



Weekly Briefing

Greece political briefing:
Greece's Reforms on Labor and the Domestic Political Debate
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Greece's Reforms on Labor and the Domestic Political Debate

Summary

The political scene in Greece the last two months, namely May and June 2021, was characterized by the intense political and social debate over the plans of the government to reform the labor law. Notwithstanding the negative critic of the opposition and the strikes organized by civil unions, the Labor Bill was approved by the parliament as a Law. In a short analysis, the government manifested its willingness to proceed to reforms, despite the political confrontation. On the other hand, the opposition parties found fertile ground to generate political pressure to the governing party, New Democracy.

Introduction

In May 2021, the Minister of Labor and Social Affairs, Kostis Hatzidakis introduced the government's plans to reform the obsolete Greek labor laws, which among others introduced the liberalization of the working hours, the "digital work card" and the increase of legal overtime to 150 hours a year (1).

This Bill became the center of a political debate in Greece, mainly from the opposition. Civil unions, also, opposed to the government's plans by organizing strikes. Despite the mobilization against the new Labor reforms the Labor Bill was approved as Law 4808/2021 and published in the Hellenic Parliament Gazette on 19.06.2021 (2).

Background

During the economic crisis and the deep recession of the Greek economy, under the pressure of the "memoranda of understanding" and the so-called "bailout" programmes imposed from the creditors to the Greek government, reforms on the labor laws were undertaken mainly in the period 2010-2013. In this context 28 new laws were adopted, mainly focusing on structural reforms (3).

On the onset of the period of the post economic crisis and the pressure for reforms created by the COVID-19 pandemic in the working environment, the government prioritized the formation of a new Labor Bill as mandatory. The main intentions of the government were to set a coherent and modern framework to the labor scene in Greece, by introducing reforms, such as: flexibility to the eight-hour workday; demarcation of teleworking, by giving the right to the workers to disconnect and setting the outline to combat violence and harassment in the workplace. In addition, the lawmakers intended to incorporate all relevant provisions of the International Labor Organization (ILO) as well as of the European Union (EU) (4).

Labor Minister Kostis Hatzidakis declared that the new reforms will change laws that dated back decades. It is worth noting that parts of the labor bill were not updated since 1982. As Hatzidakis highlighted “The core of the bill goes back to 1982. In 1982 the Internet, let alone teleworking, was a distant dream.” This statement sums up the plans of the government to make radical changes, focusing, among others, to the establishment of a framework, which will respond to the new emerging working environment, that of teleworking (5).

Key reforms of the new Labor Bill

One of the most controversial reform of the new Labor Bill is the flexibility to the eight-hour workday by allowing employees to work up to 10 hours on one day and fewer on another or take time off. A “digital work card” will be created in order to monitor employees working hours in real time. In addition, the legal overtime will be increased to 150 hours a year (1). Moreover, provisions for working at Sundays are set, in accordance with EU practices and in particular following practices adopted by Mediterranean countries. These reforms, according to the government, aim to counter black labor and unregistered overtime.

Reactions were also risen about the reforms on labor unions and strikes of the public sector. According to the new Labor Bill, labor union leaders who use violence or in general act illegally during strikes are no immune against law. The 2nd and 3rd degree Labor Unions cannot re-proclaim a strike in case this strike was determined in Court as invalid. Provisions for the protection of the public from strikes on the public services sector, oblige strikers to provide the 1/3 of usually provided personnel. Moreover, financing of labor unions from political parties and employers is forbidden (6).

The new Labor Bill also introduced reforms with social impact. For example, the introduction of new leaves for parents and caretakers, such as 6 months for maternity protection,

7 days for assisted reproduction, 14-day leave for new fathers and subsidized leave for both parents. In addition, protection of the father against dismissal for 6 months and 18 months for the mother. Furthermore, it is allowed to adapt the working time following relevant worker's request (7).

It is worth noting that this spring numerous cases of sexual assault and harassment at the workplace, came into light and fueled the political and social dialogue in the country. The government seized the momentum and introduced to the new Labor Bill preventive and repressive measures to prevent violence and harassment at work, by accepting Convention C190 of the ILO. The terms "violence" and "harassment" were also defined in order all parties have the same understanding. Harassment includes gender related insults. (6) These reforms were marked positive. However, the opposition and social unions are skeptical for the implementation of these provisions.

The Debate

The submittal of the new Labor Bill was heavily criticized by the left-wing opposition and civil unions who feared that the changes would undermine worker rights. Greece's main civil servant union ADEDY organized a 24-hour strike against the bill, considering that the government seeks to raise the eight-hour working day to 10 hours, scrap the five-day working week and collective bargaining agreements. PAME, the Communist Party Workers Union, also organized a demonstration against the bill in central Athens.

The left-wing Syriza opposition has criticized the bill, saying it restricts employee rights at a time when workers risk more job losses due to the coronavirus pandemic. Syriza leader and former prime minister Alexis Tsipras accused the government of moving against a worldwide trend to improve workers' rights. He stated that "the bill is an offence to society, the world of labor and especially the young generation. Its provisions are more work, less payment, no protection...You establish 10 or 12-hour unpaid labor, you remove the protection of the employees against dismissal, you disintegrate the Labor Inspection, you allow the employers to manipulate the syndicates". Commenting the arguments about workers' free choices on which the Prime Minister had referred, Tsipras supported that the bill would allow the powerful employers to negotiate with isolated workers. Tsipras committed to overturn this bill if he forms a new progressive government in the next elections (8).

Fofi Gennimata, the leader of the 3rd Party, the socialist KINAL, pointed out that since the very first moment her party had an active presence in working places and demonstrations, together with the workers and the syndicates and she added "In case today's majority approves this monstrosity, it is our clear and non-negotiable commitment to abolish it immediately when political associations allow it." According to Gennimata the provisions of the bill require the employee to bow his head, accept everything and submit. She stated "The employee is left alone to negotiate with the employer. In practice there will be no more 8 hours, we go for 10 hours and overtime that will not be paid" Gennimata also stressed that the strike is being prevented and the protection of trade union officials is being abolished and stressed (8).

According to D. Koutsoumpas, General Secretary of the Communist Party (KKE) the new Labor Bill intervenes directly at the heart of labor rights, which is the fixed daily working time. He noted that the government is afraid of workers and their collective struggle because beyond the "overflow" of working time the government tries to oppress the trades unions action and the strike rights (8).

Regardless of the negative reactions that the new bill generated, it was accepted practically from all the parties in the parliament and passed as a law. Hatzidakis, argued that SYRIZA voted for half of the articles of the bill that was previously called as "offensive" by the members of the opposition party. Hence, this was seen from the government as a major victory. However, the implementation of the new labor laws will be a challenge and the impact on Greece's society and economy is yet to be seen.

Conclusion

The new Labor Bill, introduced in May by the Minister of Labor and Social Affairs fired up the political and social debate in the country. The governing party defined the bill as "forward-looking" in outlook, "without anachronisms", whereas it was strenuously opposed by the opposition parties and civil unions, which argued that the reforms would suppress the employees and unions rights. Despite the negative reactions the Labor Bill was approved by the majority of the parliament and passed as a Law. Further monitoring needs to be done for the implementation of the new labor law and the impact of the reforms at Greece's working environment and economy.

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