



**EUROPEAN COMMITTEE OF SOCIAL RIGHTS  
COMITÉ EUROPÉEN DES DROITS SOCIAUX**

10 October 2014

**Case Document No. 1**

**Greek General Confederation of Labour (GSEE) v. Greece**  
Complaint No.111/2014

**COMPLAINT**

**Registered at the Secretariat on 26 September 2014**



**Γ.Σ.Ε.Ε.**  
ΓΕΝΙΚΗ ΣΥΝΟΜΟΣΠΟΝΔΙΑ ΕΡΓΑΤΩΝ ΕΛΛΑΔΑΣ  
Μέλος της ITUC και της ETUC



**G.S.E.E.**  
GREEK GENERAL CONFEDERATION OF LABOUR  
Affiliated to ITUC and ETUC

Αριθμ. πρωτ. 648.....

Αθήνα 25.9.2014

**To: Department of the European Social Charter  
Directorate General of Human Rights and Rule of Law  
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**Concerns: COMPLAINT presented by the Greek General Confederation of Labour (G.S.E.E), a third-level trade union organization seated in Athens, 69 Patission str., as legally represented**

**AGAINST**

**The Hellenic Republic, which is legally represented by the Greek Government.**

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We submit the complaint herein and ask your Committee to rule that the Hellenic Republic has repeatedly violated the European Social Charter as described in detail below.

Our complaint will focus on key legislative interventions into the labour relations framework of the private sector of the economy that includes organizations and enterprises of the broader public sector, whose operations have been guided by the principles of the private sector economy over the period 2010-2014 and constitute, inter alia, a violation of the European Social Charter (ESC):

The dangerous policy experiment, which began in Greece in May 2010 and is still going on today, aimed at fully eradicating all labour rights won over the last century in the country. To this end, a relentless policy of internal devaluation has

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been forced on Greece by means of wage cuts (only) with earnings falling even below the poverty line, coupled with the sharp decline in workers' living standards and the severe curtailment and disempowerment of the role of their trade union organizations with a view to demolishing every aspect of the collective regulations system that determines wages and employment conditions.

Over the period 2010-2014, successive rounds of legislation<sup>1</sup> have imposed on Greek workers horizontal, permanent austerity measures, which have considerably reduced wages and pensions, pushing them in many cases even below the Fminimum level of a decent standard of living<sup>2</sup>. At the same time, the institution of free collective bargaining, the possibility to conclude collective agreements, a process that has received institutional support for two decades by the subsidiary mechanism of the Mediation and Arbitration Body (OMED) and the parties' right to unilaterally resort to arbitration have been blatantly undermined. Apart from the legislative framework, the process of labour market deregulation in Greece culminated in the dismantling of the uniform protective framework of rules and rights while the prevalence of the most extreme forms of labour flexibility, in fact high levels of uncertainty and job precarity, and the surge of unemployment to record high have dealt the final blow. The devastating effect has been compounded by the institutional downgrading of the Greek Labour Inspectorate (SEPE) both in terms of limited human resources and the necessary means required to fulfill its mandate of labour inspection, at a time in which measures to substantially strengthen the effectiveness of labour inspectorate services are an imperative.

More precisely, under the new legislation:

**1. Law 4024/2011** has radically overhauled labour rights and guarantees both in the private and the public sector. Thus, working conditions have become substantially worse and the right to work, as well as the right to job, have been dramatically affected.

**Additionally, Law 4024/2011 (art.31) has imposed the general abolition of collective labour agreements that set out the terms of pay and work in all enterprises of the wider public sector and has set a wage ceiling notwithstanding previous wage cuts.** After this illegal and unilaterally imposed provision, workers in these enterprises will be ruled from now on by the narrow public sector pay regime, regardless of their entirely different existing pay systems that were defined by the business or/and production level, profitability or general

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<sup>1</sup> (Law 3833/2010 (FEK A' 40/15-3-2010), Law 3845/2010 (FEK A'65/6-5-2010), Law 3846/2010 (FEK A' 66/11-5-2010), Law 3863/2010 (FEK A' 115/15-7-2010), Law 3871/2010 (FEK A' 141/17-8-2010), Law 3891/2010 (FEK A' 4-11-2010), Law 3899/2010 (FEK A' 212/17-12-2010), FEK A' 3920/2011 (FEK A' 33/3-3-2011), Law 4024/2011 (FEK A' 226/27-10-2011), 4046/2012, Ministerial Council Act 6/28-2-2012, Law 4093/2012, etc.)

<sup>2</sup> According to a research conducted by the GSEE/ADEDY Labour Institute (2012), based on 2011 data, Greece recorded in 2010 the second highest poverty rate in the EU15 (21,4%) after Spain. One out of two Greeks are living in the poverty threshold on less than 4.871 euro a year. The percentage of people facing material deprivation increased to 28,4% in 2011 from 21,8% in 2008, while the poverty rate of the unemployed increased to 44,2% in 2010 from 37,9% in 2008.

performance of these enterprises, by workers' occupational or/and educational profile and any specific work conditions (e.g. dangerous or unhealthy work). Collective agreements hitherto in force that have been implemented over the years in the enterprises of the broader public sector and, in particular, in the public utility enterprises listed on the stock exchange, were tailored to their private business and productivity-specific needs and conditions.

Law 3899/2010 has established a new type of collective agreement, the special firm-level agreement (art. 13 of Law 3899/2010), which, in deviation from the protective principle of favorability hitherto in force, take precedence, in case of plurality, over the sectoral collective agreements, even if they contain terms less favourable to the workers. **The shift in the actual level of collective bargaining from the branch to the enterprise level, whereby the employer has the final say, was ratified by Law 4024/2011, art. 37, which abolished the special firm-level agreements, established the legal basis to conclude company-level agreements with less favourable terms than those laid down in sectoral collective agreements and extended the right to conclude them to spurious formations such as the "associations of persons", caricature trade union organizations, which have no real bargaining power. In fact, enterprise-level collective agreements have been used as an instrument enabling drastic reductions in wages and the deterioration of working conditions.**

Moreover, Art. 37 of Law 4024/2011 has suspended/abolished the possibility to extend the scope and binding effect of collective agreements (declared generally binding), which assured sound competition at branch level through the establishment of the uniform wage cost. This abolition can only lead to the full liberalization of the labour market and to establishing a higher degree of wage flexibility –precariousness while the role of wages as a means to protect livelihoods is being undermined. However, it is important to note that, according to official data and the IMF report (July 2014), the Memorandum laws have failed to meet even their stated objectives to boost competitiveness of businesses since not only they have not improved competitiveness, but, on the contrary, have even led to a slowdown.<sup>3</sup>

<sup>3</sup> Our country in 2012 fell to 96<sup>th</sup> place from the 90<sup>th</sup> in 2011 in the overall competitiveness ranking of the World Economic Forum (WEF) according to the WEF Report. Over the last five to six years the country has dropped around 30 places and occupies 96<sup>th</sup> place out of 144 countries covered by the WEF Competitiveness Report. It is worth mentioning that among the southern European countries hit by the crisis, Portugal ranks 49<sup>th</sup> and Spain 36<sup>th</sup>. According to the new WEF report 2014-2015, Greece improved its position in the WEF ranking climbing to 81st place. At the same time, Portugal climbed to 36th and Spain to 35th place while Cyprus ranks in the 58th place. These improvements, however, have not helped at all to deal with the disastrous effects of the implemented policies. Greece's, Spain's, Portugal's and Cyprus deep crisis continues. Nevertheless, if we take as a (groundless) working assumption that this ranking has a use value when it comes to tackling problems, we note that countries with relatively high standards of employment protection legislation, such as Switzerland, Finland and Germany hold the first places. Meanwhile, IMF has acknowledged a new mea culpa, thus deconstructing the Troika recipes implemented in Greece and the rest of the euro area countries where harsh austerity measures were imposed. IMF, in a new report entitled "Adjustment in Euro Area Deficit Countries: Progress, Challenges and Policies" has admitted that fiscal adjustment and wage cuts have affected Greece's productivity and did not boost competitiveness". IMF economists recognized notable failures on the policies implemented in the deficit economies of the Euro area –Greece is among them - admitting that

It should be pointed out that Provisions of art. 31 and 37 of Law 4024/2011 have directly affected the core of constitutionally guaranteed fundamental rights and reversed institutional arrangements enshrined in the Constitution (articles 23, par. 1 and article 22, par. 2) and in a series of international Conventions and Treaties, which by virtue of the Constitution (art.28, par. 1) have overriding legal effect.

The violation of the European Social Charter (ESC) is obvious. Provisions of art. 31 and 37 of Law 4024/2011 have violated article 1 of the European Social Charter (ESC) (States have undertaken to effectively ensure on equal footing full employment), art. 4 (States have undertaken to ensure a decent standard of living), art. 30 (provides the possibility to derogate from their obligations under the European Social Charter in time of war or other public emergency threatening the life of the nation) and art. 31 (provides for the need to ensure effective implementation of the ESC provisions and introduce the necessary restrictions and limitations on protected rights only when they are necessary for the protection of rights and freedoms of others or for the protection of public interest, national security, public health or morals).

Even Art. 3, par. 1 of the 1988 Additional Protocol was violated since the power to conclude company-level collective agreements with less favourable terms than the clauses of the relevant sectoral collective agreements contravenes the objective of the Protocol, namely, the improvement of working conditions. Official data from the Ministry of Labour confirm the rapidly increasing number of enterprise-level collective agreements concluded by "associations of persons", which can negotiate and "agree" on wage cuts and on reducing the level of working conditions. Within the scope of art. 3, par.1 of the 1988 Additional Protocol fall collective agreements reached through collective bargaining between employers and workers' representatives. Collective agreements together with other legislative acts fall under the definition of "national legislation and practice".<sup>4</sup>

**2. In the context of the Ministerial Council Act (hereinafter Act) 6/28-2-2012** issued by virtue of the enabling provision of art. 1, par. 6 of Law 4046/2012, a series of key legislative interventions were imposed, inter alia, both on the from 15-7-2010 National General Collective Agreement in force and on Law 1876/1990 on "Free Collective Bargaining and other provisions".

Specifically, the provisions of the Act:

- a) have imposed wage and salary cuts and wage "freezes", notably, labour issues which used to be regulated by the collective labour agreements and

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Initial expectations about productivity growth turned out overly optimistic. Technocrats point out that although current account balance in the euro area turned into surplus, internal rebalancing in deficit economies like Greece, Ireland, Portugal and Spain has come with subdued activity and very high unemployment, thus making adjustment more difficult. Source: tvxs, 29.7.2014

<sup>4</sup> Decision of the European Committee of Social Rights on the collective complaint No. 65/2011 submitted by GENOP/DEI and ADEDY versus Greece (dissenting opinion of Mr. Petros Stangos)

arbitration awards already in place. As defined in art. 1, par. 1 of Act 6/2012 "From 14-2-2012 and until completion of the fiscal adjustment programme, the daily/monthly minimum wages established by the National General Collective Agreement (NGCA) already in force from 15-7-2010, were slashed by 22% compared to the level of 1 January 2012. From 14-2-2012 and until completion of the fiscal adjustment programme, the daily/monthly minimum wages established by the NGCA already in place since 15-7-2010, were cut by 32% for young workers under 25 years of age as compared to the level of 1 January 2012. The same 32% reduction in the daily/monthly wages of the former sub-paragraph applies to those covered by an apprenticeship contract under par.9, art. 74, Law 3863/2010 (A' 115). Paragraph 8 of article 74 of Law 3863/2010, art. 43 of Law 3986/2011 (A' 152) and any other regulation that is contrary to the provisions of this paragraph, are abolished."

- b) entailed the mandatory (ex lege) expiry of collective agreements and arbitration awards already in force,
- c) have abolished individual fixed-term contracts defined as expiring upon retirement age, which allowed dismissals only on justified grounds (clause of "tenure") as well as clauses imposing restrictions on the employer's termination right whose exercise is harmonized with the general principle of the prohibition of abuse of rights.
- d) after the compulsory (ex lege) expiry of collective agreements and arbitration awards, in the period between May 2012 until, the latest, May 2013, all conditions of work set by previous collective regulations (collective agreement or arbitration award) were abolished. It should be noted that, all conditions of work, under the previous legislation, were incorporated, following the expiry of collective agreements, as simple terms in individual employment contracts (after-effect framework, art. 9, par. 5, law 1876/90). The only exemptions provided for by Act 6/2012 concern the base wage/salary floor and four allowances (seniority, child, studies and hazardous work –when the criteria entitling their payment are fulfilled-). These allowances will continue to apply until modified or replaced by a new collective agreement or individual employment contract. And since it is rather unlikely to reach a collective agreement, the individual employment contract remains the only factor to regulate (through altering, adversely affecting or abolishing) employment terms providing employers with a tool to exercise their power over individual workers. The protective after-effect principle has enabled hard –won terms of pay and work to be progressively built up through a long history and decades of negotiations, unless they are modified by the new collective agreements. It should be added that through the imposed mandatory ex lege expiry of collective agreements and arbitration awards employers are relieved of any binding

obligation they have under collective agreements and arbitration awards. Therefore, the termination of collective agreements and arbitration awards has been transformed from a tool establishing successive collective agreements into a mechanism enabling employers to be released from legally binding commitments and all that as an (inappropriate) means to achieve internal devaluation effected through devastating wage cuts (only).

**Moreover, measures taken under Act 6/2012 were even more painful when compared to previous ones: they have delivered the final blow to the heart of both collective autonomy and the arbitration process. In fact, the self-regulation and protection mechanism as a whole, guaranteed by the Greek Constitution, art. 22, par. 2 has been dismantled.**

Our system, as it worked in practice, has guaranteed the regulation of vital labour issues through both collective agreements and arbitration awards. The provisions under Act 6/2012 are to be seen more as a shift from collective towards individual bargaining level, since, if both sides, workers and employers, fail to reach agreement during negotiations and the labor side cannot compel employers to grant concessions or make a compromise by using the strike weapon, seeking recourse to arbitration does not provide now any specific solution given that the Act has abolished the right to seek arbitration unilaterally. Requests for arbitration are allowed only if both parties consent. Therefore, employers will decline to sign a collective agreement or to agree to take jointly with the worker side recourse to arbitration since the legal gap - resulting from the fact that no collective agreement has been signed or an arbitration award delivered- will be filled by individual bargaining enabling the employer to exercise his power on workers. Meanwhile, according to Law 3899/2010 the arbitration award was severely restricted to ruling only on cases concerning the determination of basic salary or/and daily wage.

**Therefore, Act 6/2012 was not just confined to the intervention in the content and the wage reduction or "freeze" or the elimination of dismissal protection. Moreover, it undertook to dismantle the collective bargaining and arbitration mechanism as a whole. This intervention has reduced workers to passive onlookers in the process of setting terms of pay and work, whose regulation is referred to individual bargaining and individual employment contracts while affecting at the same time the basic trade union tool, namely, collective autonomy and the right to strike. It should be stressed that for all major problems facing workers that constitute demands pursued through strike action, Act 6/2012 has established a whole range of extensive restrictions, in other words, it has rendered all relevant strikes illegal.**

The implementation of Act 6/2012 has had a dramatic effect on the lives of Greek workers. The impact of these measures has meant a sharp drop in living standards while, through the demolition of collective autonomy arising from the abrupt termination of collective agreements in force, the radical changes



introduced in the procedures of mediation and arbitration services (OMED) and in the provisions extending the scope of CLA's application, individual bargaining is openly favored with the employer's bargaining position to prevail. This has completed the dilution of minimum standards for the protection of workers leading to the complete deregulation of the already chaotic situation in the labour market and pushing the country into even deeper recession with high unemployment rates being officially recorded.

The dramatic fall of minimum wages brought about by Act 6/2012 compounded by the excess burden of taxation (direct, indirect and levies) on poverty wages have particularly hit wage and salary earners by effectively scrapping their already depleted income. In this respect, the measures introduced by the said Act have entailed the most dramatic drop in the decent standard of living specified both by the Greek Constitution and the Charter in art. 4, par. 1. Especially, as far as Article 4, par. 1 of the ESC is concerned (States have undertaken to ensure a decent standard of living), we should note that the decent standard of living component has set minimum standards in all types of restrictive legislative measures, even those taken under the exceptional circumstances of the fiscal and debt crisis. The same applies to the decision of the Council of State (plenary session) 668/2012, opinion 35. The court that examined, in the light of the Constitution, the measures introducing the salary and pension cuts of the first Memorandum, did not fail to emphasize that the decent standard of living under article 2, par. 1 of the Greek Constitution on the respect and protection of the value of the human being, establishes limitations beyond which any regulatory action of the legislator cannot go. We should note that while the first Memorandum establishing salary and pension cuts has not infringed these standards according to the 668/2012 decision of the Council of State, thereafter provisions of Ministerial Act 6/2012 introducing reductions by 22% and 32% in the minimum wage set by the national general collective agreement in force at that time, have blatantly violated the poverty line.

Official data from the Ministry of Labour reveal a drastic reduction in the number of collective agreements (concluded inside and outside OMED), a process, which culminated especially during the implementation of the Act (from 29-2-2012 onwards). This precisely sums up the destruction of Greece's collective bargaining structures, which were guaranteed by Law 1876/90 and safeguarded by the (subsidiary) arbitration services of OMED. Despite the reduction in the number of collective agreements (sectoral and professional), as a result of the new legislation endorsed (Act 6/2012), there has been an unprecedented surge in the number of firm-level agreements with the collective bargaining system shifting from the "branch" to the "enterprise" level where employers are in a dominant position or gain bargaining power advantages. As seen above, the provisions of Law 4024/2011, art. 37, stipulate that, in case of concurrent implementation of collective agreements, firm-level agreements shall prevail over sectoral even if they include less favourable terms of work than those stipulated in

sectoral agreements. The only restriction imposed is that enterprise-level agreements are not allowed to set terms of work that are less favourable than those stipulated in the National General Collective Agreements. Official data<sup>5</sup> confirm the tremendous rise in the number of firm-level agreements while with regard to the terms and conditions of pay set by those agreements evidence indicates that, in their great majority, they lead to wage cuts. It is also worth noting that, according to data, the large majority of enterprise-level agreements were concluded between employers and associations of persons. These associations of persons are spurious formations, in fact, mere "caricature" trade union organizations, established by Law 1876/1990, art. 3, par. 5 as replaced by art. 31, par. 1 of Law 4024/2011 and composed by at least three-fifths 3/5 of the employees in the enterprise. If the prerequisite for the participation of three-fifths 3/5 of the people employed in the enterprise has ceased to exist, the association is dissolved whereas, since the representatives of such an association of persons do not enjoy any trade union rights or the protection available to other trade union members, they are more likely to be influenced and controlled by the employer. The sharp rise in the number of enterprise-level collective agreements concluded by "associations of persons" confirms, among other things, that these caricature trade union organizations are simply pawns of the employer during negotiations at enterprise level, thus, facilitating the conclusion of collective agreements allowing for wage cuts at sectoral level. This would constitute an immense encroachment on trade union freedom since the creation of associations of persons seriously undermines the role of genuine trade union organizations. The basic concept behind a trade union organization is that of its power to effectively protect and promote the interests of its members. Associations of persons are set up in very small enterprises where a trade union organization could not be established given that a minimum of 20 persons are needed to form a trade union. Associations of persons are created in very small enterprises, even in enterprises with 5 employees, hence, one can easily see that in such small-sized businesses trade unions have no bargaining power at all. It should be added that the associations of persons are now granted by Law (1876/90, article 3, par. 5, as currently in force after being replaced by Law 4024/2011 par.37) the capacity to conclude firm-level collective agreements having priority over branch trade unions, hence, the presumably strong trade union organization is excluded from collective bargaining at enterprise level.

In this respect, workers' freedom, intention and need to join and be members of a trade union have also been affected since such "trade unions" have no considerable bargaining power while playing a shady role in safeguarding and promoting workers' economic, labour and social security interests.

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<sup>5</sup> Papadimitriou K. and Ch. Ioannou. 2013. "Collective Bargaining In Greece In 2011 and 2012. Tendencies, Ruptures and Prospects", April. Athens: OMED  
[http://www.omed.gr/el/index.php?module=announce&ANN\\_user\\_op=view&ANN\\_id=215](http://www.omed.gr/el/index.php?module=announce&ANN_user_op=view&ANN_id=215)

The implementation of the legislative framework cited above is depicting the profound adverse changes brought about in a system, which –through its internal balance- has guaranteed the conclusion of collective agreements contracted through the process of free collective bargaining and in case of the failure of such, by the subsidiary arbitration mechanism (OMED) supporting and guaranteeing the collective autonomy of the parties.

Recently, the Plenary Session of the Council of State announced its long delayed ruling no. 2307/2014 declaring admissible the GSEE application for annulment. The Court annulled as unconstitutional the provisions of Ministerial Act 6/2012 that abolished the right of the parties to unilaterally resort to arbitration and restricted the scope of arbitration to ruling only on basic salary or/and daily wage determination while prohibiting the regulation of all non-wage provisions, even of clauses maintaining these provisions in force (retainability clauses). The Supreme Court ruled that article 3, par. 1 of the Ministerial Act 6/2012, which allows requests for arbitration only if both parties consent, is incompatible with article 22, par. 2 of the Greek Constitution. In accordance with the decision of the Council of State, the letter and spirit of this constitutional provision require the legislature to establish an arbitration system as subsidiary bargaining. The activation of this process does not require the consent by both parties of the collective dispute, but, by virtue of the same constitutional provision, the consent of at least one party is sufficient.

The Court also ruled that the restriction of the arbitration competence range to ruling only on basic salary or/and daily wage matters (article 3, par. 2) also infringes article 22, par. 2 of the Constitution, which, in the most explicit words, leaves no room for exclusion of a significant part of the collective dispute process from the regulatory power of the arbitrator. The same reasoning that requires the legislature, according to the court decision, to provide for the unilateral recourse to arbitration, considers necessary to safeguard the possibility for the party involved to have recourse to arbitration on the sum of the collective dispute items so that other important aspects and issues of the collective labour dispute are not left without regulation. Otherwise, the Council of State Plenum rejected as groundless all other claims submitted by the GSEE appeal against the rest of the provisions of Act 6/2012 and are analyzed in our complaint.

Based on the grounds indicated in our complaint, Act 6/2012 manifestly violates, *inter alia*, article 1 of the European Social Charter (ESC) ( States have undertaken to effectively ensure on equal footing full employment), article 2 (States have undertaken to ensure just conditions of work), article 4 ( States have undertaken to ensure a decent standard of living), article 7 (States have undertaken to ensure the protection of employed children and young persons), article 3, par. 1 of the 1988 Additional Protocol (the right of workers to take part in the determination and improvement of their working conditions and

work organization is undermined), article 30 (provides the possibility to derogate from their obligations under the European Social Charter in time of war or other public emergency threatening the life of the nation) and article 31 (provides for the need to ensure effective implementation of the ESC provisions and introduce the necessary restrictions and limitations on protected rights only when they are necessary for the protection of rights and freedoms of others or for the protection of public interest, national security, public health or morals).

### 3. A 32% cut to the minimum wage for all workers under 25 years of age

Furthermore, the discrimination against young workers under 25 years of age with a 32% reduction in their minimum wage as provided for by art. 1, par. 2 of the Act, violates, inter alia, article 4, par. 1 of ESC according to the decision of the European Committee of Social Rights. In examining the collective complaint No 66/2011 of the trade union organizations GENOP/DEI and ADEDY, in particular, the issue of discrimination on grounds of age due to the wage cut for young workers, the Committee concluded that the reduction of the minimum wage for young workers under 25 years of age by 32% is disproportionate to the aim in view since wages will fall below the poverty line, therefore, it violates art. 4, par. 1 of the Charter. In addition, the Committee concluded that the provisions excluding young workers in this age group, through apprenticeship contracts, from the scope of labour legislation with regard to granting annual leave, are also violating the Charter.

The drastic reduction by 32% of the minimum wage of young workers violates also the principle of equal pay while, in this case, the invocation of the general social or public interest cannot legitimize the imposition of measures establishing unfair treatment in terms of pay and, consequently, in terms of social security protection, which could hypothetically improve the chances of young people to find a job. Moreover, the reduction already applied by virtue of prior legislation, up to 20% of the minimum wage for young persons under 25 years of age has neither led to unemployment reduction nor increased their employment rates on account of the generalized reduction of workers' wages and salaries and the use of flexible forms of employment in the labour market. Stiff competition between different age groups has eliminated the last bastion of protection secured by labour law. The implementation of Act 6/2012 has severely affected the system of collective bargaining in the country. The vicious circle of unemployment and erosion of the minimum protection standards is sweeping decent work prospects for young people. According to the recent data published by the Greek Statistical Authority (EL.STAT) youth unemployment rate rose to over 57.9% in October 2013. Hence, art. 1, par. 2 of Act 6/2012, which leads directly to large wage differentials among young people under 25 years of age as compared to their older colleagues, entails the breach of principle of equal pay. The European Social Charter (article 4) protects the right to equal and fair

remuneration such as will give all workers a decent standard of living and obliges States not to authorize violations and refrain from introducing unequal treatment in the statutory terms of pay and work such as establishing discrimination on grounds of age. The latter would be objectively justified only by the legitimate aim of protecting these vulnerable age groups and not reducing the minimum protection level granted by law. In this context, discrimination based on purely **fortuitous, irrelevant or short-term factors**, which, in any event, are not related to substantial differentiations of individual cases, cannot be tolerated.

In the present case, it is self-evident that discrimination arises from unjustified and random differential treatment of workers, who are discriminated against on grounds of their age- a conjunctural factor and of purely formal character- and not in connection with the nature of job and the quality and quantity of the work they carry out.

The deregulation of the existing protective institutional framework on young persons up to 25 years of age and the lack of compensatory measures and guarantees for the protection of young workers (e.g. from hazardous professions and abusive practices) in combination with the lack of an effective control and inspection mechanism, has, in addition to the drastic reduction of their wages, multiple spill-over onerous side-effects to the detriment of the new entrants in the labour market rendering them more vulnerable to economic exploitation and, therefore, to social marginalization. In this respect, the foregoing is in violation of article 7 of ESC (States have undertaken to ensure the protection of employed children and young persons).

#### 4. A. Specifically, under Law 4093/2012:

- a new system of minimum wage-setting enacted on 1-4-2013 was established,
- after replacing art. 8, par. 1 of Law 1876/90, the National General Collective Agreements determine non-wage issues applying to all employees across the country. They can also address wage-related issues, basic wages and allowances (e.g. marriage allowance) that cannot be less than those stipulated by state provisions and are binding only for employees of enterprises affiliated to the signatory employer organizations.
- the minimum wage for all white-collar workers over 25 years is set at 586,08 euro while the basic daily wage for blue-collar workers over 25 years is 26,18' euro. For white-collar workers under 25 years of age basic wage is 510,95 while for blue-collar workers under 25 years of age the basic daily wage is set at 22,83 euros,

- This minimum wage may be increased only through reduced seniority allowances granted every 3 years (with the marriage allowance being abolished). Nevertheless, age discrimination against workers has been maintained.

In particular:

- The minimum wage for white-collar workers over 25 years of age increases by 10% for every 3 years of seniority and up to 3 three years of seniority (30% overall) for 9 years of prior service and over
- The minimum wage for blue-collar workers over 25 years old increases by 5% for every 3 years of seniority and up to 6 three years of seniority (30% overall) for 18 years of prior service and over
- The minimum wage for white-collar workers under 25 years of age increases by 10% for 1 three years of service for three years of prior service and over
- The minimum wage for blue-collar workers under 25 years old increases by 5% for every 3 years of service up to 2 three years (10% overall) for a prior service of 6 years and over
- Pay increases based on seniority are granted to workers with seniority within different employers and irrespective of their occupational category, for blue-collar workers after reaching 18 years of age and for white-collar workers after reaching 19 years of age and are payable for service completed until 14 February 2012
- It is further provided that until the unemployment rate falls below 10% the increase of the statutory minimum salary and wage fixed by law for prior service (seniority) completed after 14 February 2012 is suspended.

This unprecedented intervention in collective autonomy through the adoption of the said Law regulating the statutory minimum wage legislated by the State has violently deprived trade unions (even high-level trade union organizations) of the power to set standards of payment and work, which are now left to the state legislator to regulate. This results in breach of article 22, par. 2 of the Constitution on the subsidiarity of state regulation. The legislator enjoys essentially a predominant role in setting the minimum wage since most important trade union organizations are substantially disempowered by depriving them of the means to conclude the national general collective agreement.

The possibility to set, through the NGCA, higher minimum wage levels than those determined by law, which, however, are not universally binding and applicable and will commit only members of the signatory parties, annihilates ab initio any solid basis for social partners to engage in the collective bargaining process. In this light, the employers' organization that will finally accept to sign

such a NGCA, must face the risk that its member organizations could leave and opt-out from the binding effect of the NGCA in question.

Legislation introduced by Law 4093/2012 fully diminishes the role and the function of the NGCA in ensuring a minimum general protection level with binding effect on all workers who are not subject to any other more favourable regulation. The institutional role and standing of the Greek General Confederation of Labour (GSEE), as the supreme trade union organization, is, therefore, undermined since the main expression of collective autonomy, namely, the conclusion of the NGCA, is null and void.

Furthermore, the above-mentioned regulations continue to discriminate against young people under 25 years of age (notably, by means of the increases granted every 3 years of service).

The above mentioned provisions of Law 4093/2012 violate, *inter alia*, the European Social Charter (ESC) and in particular the following articles:

- article 1 (States have undertaken to effectively ensure on equal footing full employment),
- article 2 (States have undertaken to effectively ensure just conditions of work),
- article 4 (States have undertaken to ensure a decent standard of living),
- article 7 (States have undertaken to ensure the protection of employed children and young persons),
- article 3, par. 1 of the Additional 1988 Protocol (right of workers to take part in the determination and improvement of their working conditions),
- article 30 (possibility to derogate from the ESC regulations only in time of war or other public emergency threatening the life of the nation),
- article 31 (need to ensure effective implementation of the ESC provisions and introduction of the necessary restrictions and limitations on protected rights only when they necessary for the protection of rights and freedoms of others or for the protection of public interest, national security, public health or morals).

**4.B. Furthermore, Law 4093/2012 has amended the provisions on the determination of the amount of severance pay of employees with dependent employment contracts of indefinite duration**

The Law:

- reduces the period of notice by setting a maximum notice period of 4 months instead of 6 months,

- for an employee with up to 16 years of seniority, severance pay is equal to the salaries of 12 months (the 12-month ceiling remained unchanged even in the event of dismissals occurred after publication of the Law. Employees with seniority of more than 17-25 years with the same employer upon the publication of Law, receive for every year of this prior service one additional salary,
- It should be emphasized that these additional salaries are calculated on the basis of the regular salary of last month under full-time employment, which does not exceed 2000 euro.

Employees with more than 17 years of completed service with the same employer are entitled, pursuant to the said Law, to additional severance pay, beyond that provided for in the preceding paragraph, regardless of the termination date of their contracts, subject, however, to a ceiling of 2.000 euro. Shorter notice periods as well as the drastic wage cuts that were unlawfully imposed on the grounds detailed in our complaint entail a further reduction in severance payments. As a result of the cumulative effect of the legislative measures at issue here, severance payments suffered a 5-fold reduction when compared to the provisions applicable before the adoption of the said legislative framework.

**The provisions introduced by the said Law that substantially infringe article 4, par. 1, 3 and 4 of the ESC, have the following consequences:**

- A significant part of the risk of job loss is passed on to the worker given that severance pay intends to mitigate the effects of dismissals and secure livelihood support of the employees until they find another job. Moreover, severance payments are wages in a broad sense (*lato sensu*), in other words, they are a form of accrued income that increases proportionally with job tenure in an enterprise. In this respect, wages, in the broader sense, have also been affected by the legislative measures in question. Severance pay reductions combined with the situation in the labour market and high unemployment rates not only are unjustified but also fail to serve the purposes of the regulation,
- In breach of the principle of equal pay, “multi- speed” workers have emerged in the labour market depending on the wholly fortuitous criterion of the date of hire. Employees hired from now on as well as those at work who, however, have not completed 16 years of service with the same employer, will receive reduced severance pay with a 12-month salary ceiling. Employees who have completed 17-28 years of service, upon the publication of Law 4093/2012, will be entitled for each additional year of service to one (1) salary with a 2.000 euro ceiling.

**4.C. Law 4093/2012 has introduced, Inter alia, serious changes in working time arrangements.**



Working time arrangements are necessarily correlated with health and safety at work regulated both by national and Community law. Directives 93/104/EC and 2000/34 have been transposed and embodied in national law by Presidential Decree 88/1999, which was then amended by Presidential Decree 76/2005. Greek legislation has taken advantage of the potential of the favourability principle conferred by Community law and has defined minimum daily rest periods of 12 hours instead 11 specified by the Directive.

**Provisions of Law 4093/2012:**

- decoupled shops opening hours from the working hours of their staff,
- opened up the possibility to deviate from the 5-day working week for employees in shops by means of collective labour agreements through working time arrangements on weekly basis,
- reduced the minimum daily rest period from 12 to 11 hours,
- gave the possibility to enterprises employing regular and seasonal staff to provide, in cases of work overload, a part of the annual leave (10 working days) for employees working 5 days a week and (12 working days) for those working 6 days a week at any date within the same calendar year,
- abolished pay for Saturday work (30%).

The provisions of the said Law have significantly reduced the protection level of workers with direct impacts, especially, on workers' health and safety. More precisely, the right to 5-days working week enshrined in the Acquis Communautaire, has been violated. The reduction in the minimum daily rest period to 11 hours and subsequently in workers' leisure time has adverse effects on health and safety at work while working time arrangements within such a short time span (weekly) has led to increasing work intensification. These provisions have infringed article 2 of ESC on fair and just working conditions.

**5. Dismissal of workers employed for a period up to one (1) year without notice and without severance pay**

Law 3899/2010 (article 17, par. 5) stipulates that "employment contracts of indefinite duration are considered probationary employment period for the first 12 months from the date of entry into force, which can be terminated without notice and severance pay unless otherwise agreed by the parties".

This excessively prolonged probationary period (12 months instead of 2 months hitherto in force) most obviously aims to circumvent the rules on the termination of an employment contract, thus, releasing employers from the obligation to pay the statutory severance payment by facilitating dismissals within the first 12 months and replacing dismissed workers by others, etc. This is confirmed by the legislator's intention in enacting Law 4093/2012, which

stipulates (subpar. IA.12.1) that “ *the termination of the employment contract of indefinite duration of a private sector employee exceeding 12 months cannot occur without prior written notice from the employer.....*”. As it is clearly indicated in the 24<sup>th</sup> Greek Report (November 2012), Law 4093/2012 “*aims to promote flexibility in the labour market with a view to improving competitiveness of enterprises and removing barriers to workers’ mobility.....*”.

The European Social Charter recognizes in article 4, par. 4 the right of all workers to a reasonable period of notice for termination of employment, with the duration of notice period not being fixed. Therefore, it should be explored on a case by case basis whether sufficient notice is given.

The Committee, taking into consideration the collective complaint No 65/2011 of the trade union organizations ADEDY and GENOP/DEI against Greece, examined whether the extension of the probationary period (during which dismissals are free) is violating the Charter.

The Committee concluded, in accordance with its case-law as regards the said provision, that it is legitimate for the concept of probationary period to apply to enable employers to check the qualifications of the employees they hire, however, the concept should not be so broadly interpreted that guarantees concerning notice and severance pay are rendered ineffective. In this context, the Committee confirmed that there has been a violation of Article 4, par. 4 of the Charter and concluded that the right of all workers to a reasonable period of notice for termination of employment applies to all categories of employees, independently of their status/grade, including those employed on a non-standard basis. It also applies during the probationary period. National law must be broad enough to ensure that no workers are left unprotected. The main purpose of giving a reasonable notice is to allow the person concerned a certain time to look for other work before his or her current employment ends, while he or she is still receiving wages. In this respect, the less than one month’s period of notice is not in conformity with the Charter.

The repeated non-compliance by the Greek legislator with the obligations under article 4, par. 4 of the Charter is asserted by the fact that Law 4093/2012 was adopted after the above decision of the Committee concluding non-conformity was made public.

#### **6. Meanwhile, Law 4254/2014 provides, inter alia, the following:**

- a provision was added to Law 4093/2012 stipulating that for the registered unemployed with the national unemployment office, over 25 years old, who have been continuously unemployed for over 12 months (long-term unemployment) and are hired as white-collar workers, the minimum wage

is increased by 5% for each 3 years of service and 15% overall for 9 years of seniority and over (namely, the increase by 10% for 3-year seniority of white-collar workers and up to 3 three years as well as the increase by 5% and up to 6 three years for blue-collar workers is abolished). Recent Law 4254/2014 discriminates anew even against persons of the same age group (over the age of 25) at the expense of the long-term unemployed, thus, dealing a blow (reduction) in the minimum statutory wage, through curtailing increases granted every three years of service. In this way, workers are categorized according to the statutory wage cost while employers have the possibility to get the most out of a "dirty" competition among workers' groups.

- It was provided that the State will determine as of 1-1-2017 the statutory minimum wage by means of abolishing increases due to seniority (seniority allowances granted every 3 years) since it has been stipulated that the minimum wage "is taken as the only reference value (amount)".
- Changes have been brought about in the conditions of temporary employment, which tends to become a lasting phenomenon since the law has facilitated greater use of temporary contracts compared to what was already in place. In particular:
  - A) The current framework of restrictions and prohibitions on the employment of workers with an indirect employer in conditions of temporary agency work encompasses also the case (Law 4052/2012, article 116, par. b) where " the indirect employer had dismissed workers of the same occupational category during the last 6 months for economic and technical reasons or undertook collective dismissals in the same occupation during the last 12 months". Law 4254/2014 restricts the time period from 6 to 3 months for individual redundancies, a change, which removes the prohibition on the use of temporary workers for enterprises dismissing employees for economic and technical reasons or undertaking collective dismissals after 3 months have elapsed since the dismissals took place.
  - B) The current framework of restrictions and prohibitions on the employment of workers with an indirect employer in conditions of temporary agency work includes also the case (Law 4052/2012, article 116, par. e) where "blue-collar building workers are subject to the special provisions concerning the insurance of construction workers". The draft law restricts the said prohibition since it provides for exemptions (from the prohibition) that apply in the case of blue-collar construction workers employed in projects with an initial budget of more than 10.000.000 euros that are financed or co-financed from national sources and carried out by subcontracting or public works concession on behalf of the State, legal

entities of public law, local authorities of first and second grade, public, municipal and community enterprises of public utility and, in general, enterprises and organizations of the broader public sector. Therefore, blue-collar construction workers are allowed to work to all the above-mentioned work projects in conditions of temporary agency work.

C) Paragraph 3 of article 122 of Law 4052/2012, which provided that "temporary work is allowed with an indirect employer only for certain reasons justified by temporary, seasonal or exceptional needs" is abolished. This abolition extends the temporary employment regime given that the placement of a worker with an indirect employer will now be able to cover also permanent, fixed and constant needs of the enterprise in breach of the 70/199 Community Directive that prohibits the abuse of fixed-term contracts and requires specific justification for the establishment of a fixed-term contract.

D) Paragraph 1 of article 124 of Law 4052/2012 is replaced while no specific reason for the worker's assignment is required to be mentioned in the mandatory content of the employment contract concluded between the temporary work agency (TWA) (direct employer) and the worker. This is compounded by the previous change in legislation, namely the fact that the placement of a worker with an indirect employer is permitted for all types of needs. Moreover, workers who are not employed with an indirect employer, cannot be paid less than the wages set by the statutory minimum salary and wage fixed by law, instead of the current applicable pay levels set by the EGSSE.

E) Par. 3 of article 124 of Law 4052/2012 is replaced while no specific reason for the worker's assignment is required to be mentioned in the mandatory content of the employment contract concluded between the temporary work agency (TWA) and the worker.

The above regulatory provisions of Law 4254/2014, which have widened the grounds for "trafficking of human beings" by means of "lending" workers, violate, inter alia, the European Social Charter (ESC) and in particular the following articles:

- article 1 (States have undertaken to effectively ensure on equal footing full employment),
- article 2 (States have undertaken to effectively ensure just conditions of work),
- article 4 (States have undertaken to ensure a decent standard of living),
- article 3, par. 1 of the Additional 1988 Protocol (right of workers to take part in the determination and improvement of their working conditions),

- article 30 (possibility to derogate from the ESC regulations only in time of war or other public emergency threatening the life of the nation),
- article 31 (need to ensure effective implementation of the ESC provisions and introduction of the necessary restrictions and limitations on protected rights only when they are necessary for the protection of rights and freedoms of others or for the protection of public interest, national security, public health or morals).

### 7. Violation of the principle of proportionality

The measures set out in this complaint violate, inter alia, the principle of proportionality *lato* and *stricto* sensu, since they were unnecessary and ineffective in dealing with major existing problems. Based upon the above analysis, it is concluded that these measures violate the principle of proportionality since they have exacerbated problems (recession, unemployment, public revenues, mass poverty) while even if we take as a working assumption that the measures were necessary, their devastating effects are disproportionate to their objective.

### B. Your Committee's decision of 3.7.2013 on the collective complaint no. 85/2012 of the Swedish Trade Union Confederation (LO) and the Swedish Confederation of Professional Employees (TCO) v. Sweden

Your Committee's decision of 3.7.2013 on the collective complaint no. 85/2012 of the Swedish Trade Union Confederation (LO) and the Swedish Confederation of Professional Employees (TCO) v. Sweden is fundamental to the protection of trade union rights by the ESC. Your Committee ruled that even national regulations established in conformity with the European Union Law are subject to a conformity checking procedure by the Committee with the ESC provisions. Hence, the Committee has concluded that "taken together, the Swedish legislative framework 'do[es] not promote the development of suitable machinery for voluntary negotiations between employers and workers' organizations with a view to the regulation of terms and conditions of employment by means of collective agreements', and is therefore in contravention of Article 652 of the Charter (Decision, 49). The Committee also held that 'national legislation which prevents a priori the exercise of the right to collective action, or permits the exercise of this right only in so far as it is necessary to obtain given minimum working standards would not be in conformity with Article 654 of the Charter, as it would infringe the fundamental right of workers and trade unions to engage in collective action for the protection of economic and social interests of the workers.' (Decision, 50)<sup>6</sup>.

<sup>6</sup> Following the reasoning of the Committee: «48. As regards the right to strike, the ECtHR held that: "[T]he essence of a voluntary system of collective bargaining is that it must be possible for a trade union which is not recognised by an employer to take steps including, if necessary, organising industrial action, with a view to persuading the employer to enter into collective bargaining with it on those issues which the union believes are important for its members' interests" (cf. § 46).

**Therefore, according to your Committee's decision, respect for and protection of trade union rights in the framework of ESC is binding upon national legislators transposing EU law into domestic law. Subsequently, neither the Hellenic Republic is excluded from such a checking procedure by your Committee, which legislated at the behest, inter alia, of the European Union and the European Central Bank in a manner and with a content that harm the very core of trade union rights as described in detail in our complaint.**

As regards the Committee assessing the conformity of the legislative measures taken by the Member State with the E.U Law, the same decision reads as follows, inter alia:

«72. With respect to the relevance, from the point of view of the Charter, of any legally binding measures adopted by the institutions of the EU within the framework of EU law, the Committee recalls that:

- Gustafsson v. Sweden - Application No. 15573/89, judgment of 25 April 1996  
49. In this judgment, the ECtHR held that: "Article 11 (...) of the Convention does not as such guarantee a right not to enter into a collective agreement (...). The positive obligation incumbent on the State under Article 11 (...), including the aspect of protection of personal opinion, may well extend to treatment connected with the operation of a collective-bargaining system, but only where such treatment impinges on freedom of association. Compulsion which (...) does not significantly affect the enjoyment of that freedom, even if it causes economic damage, cannot give rise to any positive obligation under Article 11 (...)."  
- Swedish Engine Drivers' Union v. Sweden - Application No. 5614/72, judgment of 6 February 1976  
50. The ECtHR held that "Article 11 (...) does not secure any particular treatment of trade unions, or their members, by the State, such as the right that the State should conclude any given collective agreement with them. Not only is this latter right  
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not mentioned in Article 11 para. 1 (...), but neither can it be said that all the Contracting States incorporate it in their national law or practice, or that it is indispensable for the effective enjoyment of trade union freedom. It is thus not an element necessarily inherent in a right guaranteed by the Convention".  
51. More specifically, as regards the European Social Charter, the ECtHR held that "(...) trade union matters are dealt with in detail in another Convention, also drawn up within the framework of the Council of Europe, namely the Social Charter of 18 October 1961. Under Article 6 para. 2 of the Charter, the Contracting States 'undertake ... to promote, where necessary and appropriate, machinery for voluntary negotiations between employers or employers' organisations and workers' organisations, with a view to the regulation of terms and conditions of employment by means of collective agreements'. [T]he Charter thus affirms the voluntary nature of collective bargaining and collective agreements. The prudence of the wording of Article 6 para. 2 demonstrates that the Charter does not provide for a real right to have any such agreement concluded, even assuming that the negotiations disclose no disagreement on the issue to be settled. Besides, Article 20 permits a ratifying State not to accept the undertaking in Article 6 para. 2. Thus, it cannot be supposed that such a right derives by implication from Article 11 para. 1 (...) of the 1950 Convention, which incidentally would amount to admitting that the 1961 Charter took a retrograde step in this domain".  
- Schmidt and Dahlström v. Sweden».

It is ultimately for the Committee to assess compliance of a national situation with the Charter, including when the transposition of a European Union directive into domestic law may affect the proper implementation of the Charter” (see *Confederation Generale du Travail CGT v. France*, Complaint No. 55/2009, decision on the merits of 23 June 2010, §§32 and 33).

73. The Committee considers that the same principle is applicable – *mutatis mutandis* – to national provisions based on preliminary rulings given by the CJEU on the basis of Article 267 of the Treaty on the functioning of the European Union, as that given with respect to the *Laval* case (see paragraph 8 above). This means that it is ultimately for the Committee to assess compliance of a national situation with the Charter, including when legislative changes, which have been introduced into domestic law to comply with preliminary rulings given by the CJEU, may affect the implementation of the Charter».

As regards the interpretation framework, the Committee accepted by this decision that:

«26. As regards the interpretation framework, the ETUC recalls that in *International Federation of Human Rights Leagues (FIDH) v. France*, Complaint No. 14/2003, Decision on the merits of 8 September 2004, §26, “the Committee stated that when it has to interpret the Charter, it does so on the basis of [Article 31§1] of the 1969 Vienna Convention on the Law of Treaties”. The ETUC considers that the consequence of this statement is that the Charter has to be interpreted in harmony with its context, object and purpose; other rules of international law; the specific Charter-related principles

27. Therefore, the ETUC considers that the Charter must be interpreted a) so as to give life and meaning to fundamental social rights, which are human rights, and, according to the teleological approach, to realise the aim and achieve the object of the treaty, not that would restrict to the greatest possible degree the obligations undertaken by the Parties; b) in line with international standards and the respective case-law of the competent bodies providing a minimum level of protection. However, the ETUC also considers that nothing should and, indeed, does not prevent the Committee from going beyond this minimum level taking into account the specific Charters’ standards, bearing in mind that European standards should in principle contain a higher level of protection than international standards. Moreover, the ETUC is of the view that the principles of social progress and non-regression should be applied».

And the Committee concludes:

«120. However, the Committee considers that national legislation which prevents a priori the exercise of the right to collective action, or

permits the exercise of this right only in so far as it is necessary to obtain given minimum working standards would not be in conformity with Article 6§4 of the Charter, as it would infringe the fundamental right of workers and trade unions to engage in collective action for the protection of economic and social interests of the workers. In this context, within the system of values, principles and fundamental rights embodied in the Charter, the right to collective bargaining and collective action is essential in ensuring the autonomy of trade unions and protecting the employment conditions of workers: if the substance of this right is to be respected, trade unions must be allowed to strive for the improvement of existing living and working conditions of workers, and its scope should not be limited by legislation to the attainment of minimum conditions».

### **9. Legitimate interest of our organization**

We submit the complaint herein in our capacity as trade union organization by virtue of Law 1264/1982 on grounds of a clear, present and direct legitimate interest in accordance with the aforementioned and as indicated below:

The complainant GSEE, which is a third-level trade union organization founded in 1918, was granted legal personality by decision no. 2959/1918 of the Court of First Instance of Piraeus entering in the register of Trade Unions of the same Court, no. 148, 663/1918, operates to date according to its statutes as amended by Law 1264/1982. The last amendment of the GSEE statutes was approved by decision no. 1888/2003 of the Court of First Instance of Athens.

GSEE, as the foremost representative central trade union organization, represents - through its affiliated members - all wage and salary earners of our country (workers on dependent employment relationship as laid down by article 1 of Law 1264/1982).

Pursuant to articles 2 and 7 par. 1 of our statutes and article 7 of Law 1264/1982, GSEE members are second-level trade union organizations, namely, branch Federations and Regional Labour Centres. Primary trade unions, which affiliate workers on a dependent employment relationship in accordance with article 1 of Law 1264/1982, are entitled to apply for affiliation with the second-level trade union organizations. Our Confederation has 81 Regional Labour Centers and 73 branch Federations as affiliated members, which represent all workers nationwide.

Our legitimate interest to submit this application for annulment is clear since, pursuant to par. 3, article 4 of Law 1264/1982, " for the attainment of their objectives trade union organizations are entitled, inter alia, to: report to



administrative and other authorities on any matter relating to their goals, membership, labour and professional relations, in general, and the interests of their members, β) denounce and take to administrative and judicial authorities cases for violation of social security and labour law and breaches of rules and regulations that affect them as such or their members".

Additionally, in accordance with par. 2, article 3 of the GSEE statutes, one of the GSEE's goals is, inter alia: " the continuous effort to widen the "labour" share of national income in order to progressively eliminate the unequal distribution of the products of social labour" and in par. 3 of the same article: "the sustained effort to improve workers' socio-economic status, raise educational attainment and their cultural level, consolidate Democracy and defend national independence". One of the main principles that GSEE embodies, according to par. 5 of the same article, is to: " ensure full employment for all workers, a freely chosen employment, personal safety, an integrated social security system, free bargaining of terms and conditions of work with a view to reaching social justice ideals, with ultimate objective to abolish exploitation of man by man". Moreover, article 4, par. 2, 3 and 4 of the GSEE statutes lays down that the Confederation has, more specifically, the task of: "coordinating the activities of its affiliated members with a view to protecting moral, economic, social, cultural, trade union, social security, class, labour and professional interests", "representing the working people of our country and their trade union organizations on all issues of educational, technical, social security, administrative, economic, cultural, democratic and social concern" as regards the improvement of conditions of work and life of the working people" as well as "representing trade unions in collective Administrative, Supervisory bodies and Social Policy and Social Security institutions, in Arbitration bodies, in the conclusion of all forms of collective labour agreements and, furthermore, in providing assistance to its member organizations to fulfil their goals".

The main expression of trade union freedom and collective autonomy is the conclusion of collective labour agreements as well as the respect for and implementation of the said agreements by the signatory parties. The GSEE together with the employers' organizations, SEV (Hellenic Federation of Enterprises and Industries), GSEVEE (Hellenic Confederation of Professionals, Craftsmen and Merchants) , ESEE (National Confederation of Hellenic Commerce) and SETE (Association of Greek Tourism Enterprises), is signatory party to the conclusion of the National General Collective Labour Agreement (EGSSE), which constitutes an institutional instrument of regulating terms and conditions of employment on the basis of free collective bargaining between the leading workers' and employers' organizations.

The institutional and political influence of EGSSE springs from its legally binding nature and the collective agreements signed under Law 1876/90, which cover all employment relationships in the broader public and private sectors,

including the public services, for workers with dependent employment contracts. In addition, all EGSEs serve as a pilot agreement for all types of collective agreements whose content they influence directly.

It follows from the above analysis that the **fore-mentioned regulations in their entirety violate our legitimate rights and interests** as laid down by the GSEE Statutes and Law 1264/1982, as well as the rights and interests of our direct and indirect members and through them those of all the working people we represent. The above-mentioned legislation provides for unprecedented interventions affecting the content and the binding force of the National General Collective Agreement and, in general, of the collective agreements signed by our members and their affiliated unions. The impact of this new legal framework is essential both to the wage-setting process and to the employment protection legislation and has dramatic effects on all the working people of our country, whom we represent as the central trade union organization.

At the same time, the above-mentioned regulations undermine the institutional trade union role and standing of our organization and our affiliated members since they have a detrimental impact on the main expression of our collective action and function, namely, the conclusion of a collective labour agreement and its implementation by the parties falling within its scope.

The Greek Government has violently overhauled the industrial relations system at the expense of workers through successive rounds of unconstitutional legislative measures, many of which do not fulfill even the minimum guarantees of democratic and parliamentary legitimacy since they are adopted in the Parliament under fast track procedures or legislated by the executive without any sufficient due cause.

The Greek government has not sought to initiate a process of substantial social dialogue in the light of the alternatives repeatedly proposed and the positions taken by the GSEE on the social dimension of the sustainable measures needed to exit the financial crisis. Most importantly, the measures adopted were manifestly inappropriate since they have not only failed to boost "competitiveness" of the Greek economy, but actually have pushed Greek workers deeper into poverty (by means of the savage internal devaluation policy forced upon Greece) economy into recession and increased unemployment to 27%. Abolishing all the above legislative measures has become an imperative.

**In conclusion, it follows from the above-mentioned that the Hellenic Republic has manifestly violated its obligations under the European Social Charter, as described above. Furthermore, your Committee has found, in previous decisions, persistent violations of the ESC by the Hellenic Republic.**

**For all the reasons mentioned above**

**and those that may be additionally and lawfully submitted, without prejudice to the addition of new or further data which are likely to result from the adoption of new legislative measures, as regards the violation of ESC by the Hellenic Republic**

**WE REQUEST THE COMMITTEE**

**To declare admissible the complaint submitted herein. To find that Greece has violated the European Social Charter provisions, as described above in detail. Our Organization, also, asks the Committee to hold a hearing on the alleged violations.**

On behalf of the GSEE

Yannis Panagopoulos

President



Nikolaos Kioutsoukis

General Secretary