



European  
Social  
Charter

Charte  
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21/01/2020

RAP/RCha/CYP/14(2020)

## **EUROPEAN SOCIAL CHARTER**

14<sup>th</sup> National Report on the implementation of  
the European Social Charter

submitted by

## **THE GOVERNMENT OF CYPRUS**

Articles 1, 9, 10, 15, 18, 20, 24 and 25

for the period 01/01/2015 - 31/12/2018

Report registered by the Secretariat on

21 January 2020

**CYCLE 2020**

## GOVERNMENT OF THE REPUBLIC OF CYPRUS REPORT 2019

### EUROPEAN SOCIAL CHARTER

#### Employment, Training and Equal Opportunities

##### **Article 1§1\***

For effectively addressing challenges and disparities in employment, especially for vulnerable groups, the Department of Labour of the Ministry of Labour, Welfare and Social Insurance promotes the following:

- Placement of unemployed persons in job positions through the provision of placement services.
- Provision of vocational guidance and information about running employment and/or training programs. Referrals to such programs.
- Provision of personalized employment services, especially to persons who belong in vulnerable groups, such as GMI (Guaranteed Minimum Income) recipients, young persons and the long term unemployed.
- To strengthen the ability of the Public Employment Services (PES) to offer high quality services, 30 additional Employment Counselors have been hired since June 2018 for a period of 24 months and placed in PES offices in all Cyprus districts. These Counselors will mainly provide personalized employment services to persons who belong in vulnerable groups.
- Implementation of a Project for the modernization and enhancement of the Public Employment Services, aiming at the improvement of labour market conditions, including the decrease of unemployment. The actions included in this Project are, among others, the hiring of 30 Employment Counselors, the training of all PES staff, the upgrade of the PES computerized system, a campaign for the activation of young people, the enhancement of the Employment Observatory of the Department and the development of new approaches for the services provided to employers.
- The Department of Labour is promoting the following Incentive Schemes:
  - o Scheme Providing Incentives for the Employment of Unemployed Young People up to 25 years old.
  - o Scheme Providing Incentives for the Employment of Unemployed People over 50 years old.
  - o Scheme Providing Incentives for the Employment of Persons with Chronic Diseases.
  - o Scheme Providing Incentives for the Employment of Persons with Disabilities.
  - o Incentive Scheme for the Employment of Recipients of GMI (Guaranteed Minimum Income) in conjunction with the completion of three-months practical training.
- A new electronic Employers Platform has been created and is being implemented. The Platform facilitates the recruitment of staff from an electronic register of unemployed persons. At the same time, the operation of this platform has increased the employment opportunities of the unemployed, since access to it is given to employers who traditionally do not seek staff through the Public Employment Service.

- In 2017-2018, the Public Employment Service participated in a Mutual Assistance Project of the European PES Network, where it received technical assistance from the European Commission and the PES Network to develop specific aspects of the services it offers. In the framework of this project, an Action Plan was prepared and two pilot projects were implemented to extend services to employers and to offer services based on customer segmentation.
- In the framework of the "Youth Guarantee" Initiative, Cyprus received technical support from the European Union for the attraction and activation of Young NEETs (Young people not in employment, education or training).
- Technical committees have been set up in all regions with members from the social partners, local authorities, other departments of the Ministry of Labour, Welfare and Social Insurance, the Ministry of Education and Culture, the Human Resource Development Authority and the Youth Board with the purpose of sharing information and knowledge and discuss ways to reach and activate young people and to create synergies between the PES and other participant organizations in order to deliver actions for the activation of young NEETs.

Our employment policy, in combination with the improvement of the Cyprus economy, has had a great impact on unemployment during the reference period, as shown in the following table.

Unemployment rate by	2015	2016	2017	2018
Female	14.8	13.3	11.3	8.7
Male	15.0	12.6	10.9	8.0
By Age				
15-24	32.8	29.1	24.7	20.2
25-64	13.4	11.7	10.0	7.4
15+	14.9	12.9	11.1	8.4
Unemployment ratio				
By Duration				
Less than 6 months	36.4	38.8	44.9	52.9
6-11 months	18.0	16.8	14.5	15.4
> 12+	45.6	44.4	40.6	31.7

Source: Cyprus Statistical Service

## Article 1§2

Policy measures are promoted within the framework of the broader employment policy as well as the implementation of the Laws on equality between men and women, maternity protection, paternity protection and anti-discrimination legislation in employment.

Under The Equal Treatment for Men and Women in Employment and Vocational Training Law (N. 205(I)/2002) the Department of Labour Relations does not only secure the enforcement of the applicable legal provisions but also facilitates a settlement between the parties (Section 25 and Section 27). After receiving written complaints, the inspector has the right to invite the employer and the employee to the Department of Labour in order to find at first instance a ground of compromise. In case there is not such a chance the inspector has the right to carry out an inspection at the workplace. The Inspector after finishing the examination of complaint, prepares a written report which includes the facts, the legal basis and the conclusions. This report can be used in court in case the employee decides to bring an action before the court.

Cyprus legislation (N.100(I)/1997) regarding maternity protection is fully harmonized with the Directive 92/85/EU and provides directly and specifically for the protection of women employees. It provides protection that is greater than the minimum protection which is set by the Directive.

New amendments enacted regarding the protection of Maternity Law. Specifically (a) the amending Law No. 116 (I) / 2017 which provides for a surrogate mother and her entitlement to maternity leave of 14 weeks and (b) the amending Law No. 20(I)/2018 which extended the prohibition of dismissal of the employee mother to 5 months from the previous 3 months, at the end of maternity and incorporated a provision for the protection of breastfeeding within the mother's workplace.

Moreover the enactment of the paternity Law N.117 (I) / 2017) aims to promote the active participation of the father in the birth of his / her child and the equal distribution of responsibilities for the care of the newborn . At the same time contributes to the work –life Balance.

Law No. 58(I)/2004 on Equal Treatment in Employment and Occupation is in line and harmonized with Directive 2000/78EU and partially (as regards employment) with Directive 2000/43/EU.

The principle of equal treatment is safeguarded under the Constitution for every person. Law No. 58(I)/2004 on Equal Treatment in Employment and Occupation provides a general framework for combating discrimination on the grounds of religion or belief, age or sexual orientation as regards employment and occupation. The above Law provides that favourable treatment on the grounds of, inter alia, sexual orientation, is not considered as discrimination when the aim is to prevent or compensate for disadvantages linked to, inter alia, sexual orientation. The Law exceeds the minimum required by Directive 200/78/EU. Additionally, the Commissioner for Administration and Protection of the human Rights has been designated both as the monitoring authority for equal treatment in employment and occupation and as the monitoring Authority for combating racism, with jurisdiction both in the public and the private sectors.

In the context of protecting the rights of migrant workers employed in Cyprus, eliminating labour exploitation in general and promoting a safe and secure working environment for all migrants the Ministry of Labour and Social Insurance has established a procedure for the effective and efficient examination of migrant workers' complaints regarding violations of terms of employment. This procedure ensures fast out-of-court complaint resolution for victims of labour exploitation and it is imperative for safeguarding the working conditions of women migrants and foreign workers as well as those working in precarious employment.

With regards to the prevention of the phenomenon of labour exploitation of third country nationals, in cases where the Labour Relations Inspectors identify trafficking issues or any kind of

exploitation attempts, they forward the aforementioned complaints to the competent authorities (i.e. Police Headquarters) for further action.

The above procedure is additional to the legal rights of workers to proceed with a civil legal action and file a case with the Labour Disputes Court for unpaid wages. The Department of Labour Relations can also initiate penal proceedings against the employer for unpaid wages.

In order to safeguard the enforcement of labour legislation, regular inspections are carried out by Labour Relations Inspectors in the areas of hospitality and manufacturing. As far as domestic work is concerned, inspections on private domestic premises can be carried out only after a court order.

When forced labour is suspected, the Labour Relations Inspector informs the immigration police for further action. Based on the latest statistics, from January until September 2019, the Department of Labour Relations inspected 2421 work premises.

Regarding measures taken to protect workers in the “gig economy” or “platform economy” whose employment is very often precarious, against exploitation, employees have all the rights afforded through the relevant legislation. It must be noted that these forms of employment are rare to nonexistent in Cyprus.

#### **Article 10§1\***

**Please state what strategies and measures are adopted to match the skills acquired through vocational education and training with the demands of the labour market, especially demands resulting from globalisation and technological developments, and thus to bridge the gap between education and work.**

**Please provide information on measures taken to integrate migrants and refugees in vocational education and training.**

For effectively addressing challenges and disparities in employment, especially for vulnerable groups, the Department of Labour of the Ministry of Labour, Welfare and Social Insurance promotes the following:

- Provision of vocational guidance and information about running employment and/or training programmes. Referrals to such programmes.
- Provision of personalized employment services, including vocational guidance and referrals to training programmes, especially to persons who belong in vulnerable groups, such as GMI (Guaranteed Minimum Income) recipients, young persons and the long term unemployed.
- To strengthen PES ability to offer high quality services, 30 additional Employment Counselors have been hired since June 2018 for a period of 24 months and placed in PES offices in all Cyprus districts. These Counselors will mainly provide personalized employment services to persons who belong in vulnerable groups, especially to young unemployed and to long-term unemployed.
- The Department of Labour is promoting the following Incentive Schemes:
  - o Scheme Providing Incentives for the Employment of Unemployed Young People up to 25 years old.
  - o Scheme Providing Incentives for the Employment of Unemployed People over 50 years old.

- o Scheme Providing Incentives for the Employment of Persons with Chronic Diseases.
- o Scheme Providing Incentives for the Employment of Persons with Disabilities.
- o Incentive Scheme for the Employment of Recipients of GMI (Guaranteed Minimum Income) in conjunction with the completion of three-months practical training.

The Human Resource Development Authority (HRDA) regularly conducts studies on trends and forecasts of employment and training needs, taking into consideration the views of enterprises, social partners and other stakeholders. These studies provide valuable input for policy formulation, planning education and training interventions as well as for vocational guidance. The HRDA conducts annually a study on **Identification of Employment and Training Needs**, with the latest one published in December 2018 for the year 2019; and every 2-3 years a study on **10-year Forecasts of Employment Needs in the Cyprus Economy**, with the latest one published in October 2017 for the period 2017-2027. The HRDA also completed a study on the **Identification of Green Skill Needs in the Cyprus Economy 2017-2027** (March 2018) and on the **Identification of Blue Skill Needs in the Cyprus Economy 2016-2026** (May 2016).

#### **Article 10§3\***

**Please describe strategies and measures (legal, regulatory and administrative frameworks, funding and practical arrangements) in place to ensure skilling and re skilling in the full range of competencies (in particular digital literacy, new technologies, human-machine interaction and new working environments, use and operation of new tools and machines), needed by workers to be competitive in emerging labour markets.**

In order to meet the wide ranging training and development needs of the human resources and provide access to all, the Human Resource Development Authority of Cyprus (HRDA) operates a number of policy schemes, each with its own aims and target groups. Specific schemes promote the integration of the unemployed and inactive into employment, whereas others promote the lifelong learning of the employed. The HRDA sets the thematic priorities for training programmes to be subsidised, after assessing the training and development needs of the human resources and following consultation with the social partners. The paramount goal of HRDA's activities is to increase the employability and the adaptability of the human resources, contributing to the sustainable development of the economy.

The integration of unemployed and inactive persons into employment, with particular attention to groups which are at risk of exclusion from the labour market, is one of the strategic objectives of the HRDA, within the context of the policies of the government. It is pursued with the operation of specific schemes addressed to groups such as young people, the long-term unemployed and Guaranteed Minimum Income (GMI) recipients, thus giving them the opportunity to acquire new competencies or improve their existing ones through skilling and/or reskilling. These schemes are:

**Scheme for the Employment and Training of Tertiary Education Graduates:** The scheme aims at providing opportunities to tertiary education graduates less than 30 years old, to secure a suitable job and acquire work experience and specialised knowledge and skills, while at the same time strengthening enterprises and organisations through the employment and training of qualified persons.

**Scheme for the Training of the Long-term Unemployed in Enterprises/Organisations:** The scheme offers opportunities to the long-term unemployed in order to enter/re-enter employment with the parallel acquisition of the necessary knowledge and skills. The HRDA provides incentives to employers in order to design, organise and implement in-company training programmes to cover the training needs of newly-employed persons who were long-term unemployed.

**Job Placement of Guaranteed Minimum Income (GMI) recipients for the Acquisition of Work Experience in the Public and Broader Public Sector:** The aim of the scheme is to provide work experience opportunities to GMI recipients capable to work, in order to improve their employability and help them re-enter the labour market. GMI recipients are placed in the public and broader public sector for 6 months while they receive their GMI benefit.

**Scheme for the Provision of Incentives for Hiring Guaranteed Minimum Income (GMI) Recipients Combined with a three-month Training Period:** The scheme offers practical training and work experience opportunities to GMI recipients in order to improve their employability and prepare their employment in a specific enterprise/organisation of the private sector. The target group for this programme is GMI recipients aiming for a 3 months training and 12 months employment. The HRDA scheme (from national funds) covers the part of the three months training.

**Training Programmes for the Unemployed:** The scheme aims at the participation of the unemployed who are registered with the Public Employment Services (PES) in training programmes for specific occupations/themes that the HRDA defines after consultation. Contractors (certified vocational training centres) are appointed by the HRDA to provide the training programmes, following a tendering procedure. Training programmes may include a practical on-the-job training part in an organisation/enterprise.

**Multi-Company Training Programmes - Participation of the Unemployed:** The encouragement and subsidisation of the participation of the unemployed who are registered with the PES for a minimum period of 6 months in this category of programmes started to be implemented in 2015. Each certified vocational training centre may accept long-term unemployed persons to participate in training programmes to further enhance their knowledge and skills and improve their employability.

Promoting lifelong learning and skills development of the employed is also a major strategic objective of the HRDA, aiming for the continuous acquisition of new knowledge and skills as well as the improvement of enterprises' competitiveness. Among the priorities is training to promote digital inclusion and technological development, health and safety at work and the acquisition of green skills. The objective is achieved through the following schemes:

**Single-Company Training Programmes in Cyprus:** The scheme aims at providing incentives to employers to design and organise in-company training programmes, implemented by internal or external trainers, in order to meet the specific needs of the enterprise for the effective utilisation of its personnel.

**Single-Company Training Programmes Abroad:** The scheme aims at providing incentives to employers to participate with their personnel in training programmes abroad in order to transfer

specialised knowledge and skills in areas related to the introduction of innovation, new technology and technical know-how.

**Multi-Company Training Programmes:** The scheme aims at providing continuing training for meeting the training needs of employees through their participation in training programmes. They cover a broad range of issues in all operations of the enterprise and in all occupations. The programmes are designed and implemented by certified vocational training centres.

**High-priority multi-company training programmes:** The scheme aims at providing continuing training to meet the training needs of the employees through participation in training programmes in specific high-priority issues. The programmes are designed and implemented by certified vocational training centres.

The above programmes are designed on the basis of documents, prepared by the HRDA every two years following consultation with interested bodies, that contain the themes for the training programmes it subsidises, which are communicated to the enterprises and vocational training centres.

**Please also refer to answer in Article 10§1.**

#### **Article 10§4 RESC**

The Department of Labour is taking several reintegration measures to combat long-term unemployment:

- Provision of personalized employment services, especially to persons who belong in vulnerable groups, such as GMI (Guaranteed Minimum Income) recipients, young persons and the long term unemployed. Thirty additional Employment Counselors have been hired since June 2018 for a period of 24 months and placed in PES offices in all Cyprus districts.
- The Department of Labour is promoting the following Incentive Schemes:
  - o Scheme Providing Incentives for the Employment of Unemployed Young People up to 25 years old.
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  - o Scheme Providing Incentives for the Employment of Persons with Chronic Diseases.
  - o Scheme Providing Incentives for the Employment of Persons with Disabilities.
  - o Incentive Scheme for the Employment of Recipients of GMI (Guaranteed Minimum Income) in conjunction with the completion of three-months practical training.
- A new electronic Employers Platform has been created and is being implemented. The Platform facilitates the recruitment of staff from an electronic register of unemployed persons. At the same time, the operation of this platform has increased the employment opportunities of the unemployed, since access to it is given to employers who traditionally do not seek staff through the Public Employment Service.
- In 2017-2018, the Public Employment Service participated in a Mutual Assistance Project of the European PES Network, where it received technical assistance from the European Commission and the PES Network to develop specific aspects of the services it offers. In the framework of this project, an Action Plan was prepared and two pilot projects were implemented to extend services to employers and to offer services based on customer segmentation.



- In the framework of the "Youth Guarantee" Initiative, Cyprus received technical support from the European Union for the attraction and activation of Young NEETs (Young people not in employment, education or training).
- Technical committees have been set up in all regions with members from the social partners, local authorities, other departments of the Ministry of Labour, Welfare and Social Insurance, the Ministry of Education and Culture, the Human Resource Development Authority and the Youth Board. The purpose of the committees is the sharing of information and knowledge concerning ways to reach and activate young people and to create synergies between the PES and other participant organizations in order to deliver actions for the activation of young NEETs.

Statistics on long-term unemployment are provided under Article 15§1.

### **Article 15§1 RESC**

The Laws for the Education and Training of Children with Special Needs (1999-2014) are the legislative framework which regulate the identification of children with disabilities, their assessment and placement in the educational setting with provision of both teachers, care assistants, educational resources, special equipment, assistive technology, the development of an Individualized Educational Programme and the ongoing evaluation of the child's progress. All children regardless of gender, ethnic origin and irrespective of the residential status of their parents are entitled to have access to free education and are eligible for additional educational support. In keeping with current philosophy, the Ministry of Education, Culture, Sport and Youth (MOECSY) favours the inclusion of children with disabilities in mainstream classrooms. The majority of children with disabilities are educated within the mainstream classroom, at their local school.

Special emphasis is given to ensuring curriculum access with the use of assistive technology (computers, specialized software, tablets, joysticks and tracker balls, easy-to-use keyboards, communication devices), changes to teaching and learning arrangements, classroom organisation, extra time during exams etc. Furthermore, information that is normally provided in writing is made more accessible by providing it in Braille or in large print for children with visually disability whereas sign language interpreters are available for deaf children. The MOECSY ensures that schools have suitable infrastructure to accommodate the needs of the children with disabilities. Schools increase access for individual pupils by making various adjustments. Changes to the physical environment that schools make to increase access include: lighting and paint schemes to help children with visual disabilities, lifts and ramps to help children with physical disabilities or carpeting of classrooms to help children with hearing disabilities. The MOECSY also provides schools with special equipment such as wheelchairs and walking aids as well as transportation to all children who do not attend neighboring schools.

Special educational provision is also provided in Special Units within mainstream schools, as well as Special Schools. A very small percentage of children with disabilities (less than 1% of the school population) are educated in Special Units. Special Units provide more intensive

educational support to a small number of pupils in a class whilst maintaining contact and integration with a specific reference class of the school following the regular curriculum in specific subjects. They participate in all schools' extracurricular activities, school concerts and field trips along with their non-disabled classmates. Less than 1% of the school population is educated in Special Schools. Some Special Schools are built within the boundaries of mainstream schools. All Special Schools develop networks of contacts and joint activities with mainstream schools to minimize segregation. They have the appropriate staff (special teachers, speech therapists, occupational therapists, psychologists, music therapists, physiotherapists, nurses and other specialists as well as auxiliary staff) in order to support and provide the essential means to meet the needs of all children. In addition to their educational programme, Special Schools' programme contains a major element of self-help and independence skills, social and emotional skills development, recreational skills, communication skills and vocational training. Special Schools also have pre-vocational and vocational training programmes designed to assist the transition from school to work or from school to other vocational training authorities. Relevant statistical data are provided in the two tables of the Appendix.

Cyprus has ratified the Convention on the Rights of People with Disabilities and promotes the respect and protection of the human rights and fundamental freedoms of all persons with disabilities without discrimination of any kind. Currently, the MOECSY is receiving technical assistance from the Structural Reform Support Service (SRSS) of the European Commission and in cooperation with experts from the European Agency of Special Needs and Inclusive Education is in the process of reforming the existing law of Special Education, so that the education system becomes more efficient and inclusive. The experts have submitted a new draft framework law which was discussed with all stakeholders and now the project is in its second phase for the preparation of regulations that will accompany the law.

### **Article 15§1**

In relation to enhancing access and inclusion of children with disabilities in education the following measures have been implemented:

- The new System for the Assessment of Disability and Functioning, operated by the Department for Social Inclusion of Persons with Disabilities has been extended with the addition of new mechanisms, procedures and protocols for the assessment of transition needs of children from education to employment and connecting school graduates to the Supported Employment Scheme.
- A proposal of the Department for Social Inclusion of Persons with Disabilities for the establishment of an Autism Center providing support services at home for children of preschool age and their families in order to prepare them at maximum degree to access school was approved by the Council of Ministers on 6.5.2019. The Center will be assigned through public procurement and will provide early intervention support services to children diagnosed at the autism spectrum as well as their families.

- The Ministry for Education and Culture took all actions for providing educational and support services to children with disabilities with certified special educational needs. For this purpose, the Ministry employed special educational officers and rehabilitation professionals to serve children in mainstream schools or special schools.
- The Ministry of Education and Culture at the same time satisfied all certified needs for special equipment and aids for access in the school syllabus or the school buildings by providing these aids.
- Schools are directed by the Ministry of Education and Culture to organise learning actions for all children in relation to the rights of children with disabilities and the acceptance and respect of diversity and disability.

### **Article 15§2**

The Department for Social Inclusion of Persons with Disabilities implements through laws and schemes the following actions for access in employment:

- Assesses and certifies disability and capability of candidates with disabilities to be recruited in the wider public sector through a law defining a quota of 10% of vacant posts in the public and educational service and the semi-government organisations. From 2010 until 2018, 185 persons were recruited through the law.
- Subsidizes and monitors NGO's to operate 23 Supported Employment Programs all over Cyprus through which 300 persons mostly with intellectual or mental disability are employed in the open labour market. Support is provided through the employment of Job Coaches responsible for groups of 5-25 persons.
- Subsidizes the establishment of Small Self Employment Units in any type of occupation with an amount up to €8.500 for the purchase of equipment, raw materials or initial capital. 10-15 new Units are established annually through this scheme.

There are no statistics on the number of persons with disabilities in employment or being registered as unemployed. General statistics from the Statistical Service though show that only one out of two persons with disabilities works. In order to enhance support services and strengthen registered unemployed persons with disabilities to find a job the Department of Labour has recruited 27 new Job Councillors who were specially trained to serve persons with disabilities among other members of vulnerable groups.

The right of persons with disabilities for effective access in employment through the provision of reasonable adjustments is defined in Article 5 of the Persons with Disabilities Laws which states that "the principle of equal treatment of persons with disabilities in employment is effectively applied with the provision of reasonable adjustments and for this purpose the employer takes all suitable measures in accordance with the needs presented at a specific situation so that the person can have access to a job, execute or be promoted at the occupation or be trained as long as these measures do not constitute a disproportionate burden on the employer. The burden is not disproportionate if it is adequately compensated with measures taken in the framework of the state policy for persons with disabilities".

### **Article 15§3**

Living in the community and access in support services in the community constitute a fundamental right of persons with disabilities. In this framework the Council of Ministers approved on 27.9.2017 a new scheme for the Inclusion of Persons with Disabilities in Supported Living Homes and Programs through a project financed by the European Social Fund.

The purpose of the new project is to support persons with disabilities to live in homes in the community with safety, dignity, skills development, quality of life and maximum autonomy with respect to their preferences and choices. It concerns the establishment of 10 new Homes in the Community for 48 persons with intellectual, or visual disability or autism in all cities in Cyprus.

The Department for Social Inclusion of Persons with Disabilities receives applications from persons or their families, assesses the needs for supported living, and develops groups of homemates to live at a home for up to 5 persons. Public contracts have been signed with NGO's and companies to operate the new Homes under the monitoring and supervision of the Department with a total budget of €8 m. for the period 2020-2023.

Additional supported living programs already operate under the Social Welfare Services responsibility in the form of Day Care Centers or 24hours care institutions through subsidization of NGO's or local authorities. In 2018, 40 programs for adults or children with disabilities were subsidized with total expenditure of €3.483.500 constituting a percentage of 41.8% of total subsidization expenditure for all programs for all NGO's and local authorities.

### **Article 20/Article 1 of the Additional Protocol**

#### **Shifting of burden of proof**

Cypriot legislation regarding equal pay provides for the reversal of the burden of proof, in both judicial and extra-judicial civil proceedings. Specifically, the legislation provides that in any judicial proceedings (except for criminal proceedings) and provided that the plaintiff whose rights are allegedly being violated, presents real facts which prove the violation, the Court obliges the employer to prove that there has been no contravention of the Law. As regards the extra-judicial protection, the legislation provides that when a complaint is submitted to the Ombudsman, and given that the complainant presents real facts which substantiate the contravention, the Ombudsman shall oblige the person against whom the complaint is directed to prove that there has been no contravention of the Law.

#### **Compensation (ceilings)**

There is no ceiling applicable regarding compensation in case of pay discrimination on grounds of sex, nor any other specific rules regulating this issue.

### **Pay comparisons outside the company**

After an amendment of the equal pay legislation in 2009, comparisons can be made with reference not only to employees that are employed by the same employer but also to employees that are employed by another affiliate of the same group of companies. After this amendment, the European Committee of Social Rights, in its 2012 report, took note of the Republic's corrective actions and it found that Cyprus in conformity with Article 20 of the European Social Charter (European Social Charter, Conclusions on Cyprus 2012, European Committee of Social Rights).

### **Job classification and promotion systems**

Because of the liberal and voluntary nature of the Cyprus industrial relations system, there have been no national or sectoral job classification systems set. Companies are free to use classification systems that they consider most appropriate depending on the sector of economic activity in which they operate and they are free to apply any promotion system as long as they both incorporate the equal pay principle between men and women.

### **Measures to promote transparency**

As far as transparency is concerned, Article 6A of the legislation provides that employers are obliged to promote in a planned and systematic way the equal pay principle in workplaces. In this context, they are encouraged to provide their employees with appropriate information on equal pay between men and women. Such information may include an overview of the percentages of men and women at different levels of the organisation; their pay and pay differentials; and possible measures to improve the situation in cooperation with employees' representatives.

Pay transparency is also safeguarded through the provisions of the collective agreements. The Ministry of Labour, Welfare and Social Insurance considers collective agreements and collective bargaining as a defining tool for establishing the terms and conditions of employment ensuring healthy labour relations. The Ministry promotes social dialogue and collective bargaining, as an essential tool for improving pay transparency.

Another tool for enhancing pay transparency is the strict implementation of the Law providing for the employer's obligation to inform employees, in writing, of the main terms of the contract or employment relationship. On-site inspections is the key mechanism for the enforcing the legislation.

When examining measures for promoting transparency, it has been taken into consideration that granting an employee access to a colleague's contract or pay slip, would most likely be in violation of the national legislation and the relevant EU Directive 95/46/EC on the Protection of Individuals with Regard to the Processing of Personal Data and on the Free Movement of such Data. In the same vein, the measures suggested in the European Commission Recommendation 2014/124/EU on "strengthening the principle of equal pay between men and women through transparency",

are confined to the obligation of providing, upon request, information on pay levels by gender, the obligation of issuing average/median pay level reports, of preparing pay audits e.t.c, but not the obligation of allowing access to personal contracts or pay slips

Employers that promote pay transparency through their policies and practices, can be granted with certification by the National Certification Body which was established in April 2014, by decision of the Council of Ministers. The National Certification Body is responsible for granting certifications according to the national model for certifying enterprises which adopt policies promoting gender equality in the workplace. The Certification Body is chaired by the Ministry of Labour, while its members are the Gender Equality Commissioner and representatives of the employers' and employees' associations. According to the model of certification, companies have the right to apply either (a) for "Best Practice" for individual practices applied, or (b) for "Equality Employer" for adopting a comprehensive system of promoting gender equality in their workplace. 52 companies have been awarded a certification so far. The National Certification Body has given certification to employers who, among other practices, have pay scales that correspond to all levels and jobs in their company / organisation, as well as employers who publicize the recruitment wage in each new job announcement. Certification by the National Certification Body acts as an incentive for businesses to promote gender equality through each or all of their policies.

#### Statistical data on Gender Pay Gap in Cyprus (unadjusted)

Year	2015	2016	2017	2018
GPG unadjusted (Source: Eurostat)	14.0	13.9	13.7	Not available

*(There are no available data regarding the adjusted Gender Pay Gap)*

#### **Article 24**

##### **Valid reasons of dismissal**

According to the article 5 of the Termination of Employment Law of 1969 an employee may be dismissed with no compensation from his/her employer, if his/her dismissal is due to:

- a. redundancy;
- b. force majeure, act of war, civil insurrection, act of God or destruction of the plant by fire not due to deliberate or negligent of the employer;
- c. termination at the end of fixed term contract or due to the fact that the employee reached the retirement age under any custom, law, collective agreement or other work arrangements;
- d. failure on the part of employee to carry out her/his work in a reasonably efficient manner, or behaves in a manner that gives the right to the employer to terminate the employment of the employee without notice.

Moreover, an employer can dismiss an employee without notice in the cases of:

- a serious offence by the employee in the course of his/her duty;
- a criminal offence without the agreement, expresses or implied consent by his/her employer;
- improper behaviour by the employee in the course of her/his duties; and
- serious or repeated violation or disregard of work regulations or other rules in relation to the employment.

If the employer does not exercise his right of dismissal within a reasonable period following the matter which gave rise to this right, the dismissal may be considered as unlawful.

The Industrial Disputes Court has exclusive jurisdiction to adjudicate on all industrial Disputes arising out of the application of the legislation. As regards dismissals for certain economic reasons the Industrial Disputes Court has the competency to review a case on the economic facts underlying a dismissal so as to determine whether the dismissal was due to economic reasons (as mentioned in paragraph 1.a-b) or due to company savings in labor cost, which does not constitute a valid reason for dismissal.

### **Unlawful dismissals**

If an employee feels that he/she has been unfairly dismissed, then he/she can make an appeal to the Industrial Disputes Court in order to claim compensation. The same rule applies to workers in the “gig economy” or “platform economy”.

It must be noted that notice of termination to an employee who is on sick leave for a period up to one year (12 months) is prohibited during the aforementioned period and additionally for 1/4th of that period.

As regards cases of dismissals of “false self-employed workers” in the “gig economy” or “platform economy” it should be mentioned that the affected persons have the right to file a complaint to the Director of the Social Insurance Services in order to investigate whether they were employees or self-employed. If an employment relationship is confirmed, the employees may proceed with an appeal to the Industrial Dispute Court in order to claim compensation for unlawful dismissal.

### **Compensation by the employer for unlawful dismissal**

An employee who is dismissed unlawfully by an employer, with whom he has been continuously employed for not less than 26 weeks, has a right to compensation payable by the employer. An employee is also entitled to compensation in the case where he terminates his employment due to the behavior of the employer against him. An employee is not entitled to compensation for termination of employment if before the date of termination of his employment he has attained the pensionable age.

The compensation which is decided by the Industrial Disputes Court, after the employee submits an application form, cannot be lower than the redundancy payment to which the employee would be entitled if his employment was terminated due to redundancy or higher than the wages of two years. For the calculation of the compensation, the Industrial Disputes Court takes into consideration, among others, the earnings of the employee, the period of employment, the loss of career prospects, the age of the employee and the conditions under which he was dismissed.

The amount of compensation up to the wages of one year is payable by the employer and any additional amount from the Redundancy Fund.

**Power of the Industrial Disputes Court to order reinstatement of an employee**

In the case where the termination of employment of an employee, who has been working for an employer who employed more than nineteen employees, is considered as unlawful, the Industrial Disputes Court may order reinstatement if in the case its opinion is justified by the circumstances and the employee has asked for this remedy.

Together with the reinstatement the Court may order the payment of compensation for any real damages the employee has suffered as a result of his dismissal. The amount of the compensation cannot exceed the wages of twelve months.