

EMPLOYMENT BRIEFING: Special Edition

Recent Developments in Employment Legislation

Article 117 of Law 4623/2019, published in the Government's Gazette on 9 August 2019, introduces significant changes to employment legislation.

In This Issue

- A. Repeal of Valid Reason as a Requirement for Lawful Termination of Employment**
- B. Repeal of the Suspension of the Limitation Period for Claims Arising from Employment Matters Pending Reconciliation Procedures**
- C. Repeal of Employers', Contractors' and Sub-Contractors' Joint and Several Liability**

A. Repeal of Valid Reason as a Requirement for Lawful Termination of Employment

1. Pursuant to Article 117 par. 2(a) of Law 4623/2019 (the **New Law**):
 - a. the requirement for a valid reason for the lawful termination of an indefinite term employment contract (as regulated by Article 48 of Law 4611/2019); and
 - b. the provision stipulating that if a termination is challenged before the Courts on the grounds of the existence or absence of a valid reason, the burden of proof is borne by the employer,are both repealed.
2. Article 117 par. 2(a) of the New Law has retrospective effect and repeals Article 48 of Law 4611/2019 as of 17 May 2019.
3. The New Law reinstates the previous legislation on terminations, as applicable before Law 4611/2019 came into force. Therefore, the requirements for a lawful termination follow:

- a. a termination may be effected without invoking a specific reason, provided that the termination is in writing and that any compensation due is paid; and
- b. in accordance with case law, dismissals shall not be abusive in the sense of Article 281 of the Greek Civil Code, based on the criteria set out by the Courts.

B. Repeal of the Suspension of the Limitation Period for Claims Arising from Employment Matters Pending Reconciliation Procedures

1. Pursuant to Article 117 par. 2(a) of the New Law, the suspension of the limitation period for claims concerning the termination of an employment contract, pending the reconciliation procedure before the Labour Inspectorate (as this issue was regulated by Article 58 of Law 4611/2019), is repealed.
2. Article 117 par. 2(a) of the New Law has retrospective effect and repeals Article 58 of Law 4611/2019 as of 17 May 2019.

C. Repeal of Employers', Contractors' and Sub-Contractors' Joint and Several Liability

1. Article 117 par. 1 of the New Law repeals the joint and several liability of employers, contractors and sub-contractors to employees of the contractors or sub-contractors for the payment of any benefits, social security contributions or compensation due arising from the assignment of a specific project (as regulated by Article 9 of Law 4554/2018).
2. Article 117 par. 1 of the New Law has retrospective effect and repeals Article 9 of Law 4554/2018 as of 18 July 2018.

BERNITSAS briefing

Contact



Katia Papantonopoulou

Counsel

E kpapantonopoulou@bernitsaslaw.com

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.

Bernitsas Law Firm is a partnership of attorneys regulated by Presidential Decree 81/2005 and Law 4194/2013, as currently in force, with its registered address at 5 Lykavittou Street, Athens 106 72, Greece.

If you no longer wish to receive Briefings from us, please click here to [Unsubscribe](#)