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EMPLOYMENT BRIEFING: Special Edition

NEW LABOUR LAW

This Briefing provides an overview of the new Law No. 5053 dated 26 September 2023 (the Law) which among others transposes EU Directive 2019/1152 on transparent and predictable working conditions into Greek legislation.

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- 2. If an employee's performance is deemed adequate and they remain employed, the date on which the probationary period began constitutes the commencement date of employment. Otherwise, the employment contract is terminated automatically during or at the end of the probationary period.
- 3. In the case of fixed-term employment contracts, the length of the probationary period must be proportionate to the expected duration of the contract and the nature of the work, and in any event must not exceed ¼ of the agreed duration of the agreement¹. Probationary periods cannot be entered into where a fixed-term contract concerning the same position and duties is renewed.
- 4. In cases where the employment contract is suspended, the probationary period may be extended for a period equivalent to the suspension.

B. Written Notification of Employment Terms

- 1. The Law stipulates that employers must provide employees with written information² on the additional substantial employment terms which are listed in Articles 6 8 of the Law, within the specified timelines.
- The additional required information includes among others³ details relating to employment on an unpredictable work pattern.

A. Probationary Period

1. Article 4 of the Law stipulates that at the time of conclusion of employment agreements of indefinite duration, the parties may agree a probationary period of no longer than 6 months.

¹ With a maximum duration of six months.

² On paper or in electronic form.

³ The identity of the user undertakings, the probationary period, mandatory training.

- 3. The employer must also notify the employees of the applicable legal provisions as regards the substantial employment terms, without cost, in a clear, transparent, comprehensive and easily accessible way, on paper or by electronic means, including through existing online portals.
- 4. Article 8 of the Law includes the required information to be provided to employees who are posted to work abroad.

C. Parallel Employment

- 1. Article 9 of the Law stipulates that any agreements or clauses prohibiting the employee from working for other employers shall be considered void, unless they are justified for objective reasons such as health and safety, business confidentiality, competition or conflict of interests.
- 2. Adverse treatment of employees on the basis that they are employed in parallel is not permitted.
- 3. A Ministerial Decision is expected which will regulate issues relating to implementation.

D. Employment Under Unpredictable Work Pattern

- 1. Article 10 of the Law refers to employment on an unpredictable work pattern (ie employment on demand) that is permitted under Greek law for the first time.
- 2. Employees on unpredictable employment are obliged to accept to work, when requested, if the following conditions are cumulatively fulfilled:
 - a. the work is provided within predetermined reference hours and days notified to the employee; and
 - b. the employee has been notified of the work assignment in writing by SMS, e-mail or other appropriate means and no less than 24 hours in advance, unless there are conditions justifying a shorter notice period and the employee has been informed of them.
- In the event that the employer cancels the assignment any time prior to taking up work, the employee must be compensated in an amount equal to the hourly wages for the working hours that were not assigned.
- 4. Employment contracts relating to the provision of work without a predictable work pattern are invalid if the parties have not agreed a minimum number of paid working hours that must not be less than ¼ of the total agreed working hours.

E. Mandatory Training

- 1. Article 12 of the Law stipulates that where mandatory employee training is provided for by the local law:
 - a. the training is provided free of charge;
 - b. it counts as working time; and
 - c. if possible, it shall take place during working hours.

F. Termination of Employment Agreement of Indefinite Duration Without Notice and Compensation

 Article 19 of the Law as amended stipulates that employment agreements of indefinite duration may be terminated during the first 12 months of employment without notice and severance by the employer.

G. ERGANI Notification Obligations

- 1. For new hires, employers must upload to the Ergani Information System the main employment terms (βασικοί $όροι εργασίας^4$) prior to the commencement of employment, and, within the applicable deadline, the employment agreement itself (if in place). In both cases the employee's signature is required and may be granted as:
 - a. a handwritten signature;
 - b. a qualified electronic signature through Gov.gr; or
 - c. through acceptance of the employment terms through 'MyErgani' operating in the Ergani Information System.

The same applies for any amendment of the employment agreement.

In enterprises where digital cards have been activated, employers are not required to register any amendments to the working time schedule and overtime work.

H. Notification of Termination of Employment Contract / Voluntary Exit

- 1. Article 23 of the Law stipulates that any termination of the employment contract due to:
 - a. an employee's voluntary exit (resignation);
 - an automatic termination during or at the end of the probationary period; or
 - c. an amicable (agreed) termination of the employment contract,

must be notified by the employer to the Ergani Information System within 4 days.

- The notification of the voluntary exit (resignation) must be accompanied by a scanned document signed by the parties.
 The submission of an extrajudicial declaration (served on the employee) is no longer an alternative option.
- 3. Article 23 paragraph 3 of the Law stipulates that an employee's unjustified absence from work for more than 5 consecutive days may be considered as a voluntary exit (resignation), on condition that 5 consecutive days have already lapsed from the employer's obligatory notice

⁴ A template form of the 'Essential Employment Terms' (Βασικοί όροι εργασίας) is available on the Ergani Information System.

(uploaded to the Ergani Information System and evidenced in writing). On the first working day after the lapse of the above timeline, the employer must notify the employee's voluntary exit (resignation) to the Ergani Information System and the employee is not required to co-sign.

I. Protection Against Adverse Treatment and Dismissal

1. Article 16 and Article 17 of the Law protects employees from any form of retaliation or adverse treatment by their employers when they exercise their legal rights.

J. Provision of Work on the Sixth Day of the Week and on Sundays

- Article 25 of the Law stipulates that in businesses which operate continuously, as defined by Greek law, where employees work on rolling shifts five days per week, the provision of work on the sixth day of the week is now permitted under the following conditions:
 - a. notification to the Ergani Information System prior to the commencement of work;
 - b. the working time on the sixth day must not exceed 8 hours and overtime or overwork is not permitted;
 - c. the employee receives a 40% increase in their daily wage for the sixth day; and
 - d. the provisions regarding work time limits and employees' health and safety are respected.
- 2. Article 26 of the Law stipulates that businesses which are not of continuous operation but are permitted to operate 24 hours a day from Mondays to Saturdays with rolling shifts, are exceptionally permitted to ask employees who work five days a week to work on the sixth day, if there is an unexpected increased workload. In these cases, the strict terms described above (under a-d) apply, together with an additional requirement to notify the Labour Inspectorate accordingly⁵.

3. Article 27 of the Law stipulates, among others, that, as already provided for by existing legislation, pilot and aircraft technician training centers which provide services to enterprises operating continuously (24 hours a day, 7 days per week), the food industry, conference organization companies, soft drink and mineral water producers and bottlers and greenhouse cultivation companies are excluded from the Sunday rest and the rest day on public holidays.

K. Statutory Salaries – Unfreezing Prior Service Allowances

- Article 33 of the Law stipulates that from 1 January 2024 the suspension imposed on 14 February 2012 of any provisions of laws, collective labour agreements or arbitral awards which provide for salary or daily wage increases on the basis of years of service no longer applies.
- 2. If an employee's salary is higher than the statutory salary, the relevant allowance is offset against the part of the salary that exceeds the statutory salary.

L. Other Provisions

- Article 11 of the Law stipulates that an employee who has worked for at least 6 months and has completed the probationary period may submit a written request to the employer in order to be employed under more predictable employment terms, if such employment is possible.
- Article 31 of the Law stipulates that criminal penalties may be imposed on employees who proceed with strike actions which hinder employees from exercising their right to work or constitute occupation of the workplace.
- 3. Article 20 of the Law provides for a new digital platform 'REBRAIN GREECE' in the Information System ERGANI II, aimed at connecting talent and scientists residing in Greece and abroad with high skilled job positions offered by private sector companies in Greece.

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⁵ The above rules do not apply to hotel and eatery businesses.

This Briefing is intended to provide general information and is not meant to constitute a comprehensive analysis of the matters set out herein or to be relied upon as legal advice. It is not meant to create a lawyer-client relationship. Legal and other professional advice should be sought before applying any of the information in this Briefing to a specific situation.

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