belong.

To be legally recognised, an association requires a court decision and special registration. Its goal is to secure and improve the interests of its members – work, economic, social and collective. It may refer to all services for any matter concerning itself or its members, negotiate with employers and decide on a strike.

National associations may conclude collective agreements. Associations of a single enterprise may conclude special collective agreements.

Confederations are those bodies which conclude national collective agreements.

There are currently some 3500 associations, 120 federations, and 108 worker centres representing a total trade union membership of more than half a million workers. The national confederation is the Greek Trade Union Confederation (*GESEE*).

### 3.2 Employers' organisations

Employers' organisations, like trade unions, require a court decision and special registration to be recognised. Their main goal is the study and promotion of their professional interests. They cooperate closely with the public authorities and workers' representatives for consultation or discussion on matters of common interest.

They are also organised hierarchically at three levels.

SEB, the Confederation of Greek Industry, is the largest Greek employers' group and one of the largest in existence in Europe. It is both an employers' union and a federation of some 350 enterprises and 20 local or branch organisations. Working groups exist to study industry, labour management relations, etc. in collaboration with the Confederation's research service. The Confederation part-finances the Institute for Economic and Industrial Research which carries out research on the business cycle, industrial expansion and problems concerning the European Community.

Other employer unions exist for different areas of business, such as the Union of Enterprises, the Union of the Self-Employed and Craftsmen, the Union of Merchants and the Union of Shipowners.

### 3.3 ESEKA, PEEKA and NEEKA

Law 1836/89 established a mechanism for policy planning on vocational training and employment. The functioning of this instrumentality relies on an anthropocentric system of management, the main element of which is the participation of the social partners, local government, union and employer organisations.

The main elements of the system are:

- The National Council of Vocational Training and Employment (ESEKA) The ESEKA proposes guidelines to the Government on vocational training and employment at national level, promotes the coordination of the organisations which implement programmes of vocational training and employment and generally directs their activities according to national development programmes.

The National Council for Vocational Training and Employment (ESEKA) has been restructured and expanded. It now consists of:

- a) the General-Secretary or experts of the Ministry of Labour as Chairperson,
- b) one representative of the Ministry of the Economy,
- c) one representative of the Ministry of Education and Religion,
- d) one representative of the Ministry of Industry,
- e) one representative of the National Organisation for Labour Market Policy (OAED),
- f) one representative of the Pan-Hellenic Confederation of the Associations of Agricultural Cooperatives (PASEGES),
- h) one representative of the General Greek Confederation of Craft Producers (GESEBE),
- i) one representative of the Confederation of Greek Industry (SEB),
- j) one representative of the Central Association of Greek Cities and Local Authorities (KEDKE),
- k) one representative of the Greek National Student Union (EFEE),

- l) one representative of the Ministry of Labour,
- m) one representative of the Confederation of Greek Trade Associations (EESE).

#### *Regional Committees of Vocational Training and Employment (PEEKA)*

These Committees are an organ of the Regional Council and design policy on vocational training and employment within the framework of democratic regional development planning. In this respect, the Committees operate according to the directions set out by the ESEKA.

The Committees give advice and make proposals to ESEKA and also submit reports on all of their activities. In addition, they submit written proposals which define the midterm priorities – at regional level – of vocational training and employment per sector of economic activity.

#### *Prefectural Committees of Vocational Training and Employment (NEEKA)*

On the basis of the needs and potentialities of the prefecture, as well as the development programmes, the NEEKA formulates proposals for the Regional Council for the planning of various programmes of vocational guidance, vocational training, retraining and employment outside the mainstream education system. With all this in view, the Committees compile reports about their activities and action programmes and submit them to the PEEKA.

The PEEKA and the NEEKA are made up of representatives of the competent Public Authorities, the social partners and the producers of goods and services.

#### *National Institute of Labour and Vocational Training*

On the basis of Law 2150/93 the National Institute of Labour and Vocational Training was founded. It has already commenced operations in the following areas:

- a) studies and surveys related to the labour market,
- b) observation and analysis of the structures of informal vocational training and the elaboration and promotion of proposals for bolstering and continuously improving competitiveness and productivity,
- c) organising, financing and implementing further training programmes for the planning, control and administration of activities by the European Social Fund, particularly with regard to labour, employment and working conditions, etc.,
- d) evaluating the activities of the European Social Fund,
- e) setting up a databank to document the legislation (Greek, EU and international) relating to the aims of the Institute,
- f) organising seminars and conferences and publishing,
- g) implementing measures to reinforce and develop the social dialogue between workers and employers,
- h) cooperation with similar organisations and training establishments at national, EU and international level,
- i) classifying and systemising Greek labour law and the EU laws applying in Greece to labour market and employment issues.

*National Organisation for Labour Market Policy*

In accordance with Law 2224/94 the National Organisation for Labour Market Policy maintains a special fund for vocational further training programmes (ELPEKE) into which employers pay contributions amounting to 0.45% of payroll; these resources then go to support enterprise training programmes. The special fund is administered by a permanent, nine-member administrative council consisting of the Director of the OAED (or his representative) as Chairperson, four representatives and four deputies of the Greek trade union federation, two representatives and two deputies of the Confederation of Greek Industry (SEB), one representative and his/her deputy of the Confederation of Greek Trade Associations (EASE) and one representative and his/her deputy of the General Greek Confederation of Craft Producers (GESEBE).

*Special unemployment fund (EKLA)*

In accordance with Law 2224/94 the OAED maintains a special unemployment fund (EKLA), the aim of which is to implement employment programmes, in particular those in support of the long-term unemployed and of unemployed youth, support for the unemployed in areas suffering from high unemployment and the implementation of programmes to reintegrate the unemployed into working life. The fund is administered by a permanent, nine-member administrative council, the composition of which is commensurate with that administering the above-mentioned special fund (ELPEKE).

*National Centre for the Examination of Continuous Further Training Structures*

On the basis of Law 2224/94 a private-law legal entity entitled "National Centre for the Examination of Continuous Further Training Structures" was set up under the auspices of the Ministry of Labour.

The aims of the centre are as follows:

- to investigate the training structures and premises of the training establishments with a view to their suitability, in particular with respect to the vocational training programmes, the qualifications of the teaching staff and the mediation of vocational abilities and knowledge,
- to develop continuous vocational training programmes, teaching methods and teacher training,
- to establish a register of delivery organisations for continuous further training programmes,
- to exchange information and intensify cooperation with similar organisations in other EU countries.

In addition the research Institute for Vocational Training and Employment (PIEKA) has been founded within the ambit of the OAED as a private-law legal entity.

### **3.4 Collective bargaining**

The legislation which establishes the frame of reference for collective agreements in Greece is Law 1876/90 entitled "Free Collective Bargaining".

Collective wage agreements are initially concluded by direct negotiation between unions and either employers' organisations or individual employers. Collective agreements may fall into one of the following categories:

- general (national): concerning employees in the whole country;
- industrial: concerning employees in groups of industries with similar economic activities;
- company: concerning employees of an individual enterprise;
- craft (national or local): concerning employees in a particular occupation.

The process of concluding collective agreements involves negotiation, conciliation, mediation and arbitration. To conclude a collective agreement, unions, employers' organisations or individual employers have the right and obligation to negotiate. The party which initiates negotiations has to formally inform the other party by letter about the venue and agenda for negotiations. If collective negotiations result in an agreement, this is formalised in a document signed by the representatives of both parties. If collective negotiations result in a dispute, intervention by a conciliator may be sought. This person is an employee of the Ministry of Labour or the Labour Inspectorate. If negotiations between the parties fails again, they then have the right to seek the services of a mediator or they can opt for arbitration.

A conciliator is chosen by both parties from a special list. In the event of disagreement, the conciliator is selected by drawing lots. The conciliator can then invite the parties to re-negotiate, hear the parties separately, question individuals or seek to find out everything relevant to the conditions of employment of the employees or to the financial position of the employer. If, despite the efforts of the conciliator, the parties do not reach agreement within 20 days, the conciliator proposes a solution which if accepted by the parties concerned, has the same legal status as a collective wage agreement.

In the event of failure to reach an agreement, the last resort is compulsory arbitration. The arbitrator is selected from a special list with the consent of both parties and in the event of disagreement, by drawing lots. The arbitrator studies all documents and data examined during the previous stage and reaches a decision within 10 days. His decision has the same legal status as the collective wage agreement.

The collective wage agreement is compiled in three original copies and signed by the representatives of both parties. One of the copies is deposited with the Ministry of Labour or the Labour Inspectorate.

All collective agreements are entered in the general register of the Central Service of the Ministry of Labour and a special publication containing a complete copy of all agreements is issued.

The regulatory terms of a collective wage agreement have immediate and compulsory effect. However, the terms of individual employment contracts have precedence over the collective agreements if they deviate from the collective agreements or if they contain terms which are more beneficial to the person concerned.

The same Law stipulates that the responsibility for conciliation and arbitration be assigned to an organisation which functions as a legal entity governed by private law and known as the "Organisation of Conciliation and Arbitration".

## 4. Unemployment

The unemployed are defined as persons without work, who are capable of work and are seeking work as employees by registration with the Greek employment office. Included in the unemployment statistics are:

- unemployed persons seeking full-time employment;
- unemployed persons seeking part-time employment;
- unemployed persons seeking permanent employment;
- unemployed persons seeking temporary work (there is no minimum duration laid down);
- first-time jobseekers, e.g. young persons who are registered at the employment office;
- persons returning to work after a period without employment (e.g. housewives) and who are registered at the employment office.

Not included in the statistics are:

- young persons seeking an industrial training placement through the employment office;
- students/schoolchildren seeking temporary work (vacation work);
- old age pensioners;
- unemployed persons who participate in State job creation schemes.

The minimum age of the persons involved is 15. There is no maximum age limit.

Employable disabled persons and persons in receipt of pensions other than retirement pensions may be included in the unemployment statistics.

Responsibility for loss of the last job does not prevent applicants from being included in the unemployment figures.

During a period of temporary unfitness for work the unemployed person is not taken off the register.

Unjustified (subjective) refusal of an offer of employment leads to deletion from the unemployment register.

A monthly check is made on continued unemployment.

Persons taking part in State-assisted further training/retraining schemes are taken off the unemployment register.

### **System of benefit**

Unemployment benefit is payable to workers who have lost their job through no fault of their own and have worked for at least 125 working days in the 14 months before they became unemployed, excluding any days worked in the last two months. Persons receiving benefit for the first time must in addition have worked for at least 80 working days per year in the last two years.

The duration of benefit depends on the number of days worked as follows:

Number of working days	Duration of benefit (months)
125	5
150	6
180	8
220	10
250	12

Unemployment benefit consists of a basic amount and a family supplement. The basic amount is 40% of a manual worker's earnings and 50% of a non-manual worker's earnings, provided that the unemployment benefit is not less than two-thirds of the earnings of an unskilled worker.

According to Legal Order 2951/54 concerning unemployment benefit, in order to receive this benefit and at the same time find a job, all unemployed persons have to be registered at the competent local office of the OAED and be issued with an "unemployment card". From this point until the end of the period that the unemployed person is entitled to benefit, he/she reports to that office, which tries to find a job for him/her.

To ensure that the recipient is really unemployed, certain measures have been taken including the requirement to report to the employment office at certain times. Unemployment benefits are paid to unemployed persons every 30 days.

Law 2224/94 (312) has led to changes in the way in which the daily unemployment benefit (as provided for by § 21 of Decree-law 296/54) is calculated, and has raised the value of the daily benefit by 30% as of 31.12.93. As far as the family supplements are concerned, the only significant change is the rise in the level of benefit of between 20% and 26% depending on the number of children.

Regulations concerning unemployment benefits are summarised in the table on the next page.

## 5. Matching Labour Supply and Demand

Cf. Chapter III, GR-iii.1.

### Unemployment (Law 2961/54 subsequent amendments)

Authority	Benefit and coverage	Source of funds	Qualifying conditions	Rate of benefit	Duration and waiting days
1	2	3	4	5	6
	Unemployment benefit				
OAED	All insured employees Special schemes for seamen and printing workers	Employer: 2.67% of gross earnings Employee: 1.33% of gross earnings State: State funding	125 days of contribution in 12 months ending 2 months before unemployment; for a first claim, must also have been employed 80 days in each of the last 2 years.  Must be fit, available and registered for work  Unemployment not due to voluntary departure, misconduct or strike action	Wage-earners: 40% of earnings in wage class plus 10% of benefit for each dependent.  Salaried employees: 50% of earnings in wage class plus 10% of benefit for each dependent.  Minimum total benefit: DRA 1803.33	5 months for 125 days 6 months for 150 days 8 months for 180 days 10 months for 220 days 12 months for 250 days  6 waiting days
	Extraordinary benefit				
OAED	Seasonal workers, workers whose work is affected by weather conditions (hotel employees, building workers, etc.) and workers who have lost their job for reasons beyond their control.	Included in above		Wholly determined by Ministerial decision according to occupation	No waiting days



# CHAPTER III MEASURES

## 1. General Measures

## 2. Employment Maintenance

- GR-ii.1 Support for hotels
- GR-ii.2 Support for establishments in the hotel trade in order to maintain employment

## 3. Aid to the Unemployed

- GR-iii.1 Unemployment benefit
- GR-iii.2 Special unemployment benefit
- GR-iii.3 Subsidy for new entrants in the labour market
- GR-iii.4 Support for industrial and commercial enterprises in border regions employing higher-education graduates
- GR-iii.5 Support for private firms employing students of a vocational school (TEI) or a training college for vocational school teachers (SELETE) during their six-month work experience
- GR-iii.6 Support for industrial, craft and mining enterprises in economically underdeveloped regions within the framework of the regional development programme
- GR-iii.7 Support for additional paid holiday for employed students and school-children
- GR-iii.8 The provision of incentives to raise the geographical mobility of labour

## 4. Training, Retraining and Occupational Mobility

- GR-iv.1 The apprenticeship system
- GR-iv.2 Accelerated vocational training
- GR-iv.3 Enterprise-level continuous training programme
- GR-iv.4 Technical and vocational training
- GR-iv.5 Institutes of Vocational Training (IEK)

## 5. Job Creation

- GR-v.1 Grant for employers creating new jobs
- GR-v.2 Grant for young entrepreneurs
- GR-v.3 Enterprise-level programme (EP) "Countering exclusion from the labour market"

## 6. Special Categories of Workers

### *Women*

- GR-vi.1 Women
- GR-vi.2 Measures to promote the employment of women ("NOW" Programme)

### *Disabled*

- GR-vi.3 Grants for employers recruiting disabled people
- GR-vi.4 Support for disabled young entrepreneurs

*Migrants*

GR-vi.5 Support for the reintegration of emigrants returning to Greece and naturalised immigrants

*Miscellaneous*

GR-vi.6 Grants to firms employing drug-addicts

GR-vi.7 Support for firms employing discharged convicts

GR-vi.8 Redundant personnel of problematic enterprises

**7. Other Measures**

GR-vii.1 The "EURES" Network

# 1. General Measures

## Framework of principles and directions for the utilisation of human resources

### *Aim*

The framework of Principles and Direction for the Utilisation of Human Resources seeks to establish a total strategy for human resources for the next five years. More specifically it seeks to formulate the basic priorities which are set at national level, which concern human resources and which also fall within the ambit of the structural funds and particularly of the European Social Fund. The framework of principles covers all matters with regard to vocational training and education and the promotion of employment with particular emphasis on the development of training structures which constitute the main source of development of every activity in this field.

### *Legal basis*

Decision of the National Council of Vocational Training (ESEKA).

- § 16 of Law 2224/94 provides for the creation of a private-law legal entity entitled "National Centre for Vocational Orientation" (EKEP).

The aims of the EKEP are:

- a) to offer academic and technical support to the National Organisation for Labour Market Policy in planning and implementing a national policy in the field of vocational orientation,
  - b) to coordinate the activities of public and private organisations providing vocational orientation,
  - c) to establish a national information network for all those interested in further training and in exchanges with other EU countries,
  - d) to offer vocational orientation measures within the OAED framework in upper level secondary education, universities and colleges, further training centres, enterprises and within trade unions and employers' federations.
- In accordance with Law 2190/94 a Supreme Council for the Selection of Civil Service personnel (ASEP) has been constituted, which is to operate as an autonomous institution. The exclusive task of the ASEP is to implement the legislation and regulations pertaining to the selection of staff recruited by the civil service, local authority organs and public-law legal entities. The ASEP is managed by an eleven-member board.
  - § 6 of the National Framework Collective Agreement provides for the creation of a Greek Institute for Health and Safety at Work. In June 1992 a civil law association with charitable status and bearing the same title (EL.IN.Y.A.E.) was founded. The Institute is run by a nine-member board composed of representatives of the most important employer and employee organisations in the country: the Confederation of Greek Industry, the Confederation of Greek Trade Associations, the Greek Trade Union Confederation and the General Greek Confederation of Craft Producers.

The aims of the EL.IN.Y.A.E are:

- a) to identify, describe, study and analyse harmful influences or conditions and their impact on the health and safety of employees,
- b) to draw up regulations, decrees and appropriate legislation,
- c) to keep up to date with international developments and to evaluate international experiences,

- d) to disseminate information and provide training for both sides regarding health and safety issues,
- e) to examine the possible effects of the use of new technologies on workers' health and to conduct research into preventive measures in the workplace.

Also of note is the establishment of an institution with charitable status entitled "Labour Institute of the Greek Trade Union Confederation", the aim of which is to help provide a scholarly basis for the active policies of the Greek trade union movement.

The Institute is run by a board appointed by the GSEE. The Institute's activities cover:

- a) analyses and studies,
- b) further training within the trade unions,
- c) vocational training,
- d) documentation,
- e) publications.

### *Contents*

The basic aim of national policy for the development of human resources will be the improvement of the quality of the intervention in the field of vocational training and the promotion of employment. More specifically, the effort will be concentrated in the three basic aims below:

1. The strengthening of policy application institutions. This will be achieved by the development of central and regional instruments for the observation of the trends in the labour market and planning, planning and evaluation of programmes for vocational training and employment.

In specific fields of the Ministry of Labour concerning the promotion of vocational training and employment, priority will be given for the further development of policy planning mechanisms, supported by a democratic decentralised system of management. The main elements of the systems are:

- a) The National Council of Vocational Training and Employment, as well as the Regional (NEEKA) and Prefectural (PEEKA) Committees which are provided for in the law.
- b) At the same time and in cooperation with the above planning structure, the Ministry of Education under the provision of Act 2000/14-2-92 undertakes the responsibility of the effort to close the existing gap in the formal vocational training system and its connection with the development of a national system of formal vocational education and training. The Vocational Education and Training Organisation will have a managing role in the evolution of the effort.
- c) The Institute of Labour and Vocational Training which will be established shortly has as its target:
  - the investigation and elaboration of proposals for policy matters on employment and vocational training;
  - the retraining of personnel at the agencies which implement the programmes;
  - the administration of technical assistance to maintain support for the implemented programmes;
  - the promotion of Social Dialogue.
- d) The Community Support Framework which provides policies which are already planned; application is possible through implemented programmes and administrative structures.

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The above are three components of an integrated system in the framework of which policy design and application for vocational training will take place.

2. The improvement of education and training structures which focus on the following points:
  - a) Reinforcement of the mechanisms which monitor labour market developments and the implementation of programmes by the bodies responsible at sectoral and regional levels.
  - b) The modernisation of the curricula and the advancement of the quality of the teachers who are responsible for the renewal of the education and training systems.
  - c) The realisation of the needs for building, construction and training equipment.
3. The strengthening of administrative mechanisms of control and evaluation of the vocational training programmes and the promotion of employment. Taking into consideration the rapid increase in ESF-funding, as well as the necessity for an increase in the effectiveness of implemented programmes and a decrease of irregularities, the Ministry of Labour will continue the effort to develop an integrated national control system, in collaboration with the Ministry of Finance and other bodies responsible for implementing programmes.

This system will consist of three ascending levels of control.

## Directions

The mechanism of policy design and application for vocational training presented above, will focus mainly on an effort to develop a flexible system of vocational training. This system will have three main components, initial training, continuous training and retraining.

- a) Initial vocational education and training i.e. apprenticeship and technical/vocational training, is geared towards young people who have finished secondary compulsory education or Lykeia. Pupils who successfully complete these courses receive a formal and recognised certificate. Within this framework the development of a formal post-Lykeia vocational training courses will be promoted by priority order. The structure of curricula and syllabi of formal post-Lykeia vocational training contains a wide range of skills and knowledge for the trainees to enable them to adapt to changes dictated by technological developments during their professional career.
- b) Continuous training must be strengthened particularly its on-the-job-training component, or where it is required (mainly in the case of high skills specialisation), through collaboration between training or educational institutions and enterprises.
- c) Training programmes for combatting youth and long-term unemployment. Within this framework, the development of opportunities for vocational training and its connection to the real needs of the labour market for young people and the re-entry of the unemployed in the labour market, will be pursued through vocational training-employment programmes which combine training in a specific skill with a sixteen-month placement subsidy or self-employment.



## **2. Employment Maintenance**

GR-ii.1 Support for hotels

GR-ii.2 Support for establishments in the hotel trade in order to maintain employment

GR-ii.1

**Support for hotels***Aim*

Maintaining jobs during the winter months in hotels which generally operate seasonally.

*Legal basis*

Article 8 of the Act 1545/85 "National System of Protection against Unemployment".

*Contents*

The subsidy covers hotels which operate beyond the boundaries of the Administrative Region of the Capital and the Block of Thessaloniki if they continue to operate between 10 November and 28 February 1992 and if, during the last five years, they have suspended operations for two years. The subsidy is set at DRA 1,800 for every job concerned.

*Financial Resources*

OAED.

*Institutional Support*

OAED.

*Duration*

Up to 25 days per month and 100 days for the duration of the subsidy.

GR-ii.2

## Support for establishments in the hotel trade in order to maintain employment

### Target group

Hotels recruiting unemployed hotel personnel

### Legal basis

Law 1545/85, § 8, Paragraphs 2 and 3.

### Contents

Establishments in the hotel trade working on a seasonal basis that extend their opening period to the winter months (1 November to 28 February) are entitled to a grant of DRA 2,300 for each working day and each employee entitled to claim unemployment benefit. Of the conditions of entitlement to support under the programme the following are the most important.

The establishment must:

- be located outside the Athens and Thessalonica administrative areas,
- have been approved by the National Tourism Office, and
- operate on a seasonal basis.

The grants are paid as a lump sum at the end of the extended opening period of the establishment and may not exceed 25 days per month and 100 days per year for each employee.

### Financial resources

OAED.

### Duration

Indefinite.

### Effects

(Source: OAED)

Year	Number of persons	Expenditure (in DRA)
1989	847	22,907,500
1990	972	31,993,200
1991	1,111	34,772,000
11/92-2/93	1,141	45,262,800
11/93-2/94	1,374	65,860,200

The evaluation of the data covering the period 11/94 to 2/95 is not yet completed.



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### **3. Aid to the Unemployed**

- GR-iii.1 Unemployment benefit
- GR-iii.2 Special unemployment benefit
- GR-iii.3 Subsidy for new entrants in the labour market
- GR-iii.4 Support for industrial and commercial enterprises in border regions employing higher-education graduates
- GR-iii.5 Support for private firms employing students of a vocational school (TEI) or a training college for vocational school teachers (SELETE) during their six-month work experience
- GR-iii.6 Support for industrial, craft and mining enterprises in economically underdeveloped regions within the framework of the regional development programme
- GR-iii.7 Support for additional paid holiday for employed students and school-children
- GR-iii.8 The provision of incentives to raise the geographical mobility of labour

GR-iii.1

## Unemployment benefit

### *Aim*

To ensure compensation for persons involuntarily deprived of employment.

### *Legal basis*

Law no 2961/54 plus subsequent amendments, L 1545/85, 1836/89, 1892/90.

### *Contents*

For field of application and conditions for admission: cf. Chapter II.

Benefits amount to 40% (wage-earners) or 50% (salaried employees) of earnings in the wage class plus 10% of benefit per dependent with not less than DRA 1803 per day.

### *Financial resources*

Expenditure is covered by employer (2.97% of gross earnings) and employee contributions (1.33% of gross earning).

### *Institutional support*

OAED.

### *Duration*

For 125 days of employment, duration of compensation: 5 months;  
 For 150-179 days of employment, duration of compensation: 6 months;  
 For 180 days of employment, duration of compensation: 8 months;  
 For 220 days of employment, duration of compensation: 10 months;  
 For 250 days of employment, duration of compensation: 12 months.

### *Effects*

Year	Number of unemployed benefit recipients	Expenditure (in DRA)
1987	153,122	20,573,300,000
1988	145,230	21,325,200,000
1989	154,277	29,325,200,000
1990	175,878	45,228,600,000
1991	200,000	69,803,700,000
1992	207,000	109,745,000,000
1993	221,993	76,127,800,000

GR-iii.2

**Special unemployment benefit***Aim*

To boost the income of seasonally employed wage earners and those whose employment might be effected by weather conditions (e.g. hotel, tobacco and building workers). This benefit also covers persons whose work has been interrupted due to unforeseen circumstances – e.g. earthquakes.

*Legal basis*

Article 22 of Law 1836/1989.

*Contents*

The level of the benefit varies according to categorisation of the beneficiaries and it is paid in a lump sum.

*Financial resources*

OAED.

*Institutional support*

OAED.

*Duration*

Once per year.

*Effects*

Year	Number of unemployed benefit recipients	Expenditure (in DRA)
1989	194,717	13,365,000,000
1990	156,205	15,087,000,000
1991	200,000	69,803,700,000
1992	207,000	109,745,000,000
1993	221,993	76,127,800,000

GR-iii.3

## **Support for new entrants to the labour market**

### *Target group*

Unemployed persons aged between 20 and 29 entering the labour market for the first time.

### *Legal basis*

Law 1545/85, Article 2.

### *Contents*

A grant of DRA 25,000 per month, plus DRA 1000 for each dependent child and spouse (provided the latter is not in receipt of benefit) for up to five months.

The most important conditions of entitlement are as follows:

- (men only) completion of basic military service, unless an official exemption has been granted,
- registration as unemployed within three months of the applicant's twentieth birthday, discharge from the army or exemption from military service: in the case of school-children and students, registration within three months of completing or terminating the course of study or within two months of the end of the academic year in which the studies were broken off.

### *Financial resources*

OAED.

### *Duration*

Indefinite.

GR-iii.4

**Support for industrial and commercial enterprises in border regions employing higher-education graduates***Target group*

Industrial and commercial enterprises in border regions.

*Legal basis*

Law 1563/85, § 44.

*Contents*

Wage-cost subsidy of 10% for skilled graduate personnel up to a maximum monthly salary of DRA 80,000. In order to be entitled to support under the programme the enterprise must employ at least ten employees for each graduate employee supported.

*Financial resources*

Public Investment Programme.

*Duration*

Indefinite.

*Effects*

(Source: Statistical service of the OAED)

Year	Number of beneficiaries	Expenditure (in DRA)
1992	472	21,503,243
1993	256	22,637,095
1994 <sup>2</sup>	154	10,570,335

<sup>2</sup> Final figures for 1994 are not yet available.

GR-iii.5

**Support for private firms employing students of a vocational school (TEI) or a training college for vocational school teachers (SELETE) during their six-month work experience**

*Target group*

Private firms providing work experience for students of a vocational school or a training college for vocational school teacher and public and local authority enterprises.

*Legal basis*

- Law 1351/83, § 12;
- Law 1404/83;
- Presidential Decree 174/85.

*Contents*

The grant amounts to 50% of the remuneration paid. The following conditions of entitlement must be met:

- A special employment contract must be reached between employer and student which terminates at the end of the period of work experience.
- The enterprise profile must be appropriate to the student's studies.
- The employer must provide insurance cover for the student.
- The employer must pay the student an allowance equal to up to 80% of the daily wage of an unskilled worker.

*Financial resources*

OAED.

*Duration*

Indefinite.

*Effects*

(Source: Statistical Service of the OAED)

Year	Number of beneficiaries	Expenditure (in DRA)
1992	1,209	42,967,986
1993	1,006	39,950,579
1994 <sup>3</sup>	452	15,946,000

<sup>3</sup> Final figures for 1994 are not yet available.

GR-iii.6

**Support for industrial, craft and mining enterprises in economically underdeveloped regions within the framework of the regional development programme**

*Target group*

Enterprises in the industrial, craft and mining sectors, agro-industrial animal production, and hotels and shipping companies

*Legal Basis*

- Law 1767/88, § 21;
- Law 1836/89, § 32.

*Contents*

Wage-cost subsidies of 20% (only in Thrace) and 1% depending on the type of enterprise and the region in which it is located.

Firms admitted to the programme must be economically sound, have favourable growth prospects and employ staff under regular terms.

*Financial resources*

Central government budget.

*Duration*

Indefinite.

*Effects*

(Source: Statistical Service of the OAED)

Year	Number of beneficiaries	Expenditure (in DRA)
1992	2,584	2,034,136,850
1993	2,886	3,806,544,202
1994 <sup>4</sup>	1,256	2,065,581,779

<sup>4</sup> Final figures for 1994 are not yet available.

GR-iii.7

### **Support for additional paid holiday for employed students and school-children**

#### *Target group*

Students and school-children unable to attend work on certain days because they are required to take examinations at their educational establishment.

#### *Legal basis*

Law 1346/83 and Law 1837/89.

#### *Contents*

Employees aged 18 but less than 25 are entitled to a maximum of 20 days leave on the basis of the prevailing minimum daily wage of an unskilled worker.

For employees aged less than 20 two days leave for each day's examination are envisaged, which can be taken consecutively.

The condition of entitlement to benefit for minors is that they are aged less than 18 and, irrespective of the duration of employment, are employed by a private-sector firm; the condition of entitlement to the benefit for those aged at least 18 but less than 25 is that they have been in employment for at least 12 months.

#### *Financial resources*

OAED.

#### *Duration*

Indefinite.

#### *Effects*

(Source: Statistical Service of the OAED)

Year	Number of beneficiaries	Expenditure (in DRA)
1992	1,209	42,967,986
1993	1,006	39,950,579
1994 <sup>5</sup>	452	15,946,000

<sup>5</sup> Final figures for 1994 are not yet available.

GR-iii.8

**The provision of incentives to raise the geographical mobility of labour***Target group*

Unemployed persons who leave their place of residence to take up seasonal employment harvesting agricultural products and employers taking on this category of worker.

*Legal basis*

Law 849/78, § 12.

*Contents*

Payment of a sum to the employees or employer equivalent to two thirds of the prevailing daily wage of a unskilled worker.

*Financial resources*

Public investment programme.

*Duration*

Indefinite.

Note: It is to be noted that in the case of programmes of indefinite duration changes can be made by ministerial decree in the light of labour market requirements.



## **4. Training, Retraining and Occupational Mobility**

- GR-iv.1 The apprenticeship system
- GR-iv.2 Accelerated vocational training
- GR-iv.3 Enterprise-level continuous training programme
- GR-iv.4 Technical and vocational training
- GR-iv.5 Institutes of Vocational Training (IEK)

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A number of laws, such as Law 2009/92 "On the National System of Vocational Further Training" and Law 2224/94, have been passed recently with the following aims:

- to organise and coordinate vocational further training,
- to examine and approve the training courses and programmes,
- to decentralise the organisation and implementation of vocational further training,
- to provide for the participation of the social partners and other social organisations (in a decentralised way) in decision making and policy formation.

Further details are given below.

- a) Since 1992 the OAED has run Vocational Training Institutes (IEK) in accordance with the provisions of Law 2009/92. The aim of these institutes is to provide trainees with a comprehensive and varied vocational training, covering both initial and further training, a corresponding certified qualification and the scientific, technical, occupational and practical knowledge, skills and competence to facilitate their occupational and social integration and to ensure that they are able to adjust to the changing requirements of the production process. The students at the Vocational Training Institutes are largely drawn from upper-level secondary school-leavers. The training lasts two years.

#### *Financial resources*

European Union 75%, OAED 25%.

#### *Institutional support*

Office for Vocational Further Training (OEEK);  
OAED.

- b) Law 2224/94 provides for the establishment of Regional Administrative Committees (PDE) within the regional directorates of the OAED, which are responsible for policy implementation and the realisation of employment and vocational training programmes at regional level. The social partners are active in the regional Administrative Committees on a bipartite basis.

In addition the Law provides for the creation of Administrative Committees for Vocational Training (EDE) in the training units of the OAED, which are responsible for the work and organisation of the training centres and the implementation of the training programmes. The social partners are active on a bipartite basis in these committees, too. The social partners also participate in a Special Fund for Vocational Further Training Programmes (ELPEKE) into which the employers pay 0.45% of their payroll in order to finance the implementation of training programmes in the firms.

Also of note is a training and employment programme focusing on young people employed in the private sector under which firms recruiting trained but unemployed young people for a year are entitled to a grant.

## **The apprenticeship system**

### *Aim*

The provision of technical and vocational training in a variety of skills and specialisations and in traditional or modern vocations by means of the dual system of training, i.e. theoretical teaching at OAED schools and practical training in public and private sector enterprises.

### *Contents*

Young people aged 15-18 years may enrol provided they have finished the compulsory component of their education. The duration of apprenticeship courses varies between 4 to 6 semesters depending on the particular course of study. As was mentioned above, theoretical education is given in class and practical training in industry.

Practical training follows a specific programme (6-7 hours/day) which is closely related to the OAED school syllabus. Therefore the positions held by apprentices in industry are closely related to the skills and specialisations of individual trainees. Apprentices, under the supervision of the OAED, sign employment contracts with an employer for the duration of their training. Payment of wages is included in their contracts. OAED provides incentives for employers who receive apprentices and it also explores possibilities for placing them in the same or in a different position after the successful conclusion of their apprenticeship.

### *Financial resources*

OAED, ESF.

### *Institutional support*

OAED.

### *Duration*

No limit.

GR-iv.2

## **Accelerated vocational training**

### *Aim*

To combat unemployment among unskilled school-leavers.

### *Contents*

1. Accelerated vocational training is characterised by a short period of training (300-1,200 hours depending on the specialisation), the intensive nature of its educational programmes and its orientation to specific and immediate needs of the labour market.  
It includes two types of training:
  - a) basic and
  - b) specialisation and retraining.
2. The basic training programmes are mainly oriented to practical training and take place in OAED schools.
3. The specialisation and retraining programmes aim mainly at providing additional training and include specialisation in technical and vocational skills.
4. The skills taught in this programme are selected as a result of labour market research and with the cooperation of local authorities and trade unions.

### *Financial resources*

OAED, ESF.

### *Institutional support*

OAED.

### *Duration*

Unlimited.

### **Enterprise-level continuous training programme**

Continuous training and employment promotion programme with grants from the European Social Fund (ESF) and the European Regional Development Fund (ERDF).

#### *Aims*

- a) To improve the effectiveness of the training on offer by ensuring the high quality of the training programmes and teaching staff and establishing a link between training and the labour market.
- b) To develop a permanent system of continuous training which will be maintained beyond the end of the current programme (1999). This aim is to be achieved by creating continuous training structures which have good prospects within enterprises after 1999.
- c) To improve the vocational skills of workers in public and private sector enterprises, the underlying aim being to raise the productivity and strengthen the competitive position of Greek firms on European and international markets.

The enterprise-level programme consists of three parts which together reflect the above aims.

#### **Part 1: Creating continuous training structures**

Part 1 encompasses two areas:

Area 1: Creating the infrastructure required for continuous training

Area 2: Activities to promote the realisation of the enterprise-level programme

Duration: from 1994 to 1999.

#### **Part 2: Continuous employee training**

Part 2 encompasses four areas:

Area 1: Small firms

Area 2: Medium-sized firms

Area 3: Large firms

Area 4: Firms undergoing a restructuring process

Duration: from 1994 to 1999.

**Part 3: Training and employment promotion for the unemployed and workers threatened with redundancy**

Part 3 encompasses five areas, of which each is targeted towards a specific group of the unemployed.

Target groups of Part 3:

- young people aged less than 25 seeking to enter the labour market or who have so far been only provisionally integrated into the labour market,
- women particularly hard hit by unemployment, particularly those under 25,
- the unemployed aged over 25, including the long-term unemployed, but excluding marginalised social groups,
- the unemployed from areas suffering from high unemployment threatened by long-term unemployment due to the lack of employment opportunities in their region,
- workers under threat of unemployment due to planned lay-offs from firms in crisis.

Duration 1994 to 1999.

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The enterprise-level programme "Continuous vocational training and employment promotion", which covers the period 1.1.1994 to 31.12.1999, encompasses a range of medium-term measures, with priority accorded to objective no. 4 of the Community support concept for Greece. The maximum value of the support for this programme provided by the structural fund of the ESF and the ERDF amounts to ECU 756,000,000.

The support provided by the EU is distributed as follows:

ESF ECU 730,900,000;  
ERDF ECU 25,100,000.

## Technical and vocational training

### *Aim*

To impart suitable technical and vocational knowledge to students through theoretical and practical training in order to acquire skills which will lead them to find jobs.

### *Contents*

Technical and Vocational Education in Greece is achieved through the main education structure which consists of:

1. Technical and Vocational Schools (TES)  
These offer two-year courses which contain theoretical and practical training in a given vocation.
2. Technical and Vocational Lykeio (TEL)  
Here the courses last for three years and include subjects of general education as well as subjects leading to specialisation and vocational orientation. The subjects taught in TEL cover all sectors of production in Greece.
3. Unified Multi-Branch Lykeio (UM-BL).  
These also offer a three-year course but they are a new type of Lykeio which combine general education with technical and vocational training.  
UM-BLs offer technical and applied education (both general and specific) as well as methodology for mastering the skills offered in its courses.  
They also provide the necessary knowledge which can respond to needs for social and economic development of Greece. At the same time, this type of education can readjust to the constantly changing employment needs due to the increasing introduction of new technologies and innovation.

### *Financial resources*

State Budget and ESF.

### *Institutional support*

Ministry of Education.

### *Duration*

No time limit.

### *Effects*

Year	Persons
1990	6,492
1991	6,766

GR-iv.5

## **Institutes of Vocational Training (IEK)**

### *Aim*

To provide vocational alternatives to those who have finished Lykeio without acquiring vocational qualifications.

### *Legal basis*

Act 2009/92 "National System of Vocational Education and Training".

### *Contents*

The Institutes of Vocational Training constitute a new level in the Greek education system and cover the ground between Lykeia and tertiary education. In the Institutes people can obtain qualifications which are essential on the Labour Market and at the same time receive certificates which are recognised both nationally and by the EEC.

Through the Institutes the opportunity is also given to those who are in employment and wish to obtain additional vocational qualifications or even to those who wish to change their vocation.

The Institutes offer basic training and specialisation in the following vocational sectors:

Computer Science, Earth Sciences, Trades, Engineering, Chemistry and Materials, Economics, Administration, Medical Trades, Car Mechanics, Environment, Electronics and Automation Control and Applied Arts. The period of training is between three and five semesters depending on the vocation chosen.

### *Financial resources*

Ministry of Education, ESF and fees paid by the trainees.

### *Institutional support*

Ministry of Education.

### *Duration*

No limit.

### *Effects*

In 1992 14 IEK were operating with 3,500 enrolled students.

## **5. Job Creation**

- GR-v.1 Grant for employers creating new jobs
- GR-v.2 Grant for young entrepreneurs
- GR-v.3 Enterprise-level programme (EP) "Countering exclusion from the labour market"

GR-v.1

## **Grant for employers creating new jobs**

### *Target group*

Enterprises – excluding those in the public sector and a number of other categories – recruiting unemployed persons aged between 18 and 64; grant varies according to sex, educational level occupational area, etc. of person recruited.

### *Legal basis*

Law 1262/82, § 29 and law 1836/89.

### *Contents*

The new programme differs considerably from its predecessors. Firstly, the emphasis is now on supporting those firms recruiting vocational school-leavers, whether from OAED establishments, Technical Vocational Schools (TES), Technical and Vocational Secondary Schools (TEL), Institutes for Vocational Training (IEK) or other institutions. For such personnel the highest subsidy level – between DRA 3,200 and 5,000 – is available for a nine-month employment period. A special programme for women re-entering the labour market after a three-year break or entering it for the first time offers a daily grant of between DRA 3,000 and 4,000 for a nine-month employment period.

A special category are those regions in which the unemployment rate is particularly high; here the daily grant, again for nine months, amounts to between DRA 4,000 and 5,000. For the first time the programme also offers the possibility of training for the unemployed persons recruited under the scheme. This occurs on the basis of an enterprise-level pilot programme the aim of which is to integrate the new recruits into the world of work.

In the case of unemployed persons lacking a certificate from a vocational school, of recipients of unemployment benefit or unemployed persons registered with the employment office for at least three months, a three-month obligation on recruitment is envisaged in addition to the nine-months period with the employer. In order to be entitled to the grants the firm may not have reduced the size of their workforce during the three months prior to application by the employer; furthermore, 50% of the unemployed persons must be taken on via the OAED.

### *Financial resources*

European Social Fund (ESF);  
OAED.

### *Duration*

In contrast to the previous one-year programmes, the current programme is set to run for two years (1995 and 1996).

*Effects*<sup>6</sup>

(Source: Statistical Service of the OAED)

Year	Number of beneficiaries	Expenditure (in DRA)
1992	22,649	12,379,527,000
1993	20,543	11,232,978,735

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<sup>6</sup> Final figures for 1994 are not yet available.

GR-v.2

## **Grant for young entrepreneurs**

### *Target group*

Unemployed persons aged between 18 and 60, support varies according to sex of applicant, region and type of enterprise planned.

### *Legal basis*

Law 1262/82, § 29 and Law 1836/89 (§ 6, 7 and 8).

### *Contents*

The programme provides a grant of DRA 800,000 for the setting up of a new enterprise with good growth prospects in the area of new technologies by an unemployed person (male or female) aged between 18 and 25 or 26 and 60 years. Support, also of DRA 800,000, is available for unemployed women aged between 18 and 60 entering the labour market for the first time or who are to be reintegrated into the labour market after three years' unemployment. The long-term unemployed or recipients of unemployment benefit aged between 26 and 60 setting up other types of enterprise are entitled to a grant of DRA 760,000. Support of DRA 700,000 is available for non-LTUs aged between 18 and 25 and 26 and 60 setting up other types of enterprise, whereas all firms set up by unemployed persons age between 18 and 60 in regions suffering from high unemployment receive a grant of DRA 1,200,000. A new element in this programmes, besides the increase in the value of the grants and the more favourable treatment of the problem group of unemployed women, is the additional support of DRA 100,000 for those participating in a special two-week training programme to mediate management skills.

It is also to be noted that the new programme does not provide higher support levels for the manufacturing sector, as was the case in the past, as these are no longer considered effective. Preference in granting admission to the programme will be granted to those with a vocational qualification from an OAED training establishment, the Centres for Vocational Training or the Institutes for Vocational Training, to entrepreneurs seeking to set up an enterprise in remote agricultural areas, and to all those that have taken part in the above-mentioned special training programme.

The central conditions for admission to the programme are as follows:

- the applicant must be unemployed;
- the family income of the applicant may not be in excess of DRA 6,000,000 (married) or 300,000,000 (single);
- the commercial or industrial premises must be suitable, and
- the applicant must devote his/her energies exclusively to this enterprise.

### *Financial resources*

ESF;  
OAED.

*Duration*

Unlike the previous one-year programmes, the current programme is set to run for two years (1995 and 1996).

*Effects*

(Source: Statistical Service of the OAED)

Year	Number of beneficiaries	Expenditure (in DRA)
1992	4,815	1,628,280,500
1993	3,823	1,593,826,865
1994 <sup>7</sup>	8,500	6,000,000,000

<sup>7</sup> The figures for 1994 are based on estimates.

GR-v.3

**Enterprise-level programme (EP) "Countering exclusion from the labour market"**

Under this programme ESF and ERDF support is provided within the framework of the community support concept for structural measures in Greece (Objective 1).

Duration of the programme: from 1.1.1994 to 31.12.1999.

The maximum value of the funding provided this programme by the ESF and ERDF amounts to ECU 246,000,000.

The origin of the community aid is as follows:

ESF ECU 236,000,000;

ERDF ECU 10,000,000.

The national authority responsible for implementing the enterprise-level programme:  
Ministry of Labour.

The aims of the enterprise-level programme are as follows:

- to counter the objective and subjective conditions, causes and mechanisms leading to exclusion from the labour market,
- to facilitate labour market access and occupational reintegration for those affected or threatened by labour market exclusions,
- to promote equality of opportunity, social cohesion and convergence,
- to fight discrimination and promote social solidarity,
- to ensure that the target groups make full use of their social and political rights and opportunities for social involvement,
- to develop skills, abilities and vocational qualifications,
- to promote job creation, and
- to reduce budget deficits.

The enterprise-level programme consists of the following five parts:

Part 1: "Labour market integration and reintegration of the disabled"

Part 1 encompasses the following areas:

1. training measures to prepare for employment,
2. training,
3. employment promotion – labour market integration,
4. accompanying measures.

Part 2: "Integration of returning emigrants"

The areas are the same as in Part 1.

Part 3: "Integration and reintegration of other social groups excluded from the labour market"

Part 3 encompasses the following areas:

1. Prisoners, ex-convicts, juvenile delinquents
2. Single parents
3. The population of remote mountain and island regions

4. Those with atypical cultural and religious characteristics
5. Drug addicts following treatment.

Part 4: "Joint infrastructure and public offices"

Part 4 encompasses the following areas:

1. Training and continuous qualification of teaching and managerial staff
2. Pilot projects
3. Sensibilisation – publicity – prevention
4. Joint infrastructure and equipment.

Part 5: "Implementation"

Part 5 encompasses the following areas:

1. Preparatory activities
2. Implementation studies and field studies
3. Other forms of spending for the implementation of the programme.



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## 6. Special Categories of Workers

### *Women*

- GR-vi.1 Women
- GR-vi.2 Measures to promote the employment of women ("NOW" Programme)

### *Disabled*

- GR-vi.3 Grants for employers recruiting disabled people
- GR-vi.4 Support for disabled young entrepreneurs

### *Migrants*

- GR-vi.5 Support for the reintegration of emigrants returning to Greece and naturalised immigrants

### *Miscellaneous*

- GR-vi.6 Support to firms employing drug-addicts
- GR-vi.7 Support for firms employing discharged convicts
- GR-vi.8 Redundant personnel of problematic enterprises

GR-vi.1

## Women

### *Aim*

To balance women's participation in the labour market vis-à-vis men's participation and to reduce women's unemployment.

### *Legal basis*

Law 1302/82 based on the ratification of International Convention 103/52.

Law 1424/84 based on the ratification of International Convention 111/58.

Law 1423/84 based on the ratification of International Convention 122/67.

Law 1483/84 for the protection of workers with family duties.

Law 1414/84 on the equality of the sexes.

### *Contents*

The programme includes measures for vocational guidance and training specially designed to be effective for specific women's target groups and to secure the entry of these groups in the labour market.

Such target groups are:

- women who wish to re-enter the labour market;
- young women who wish to enter the labour market for the first time;
- unmarried mothers;
- women residing in densely populated areas.

In addition, the programme seeks to adapt women to future vocations which new technologies will give rise to and thus to overcome the barriers which women's stereotyping has set up in order to confine women to a small segment of the labour market.

### *Institutional support*

General Secretariat of Equal Opportunities, OAED, EDMEX, Research Centres, Universities and non-profit-making Institutes.

### *Financial resources*

State budget and European Social Fund.

GR-vi.2

**Measures to promote the employment of women ("NOW" Programme)**

Within the framework of the programmes for job creation and the promotion of young entrepreneurs there exist programmes specially tailored to the needs of women, offering easier conditions of access. A condition of entitlement to such programmes is, however, that women interested in the programmes have attended the appropriate NOW training programme. The aim of the programme was to offer support to a total of 200 women in 1994. In 50 cases this support involved a grant to the employer for employing women aged between 18 and 60 who have been recruited by firm or cooperatives founded by women within the framework of the "NOW" Programme. In 150 cases the support was made available to women to set up their own enterprise.

In the case of waged/salaried employment the grant amounted to a daily allowance of DRA 3,000, in the case of self-employment the value of the grant was 800,000.

Between July and the end of the Programme in December 1994 a total of 25 women were admitted to the programme to promote self-employment; the total support volume amounted to DRA 20,000,000. In view of its short duration the programme has been extended to 1995.

GR-vi.3

### Grants for employers recruiting disabled people

#### Target group

Disabled people as defined by Laws 1648/86 and 2026/92, § 13.

#### Legal basis

Law 224/94.

#### Contents

The programme offers employers over a total period of 24 months a daily grant of DRA 5,000 for the first year in the case of employers new to the programme and DRA 4,000 for those in receipt of such grants in the past. During the second year the grant amounts to DRA 3,000 per day for all employers.

In addition employers can receive support of up to DRA 250,000 if they provide a working environment tailored to the needs of disabled employees. In order to qualify for the programme the disabled persons must be unemployed on recruitment.

#### Financial resources

ESF;  
OAED.

#### Duration

Two years (1995-1996).

#### Effects

(Source: Official Department for the Disabled)

Year	Number of beneficiaries	Expenditure (in DRA) <sup>8</sup>
1992	352	-
1993	478	-
1994	444	-

<sup>8</sup> Final figures are not available yet.

## **Support for disabled young entrepreneurs**

### *Target group*

Disabled people as defined by Laws 1648/86, § 1 wishing to set up their own business.

### *Legal basis*

- Law 1262/82;
- Law 1545/85;
- Law 1836/89;
- Law 1892/90.

### *Contents*

Disabled young entrepreneurs receive a grant of DRA 900,000 if they set up their own business in manufacturing, trade or the service sector.

The conditions of entitlement are the same as those applying to the Programme for Young Entrepreneurs organised by the OAED Employment Department.

### *Financial resources*

European Social Fund;  
OAED.

### *Duration*

So far the programme has been implemented on an annual basis.

### *Effects*

Statistical data on the programme are not yet available.

It is also to be noted that until the end of 1994 the OAED had for a number of years cooperated with and supported special establishments and organisations implementing vocational training programmes for the disabled.

GR-vi.5

## Support for the reintegration of emigrants returning to Greece and naturalised immigrants

### Target group

Greek citizens returning permanently to Greece to live and work, and immigrants of Greek origin on obtaining Greek citizenship.

### Legal basis

Law 849/78, § 12.

### Content

A one-off grant of between DRA 50,000 and 100,000, depending on family status, for Greek citizens settling in regions outside the administrative districts of Thessalonica and Athens, and a housing rent allowance of DRA 3,000 for single and 5,000 for married persons (provided they are tenants) for a period of two years after entering the country.

In the case of a married couple only one person is entitled to the aid. Admission to the programme is subject to the following conditions:

- (for Greek nationals returning to Greece) a period of at least two years abroad,
- (for immigrants of Greek nationality) the acquisition of Greek citizenship,
- applicants must be aged between 20 and 60, and
- must settle outside the regions mentioned above.

### Financial resources

Public Investment Programme.

### Duration

Indefinite.

### Effects

(Source: Employment Department of the OAED)

Year	Number of beneficiaries	Expenditure (in DRA)
1992	129	7,979,000
1993	100	6,280,000
1994	25	1,632,000

GR-vi.6

**Grants to firms employing drug-addicts***Target group*

Drug-addicts.

Grants of DRA 5,000 and 4,000 per month for the first year for employers new to the programme and for employers in receipt of such support in the past respectively. For the second year of the programme all employers are to receive a monthly allowance of DRA 3,000.

Persons will only be admitted to the programme if they have shown a clear intention to "help themselves". It is anticipated that 15 persons will be able to receive support per year.

*Legal basis*

Law 1262/82, § 29, supplemented by § 8 of Law 1545/85 and amended by Law 1836/89.

*Financial resources*

European Social Fund;  
OAED.

*Duration*

For the first time the programme is not limited to one, but to two years.

GR-vi.7

**Support for firms employing discharged convicts***Target group*

Discharged convicts aged between 18 and 65 and persons aged between 16 and 21 who have been in detention or remand.

The grants, financial resources, duration and legal basis are the same as in the previous programme (drug-addicts).

It is anticipated that 25 persons will be able to receive support per year.

## **Redundant personnel of problematic enterprises**

### *Aim*

The protection of the redundant personnel of problematic enterprises.

### *Legal basis*

Article 33 of Law 1892/90.

### *Contents*

After their dismissal, workers have the following options:

- a) to receive unemployment benefits;
- b) to join special retraining courses created by OAED for their rehabilitation;
- c) to receive special subsidy for self-employment by OAED.

### *Financial resources*

OAED, ESF.

### *Duration*

In force up to 31.12.1991.

### *Effects*

The total number of beneficiaries amounted to 11,735, distributed as follows:

Unemployed who received benefits: 1,241 persons;  
Retrained: 6,766 persons;  
Self-employed: 3,722 persons.

The total costs of the programme for the years 1990-1991 was DRA 20,000,437,556.

The programme will finish in 1992.



## **7. Other Measures**

GR-vii.1 The "EURES" Network

GR-vii.1

### **The "EURES" Network**

The OAED is, along with all the government departments active in the employment field in the Member States of the European Union, linked up to the "EURES" Network, the aim of which is to facilitate the cooperation between such departments and to mobilise them for employment in other EU countries. This network offers all those interested in taking up employment in the EU:

- an exchange of information regarding supply and demand on the labour market,
- advice and orientation,
- information on working conditions and educational and training opportunities in the EU Member States, and
- on-line communication with the help of specially trained personnel – "Euro-advisers" – in order to render the work of the network more effective.

# CHAPTER IV INFORMATION AND RESEARCH

The basic sources of statistical data are the "National Statistical Office" (ESYE) and the "National Organisation for Labour Market Policy" (OAED).

The ESYE collates data by means of the following surveys and censuses:

- a) labour force survey
- b) industry, craft and trade census
- c) statistical surveys in industry
- d) surveys of wage and salary earners in industry and crafts
- e) surveys of the earnings of wage and salary earners
  - 1. retail trade
  - 2. mining and quarrying
- f) wage cost surveys
- g) surveys of agricultural and livestock structures
- h) census of the population
- i) survey of continuous training
- j) survey of income structures
- k) income tables
- l) living conditions, surveys of family incomes.

The OAED is responsible for collating the data on registered unemployment.

The ESYE is responsible for evaluating the data on registered unemployment.

Within the framework of the technical support programmes financed by the ESF the Ministry of Labour and the OAED conduct numerous research projects covering the labour market, vocational training and the dynamics of sectoral and regional economic activity.

## Appendix 1: Abbreviations

AK	Civil code
ASE	Supreme Council of Labour
ASEP	Supreme Council for the Selection of Civil Service Personnel
BD	Royal Decree
CDSA	Steering Committee of Social Affairs
EDE	Administrative Committee for Vocational Training
EEDE	Greek Association for Business Administration
EEEE	Greek Association for Organisational Research
EESE	Confederation of Greek Trade Associations
EFEE	Greek National Student Union
ERDF	European Regional Development Fund
EC	European Community
EKEP	National Centre for Careers Orientation
EKLA	Special Unemployment Fund
EL.IN.Y.A.E.	Greek Institute for Health and Safety at Work
ELKEPA	Greek Productivity Centre
ELPEKE	Special Fund for Vocational Further Training Programmes
EOMMEX	Greek Organisation of Small and Medium-sized Industrial and Craft Enterprises
ESF	European Social Fund
ESEKA	National Council for Vocational Training and Employment
ESYE	State Statistics Office
GESEBE	General Greek Confederation of Craft Producers
GSEE	Greek Trade Union Confederation
ILO	International Labour Organisation
IEK	Vocational Training Institute
KEDKE	Central Confederation of Greek Cities and Local Authorities
KEPE	Centre for Planning and Economic Research
KYAE	Centre for Health and Safety at Work
LO	Royal Decree
MISEP	Mutual Information System on Employment Policies
ND	Legislative Decree
NEEKA	Prefectorial Committee for Vocational Training and Employment
OAED	National Organisation for Labour Market Policy
OEEK	Office for Vocational Further Training

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PASEGES	Pan-Hellenic Confederation of the Associations of Agricultural Cooperatives
PDE	Regional Administrative Committee
PEEKA	Regional Committees for Vocational Training and Employment
PIEKA	Research Institute for Vocational Training and Employment
SEB	Confederation of Greek Industry
SELETE	Training College for Vocational School-teachers
SYAE	Council for Health and Safety at Work
TEI	Vocational School
TEL	Technical and Vocational Secondary School
TES	Technical Vocational School

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## Appendix 2: National Correspondents

### *Belgium*

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### *Denmark*

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### *Germany*

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### *Greece*

Ekaterini Kritikou, Ministry of Labour

### *Spain*

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### *Finland*

Tuuli Raivio, Ministry of Labour

### *France*

Henri Roux, Ministère de l'Emploi

Claudine Elhaïk, Agence Nationale pour l'Emploi

### *Ireland*

Vincent Landers, Department of Enterprise and Employment

### *Italy*

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### *Luxembourg*

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### *European Commission*

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