

# Strengthening Involvement

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## National Legislation on Information and consultation in Greece

### *Country Report*

OBES

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## **TRADE UNION INFORMATION AND CONSULTATION IN Greece (based on report of INVOLVE project VS / 2015/0379)**

Although memoranda with institutions have expired, the general situation in Greece remains very difficult. The unemployment rate in Greece has dropped but remains very high since the onset of the economic crisis, while competitiveness of Greek economy has not sufficiently improved. Besides, the business climate seems better lately but overtaxing absorbs funds and purchasing power from the market. At the industrial relations level, the crisis had devastating impact as well. The troika has imposed a series of new laws (Laws 3899/2010, 4024/2011, 4046/2012, 4093/2012 and 4172/2013) that undermined collective bargaining and the institution of mediation and arbitration and have brought the labour movement on the defensive. The Greek government declares its intension to come back to “normality”, yet it has to follow very cautious steps in order not to produce devastating impact on financial markets.

Information and consultation is based on article 27 (*Workers’ right to information and consultation within the undertaking*) of the Charter of Fundamental Rights of the European Union.

### **Context of industrial relations**

Companies face crisis, which is expressed:

- At the ownership level with closures, mergers and acquisitions
- At the operational level with closure of plants, unification of departments, transfer of operations to subcontractors etc.
- At the work organisation level through attempt to introduce or increase flexible forms of employment as well as reduction of staff through incentives for voluntary resignations, mass redundancies, lay-offs and job rotation.
- At the industrial relations level, collective bargaining, has been substantially reduced following the introduction of new Laws. Minimum wage and salary is set by law (not through collective bargaining), there is restriction of the role of mediation and arbitration and limitation of the power of collective agreements to those represented by signatories.

### **Situation in Greece in figures**

Actually, in November 2017, unemployment has reached 20.9% (starting with 9.7% in August 2009 and having a pick of 28% in July 2013). 73.4% of unemployed are long-term unemployed. 30.94% of persons employed in the private sector work with flexible work

contracts receiving an average salary of 389.65€. SMEs employ 68% of the total persons employed.

In May 2017, there was observed the phenomenon of increase of average employment in companies by 2.36%, with a parallel decrease of salaries by 0.06% and of wages by 2.38%. There was also a decrease of the number of companies from 860.000 to 600.000 of which 252.847 have employees (the rest being self-employed).

Out of the total of employees working in companies 22,81% are less of 29 years old and 53,63% less than 39 years old. Men are the 53,14% of persons employed.

In 2017 there was a decrease of productivity of labour by 0,8%.

About 96,9% of companies employ less than 10 employees and 3,1% of companies have 10-249 employees. The services sector has smaller companies than the industrial sector so during the crisis decrease was higher in the industrial sector. Number of SMEs of average-higher technology decreased by 40%.

According to the World Economic Forum, Greece has the 87<sup>th</sup> place out of 137 countries regarding competitiveness.

### **Information and consultation in practice**

There is no diffused information and consultation culture in Greece. To this contributes:

- Legislation, which is complex, fragmented and ever-changing (on the expense of the employee side).
- Transposition of EC Directives related to information and consultation. Presidential Decree 240 transposing the EC Directive 2002/14, does not determine the practical arrangements for exercising the right to information and consultation at the appropriate level, as explicitly requires the Directive Member States to do.
- The general negative attitude of the employer side regarding information and consultation that takes advantage of insufficient legislation and tries to avoid it or substitute consultation with a typical information.
- Consultation is a distinct stage and may not be packed or confused with information.

### **Worker representation**

In Greece there are few only works councils. As a result, not only collective bargaining but also information and consultation are the duty of company-based trade unions.

Information and consultation does not take place in SMEs and in companies with no company-based trade union. In SMEs and companies with no company-based trade union information and consultation do not take place at all. Employees working in companies

where there is a company-based trade union are in practice the only ones who can exercise their right in information and consultation.

### **Arrangements of information and consultation**

In most cases they take place in the company offices and agenda is prepared by the employer side.

Information received is seldom analytical and documented and, in most cases, oral.

Consultation is generally more substantial and more time consuming but justified and documented responses to opinions the trade union expressed remain still not satisfactory.

Experts used are lawyers.

Information of the rest of employees of the companies takes place through a General Assembly.

Measures used to create pressure to the management involve establishing alliances, addressing society, or undertaking trade union actions, such as strikes, threat of strikes and stoppages).

Results of information and consultation procedures influence more management decisions, when information and consultation take place in the right way.

### **Multinational Companies**

EWCs exist for a considerable number of years now.

However, coordination of action at the national and European level, even concerning cases like the closure of plants that have to be discussed in the EWC, does not seem to be an *acquis* up to now. To this may contribute the fact that there may be more than one sites, and the one using information representation to the EWC through a representative working in another site of the group in Greece.

### **Sanctions**

Sanctions are not effective, dissuasive and proportionate as previewed. This is due to various reasons:

- Presidential Decree 240/2006 refers only to fines, instead, Law 4052/12 for EWCs refers to penal sanctions as well.

- The respective Ministerial Decision 2063/11 characterizes the seriousness of the employer offence regarding information and consultation is characterized as “low”.
- The juridical system takes too much time in order to judge a case and issue the respective judgment, which makes it ineffective.

#### **Advice to other trade unionists**

- To ensure unity and solidarity of employees, trade unions and social institutions
- To study the legislation, to know well their rights and the procedure of information and consultation
- To use economic experts additionally to lawyers
- To ask for written information and keep written minutes
- To develop a positive attitude towards information and consultation,
- To further develop their negotiation and consultation skills
- To use all legal means available, including interim measures.

#### **Recommendations**

- Better definition of terms information and consultation
- Better definition what is meant with “proper time for information”
- Preview of sanctions that are effective, dissuasive and proportionate
- Further specification of the Directive and more correct transposition of the Directive into the Greek Law.