



GREECE

Contribution to the 2015 United Nations Economic and Social Council (ECOSOC) Integration Segment

How has your Government used labour market policies, including wage policies, to help reduce economic and social inequalities?

The prolonged recession in the Greek economy, has led to major labour market and social challenges. Unemployment, youth unemployment and the NEETs rate have all increased considerably. All these indicators are performing negatively against the EU average, and the deterioration of the position of young people and other vulnerable groups in the labour market is of high concern as it may also lead to a shortage of labour resources and skills posing a threat to potential GDP growth in the longer term. Gross household disposable income has declined significantly, which has also led to an increase in the number of people at risk of poverty or social exclusion (AROE) and to the persistence of high income inequalities.

At the same time, a number of measures have been adopted towards the **simplification of procedures** and the **reduction of administrative burden** for businesses such as the electronic submission of labour reporting forms and/or social security contributions. The **PES** is undergoing a thorough **reengineering process** that aims to simplify the administrative procedures and release valuable resources in terms of human capital and costs.

A comprehensive strategy has been developed by the government giving special emphasis on ensuring legality in the labour market and in particular on **tackling undeclared and uninsured work**. Main reforms in this area include: implementation of the integrated operational plan 'ARTEMIS', regular and targeted inspections for labour law violations, imposition of heavy fines, strengthening of the control mechanisms.

The government's intention is to radically fight against the widespread phenomenon of delinquency in the labour market and in particular the multiple versions of undeclared and uninsured work. The government's immediate priorities include social negotiation with the competent trade union and employers' organizations and local self-government agencies concerning a comprehensive strategic plan to combat the phenomena of black labour and social security contributions' evasion.

The alliance between the government and the social partners against illegality in the labour market is founded on successful and effective practices followed in many European countries and includes a set of incentives, disincentives and institutional interventions mutually beneficial to all bodies concerned. Above all, however, combating undeclared work involves upgrading and re-staffing the competent Labour Inspectorate and IKA inspection mechanisms as well as modernizing and further developing the technological means in order to eradicate the phenomenon.

Concerning **support to the unemployed and active labour market policies**, in late 2013, the criteria for providing **unemployment assistance to the long-term unemployed** were expanded and the terms and conditions for the payment of unemployment benefits to **former freelancers and self-employed** were modified, with the view to increasing the number of beneficiaries.

Towards ensuring full and stable employment, the government aims at restoring and modernizing a functioning system of collective bargaining which forms part of the overall medium-term objective of the state's subsidiary and supplementary role in the field of regulating remuneration and working conditions for all economic sectors and enterprises of the country. Re-introducing the principle of favorability as well as the extended and binding nature of collective agreements will allow an increase in the number and coverage of workers by the relevant collective regulations in force.

Is youth employment a major issue in your country? What is the proportion of the youth labour force (aged between 15 and 24) that is unemployed in your country? Does your Government have specific programmes targeted at youth employment?

Youth unemployment is a major issue in our country and a result of deep and prolonged recession caused by the unprecedented austerity and internal devaluation policies, therefore addressing high unemployment is a key priority for the government.

According to Greek Statistics Authority's Labour Force Survey data (EL.STAT-LFS) total unemployment rate decreased to 25.5% in the 3rd quarter of 2014 from 27.2% in 2013 (3Q2013). As for the youth in the 15-24 age groups, the unemployment rate declined to 49.5% in the 3rd quarter of 2014 from 57,1% in 2013 (3Q2013).

Based on LFS data, youth unemployed totaled 154 thousands in the 3rd quarter of 2014. Approximately, 60% of the young unemployed are long term unemployed. In addition, 55.0% of the youth unemployed have completed secondary education, 13.8% post secondary technical-vocational education and 15.9% have completed tertiary education [3Q2014].

According to OAED data, registered unemployed (seeking a job) reached 854,517 people in November 2014, of which 91,716 were young in the 15-24 age groups.

The percentage of NEETs (ages 15-24) has increased significantly over the last years, from 11.4% in 2008 to 20.4% in 2013 - an issue of concern. According to EL.STAT data, NEET people in the 15-24 age group amounted to 225,762 people in the 2nd quarter of 2014 from 239,691 in the 2nd quarter of 2013.

Addressing unemployment a broad set of **active labour market policies** is implemented mainly through the Greek Manpower Organization (OAED) to form the main axis of the overall employment strategy. Briefly, there was an expansion of short-term and temporary **public work programmes** with 50 000 positions mainly for the long-term unemployed and those living in jobless households, and within the framework of the 2013-2015 National Youth Action Plan **subsidized internships for young jobseekers with private sector employers**.

Furthermore, a **National Youth Guarantee Implementation Plan (YGIP)** was submitted to the European Commission (EC) at the end of 2013. Once the Youth Guarantee scheme becomes fully operational, it will ensure that **all young people up to 25 years old, who are neither in employment, nor education or training (NEETs), will receive a good quality offer of employment, vocational training, apprenticeship or traineeship within four months of leaving official education or becoming unemployed**.

The actions of the Plan are divided into two basic categories: a) **Early intervention** and activation mainly focused on prevention, as well as on supporting young NEETs to effectively improve their situation and to avoid the impact of long-term exclusion from education/training or the labour market b) **Labour market integration** focused on measures for gaining access to education, training or employment, so as to offer the unemployed the opportunity to achieve labour market access.

In the context of the Youth Guarantee Implementation Plan a **voucher for the access into the labour market for NEETs 18-24 years old** is implemented. The program is aiming to provide **12.000 young unemployed** people with a pathway to the labour market. The beneficiaries can benefit from vocational training, on the job training and subsidization of social security contributions in case the employer wants to hire them after the end of the training phase.

One of the major reforms included in the YG plan is the setting up of the diagnostic system for the assessment of the needs of the labour market in skills. The roll out of the diagnostic system will facilitate the effective linkage between offer and demand of skills and competences in the labour market as well as better forecasting of future trends in the labour market. The system is particularly important for the effective roll out of the youth guarantee, since its results are expected to feed in the curricula of vocational training and apprenticeships.

It is the government's intention to:

1. Strengthen the resources and improve the institutional framework of **Solidarity and Social Economy**, which is a direct way of halting unemployment but also a strategy focused on actively fighting against unemployment with a social orientation.
2. Upgrading OAED Promotion Centers to essential tools for the placement of the unemployed in jobs based on their professional profile, level of education and the needs of businesses, and
3. Adjusting and implementing the temporary employment program requested by the Municipalities, initially targeted on 52.000 unemployed persons.

How is your Government addressing the challenges of education/skills and jobs mismatch in your country, especially in the context of transition to a sustainable development? Does your country have successful initiatives that link education and training to the world of work?

In order to sustainably **increase the level of skills and the employability of entrants to the labour market**, to facilitate mobility of workers and to attract new investment, significant steps have been taken by the Greek authorities and relevant stakeholders to reform the vocational education and training.

This reform is based on the legal framework set by Law 4186/2013 which establishes a plan for the modernisation of vocational education and training, aiming at an improved interconnection between the labour market and the economy. A special place in this effort belongs to the **introduction of a dual system** by establishing the "**apprenticeship class**" as a fourth optional year of study for Vocational Senior High School (EPAL) graduates. The "Apprenticeship Class" implements the "Educational/Apprenticeship Programme in the work place" of 28 hours per week, and a lab educational programme within the school premises of 7 hours per week. Afterwards, the graduates are granted Certificate of Professional Specialisation.

The Greek government has drawn up a roadmap to achieve the reform in the area of apprenticeship. The Ministries of Education, Labour and OAED are cooperating on the basis of this roadmap in order to adopt a detailed action plan that will ensure the existence of a quality framework and the appropriate control mechanisms. To this end, a permanent Coordinating Committee is set up by representatives of the above bodies.

In 2014, a Ministerial Decision for the **establishment of two experimental vocational educational schools** has been signed. These two schools are already in operation, one in Kalamaki, Attica and one in Heraklion, Crete, providing for three disciplines, namely cook, restaurant manager and hotel employee. Overall, those 3-year schools have 80 students, and they have been adjusted to the needs of the market, that is in the winter months theoretical courses and workshops take place at schools, and in the summer months, (May-October) internship in businesses.

Last, the Greek Manpower Organisation (OAED) has started implementing since October 2014 an apprenticeship programme in the Vocational Schools (EPAS), which is a YEI financed action. The students of EPAS are placed as apprentices in enterprises relevant to their field of study and OAED is subsidizing the cost of the apprenticeship with a daily stipend. This action has a total budget of 36.000.000 € and it is aimed to benefit 10.000 NEETs.

In the field of **training**, recently, the Ministry of Labour Social Security and Welfare issued the action "**Voucher for access to the labour market**" which targets 42.000 young unemployed under the age of 29 and consists of two components: initial **theoretical training** and **on the job training**. The program consists of two pillars: Pillar (A) targeted to young unemployed aged 18-24 (mentioned above as an integral part of the national Youth Guarantee Implementation Plan) and Pillar (B) targeted to young unemployed 25-29 years old.

The Ministry of Labour and Social Solidarity is preparing an Action Plan on the Operation of a System for the Identification of Labour Market Needs.

In particular, the Action Plan refers to the development and implementation of an integrated, sustainable and effective system for the identification and forecast of labour market needs and trends in Greece, in order to improve the targeting and effectiveness of employment and vocational education/training policies. It should be noted that the Action Plan provides for cooperation with the social partners.

Moreover, during the electronic submission of the annual table of personnel (form E4) to the ERGANI Information System of the Ministry of Labour, the user of the system is allowed to optionally fill out the "Research Form for the Identification of Enterprises' Needs in Specialities and Skills". Filling out this form is a first attempt to identify private sector needs contributing thus significantly to the development of vocational education, the targeting of training and the development of apprenticeship.

What kind of policy approaches and initiatives your Government have to facilitate the transition from informal to formal employment and to formalize and increase sustainability of small and micro enterprises, taking into account the economic, social and environmental dimensions of sustainable development?

The Greek Government has demonstrated a strong will to ensure the legality but also to combat undeclared work, which was also one of the priorities of the Greek Presidency of the Council of the European Union (First Semester of 2014).

Precisely because of the phenomenon's complex nature, tackling undeclared work requires a **mixture of interventions** towards **preventing and suppressing** the phenomenon that facilitate the transition from informal to formal employment.

Thus, during the last years significant action has been undertaken in our country to combat undeclared work, towards:

- intensification and better targeting of inspections throughout the country, making use of the new information systems of the Ministry of Labour («ERGANI», «ARTEMIS»)
- strengthening and upgrading of inspection mechanisms
- stricter imposition of fines
- reforming/ restructuring the SEPE [in cooperation with the ILO]
- reducing bureaucratic and administrative burdens for the enterprises improving thus the environment for the promotion of entrepreneurship
- and also towards reducing of non-wage costs

With regard to the ERGANI INFORMATION SYSTEM:

We would like to note that from the 1st of March 2013 the online submission of forms relating to the S.E.P.E. and the O.A.E.D. at the ERGANI Information System are mandatory for employers registered with the IKA-ETAM.

Through this information system, employers are freed from red-tape procedures, while making use of the data from the information system will contribute to the fight against undeclared work and contribution evasion.

This information system provides information and data on:

- salaried employment flows in the private sector (notification of hiring, termination of contracts of indefinite period, expiry of fixed-term contracts and voluntary job leaving),
- classification of recruitments/dismissals by type of contract, size of enterprise, region,
- sectoral specialization of new recruitments/dismissals,
- conversion of full-time contracts into part-time or rotation work,
- evolution of enterprise level collective agreements
- total number of enterprises throughout the country employing workers bound by a dependent relationship under private law and the total number of workers [in the context of the annual submission of tables of personnel]
- take-up rate of the OAED active policy programs, etc.

How do the trade unions engage in promoting an integrated approach to employment creation and decent work for all?

Act No. 1264/1982 on the democratization of trade union movement and the protection of workers' trade union freedoms" (O.G. 79/A'), as currently in force, based

on the Constitution and also the International Labour Conventions, enables workers to participate in trade unions and engage in trade union action with a view to protecting and improving their professional interests. Moreover, the right to strike is protected as a last resort for workers to claim and protect their financial, labour, trade union and social security interests. In the framework of the principles embedded in the said Act, the government considers further regulating and updating the trade union protection provided for on certain fields.

By virtue of Presidential Decree 240/2006 on «Establishing a general framework for informing and consulting employees (O.G. 252/A), in terms of conformity of the national legislation with Directive 2002/14/EC, a general framework has been established for informing and consulting employees in undertakings or establishments throughout the country. In this way the process of informing and consulting has been consolidated and become compulsory in all enterprises and especially prior to any decision taken by the employer that might introduce changes in the working lives of the individuals.

By virtue of Act No.4052/2012, Chapter XII on «Workers' right to information and consultation in Community-scale undertakings and groups of undertakings» (O.G. 41/A), in compliance with Directive 2009/38/EC/6.5.2009, through the European Works Councils, workers are entitled to information and consultation on issues related to their vital labour interests with the respective bodies of community scale undertakings established in Greece and groups of enterprises having their central administration in Greece.

Furthermore, by virtue of a) P.D. 91/2006 on the role of workers in a European Undertaking» (O.G. 92/A), in compliance with Directive 2001/86/EC, b) P.D. 44/2008 «Supplementing the statute for a European Cooperative Society with regard to the involvement of employees, in compliance with Directive 2003/72/EK/22.7.2003 (O.G. 72/A) and c) Act No 3777/2009 on «Cross-border mergers of limited liability companies and other provisions» (O.G.. 127/A), in compliance with Directive 2005/56, the role of workers has been established in European union level undertakings with regard to their information, consultation and involvement in decision making procedures by the competent bodies. Thus, the worker's representatives may influence decisions taken within an undertaking, through their right to elect or appoint some of the supervisory or administrative body members of the undertaking/legal entity or their right to recommend or/and oppose the appointment of some or all of the members of the supervisory or administrative body of the undertaking.

The above mentioned legislation aim at strengthening social dialogue and the relationship of trust within the undertaking or the group of undertakings (both at national as well as at community level), with a view to preventing risks, allowing flexibility in work organization, workers' awareness raising on adaptation needs, their involvement in the company's progress and development and thus strengthening its competitiveness. Employers are required in a spirit of cooperation to inform and consult with workers or their representatives, while knowing that the said procedure aims both at protecting workers' rights as well as the interests of their undertakings in the context of finding sustainable and effective measures for the reorganisation and/or development of their businesses.

ANNEX

Table of Active Employment Policy Programs

The main interventions aimed at promoting youth employment that have been and are currently being implemented in our country the recent years are the following:

Name of Intervention	Scope	Body Implementing Programme
Employers' subsidy program for work experience acquisition for unemployed young people up to 24 years old	To enhance the skills of unemployed people aged 16-24 and provide them with an opportunity to acquire professional experience in the private sector	OAED (Manpower Employment Organization)
Entrepreneurship Promotion Programme for 6.000 Graduates	To encourage young unemployed graduates (doctors, engineers, dentists, pharmacists, veterinary surgeons, lawyers) who recently (after the date - 20/01/2009 -mentioned in the Programme) started their own business in their field	OAED
Vocational Training Voucher for unemployed up to the age of 29	Theoretical and practical training which leads to placement in companies of the private sector	Managing Authority of the Operational Programme "Human Resources Development" of the General Secretariat for the Management of European Funds of the Ministry of Labour and Social Solidarity
Subsidising companies in order to hire unemployed graduates, up to 35 years old	The creation of 5.000 new, full-time jobs in private enterprises, for registered unemployed graduates, postgraduates and PhD holders, up to 35 years of age.	OAED
Public welfare programmes for young people in the cultural sector	Promotion of youth employment in co-funded works for the construction, highlighting, and preservation of cultural infrastructures, as well as the guarding of archaeological sites and	Jobs are created in the eligible non-profit character institutions (Associations, Foundations, etc.) in collaboration with partner agencies of the General Secretariat of Culture of the Ministry of Education, Culture and Sport

	museums (archaeologists, architects, engineers etc).	
Two-year program for the promotion of employment with emphasis on young people and on specific groups of unemployed	To create new jobs by subsidising part of the insurance costs for the employment of 25.000 unemployed people (full or part-time employment).	OAED
Special four-year program for the promotion of employment with emphasis on young people and specific groups of unemployed persons	To tackle unemployment and increase employment through the creation of new job positions.	OAED
Vocational Training Voucher for unemployed 18-24 years old in the private sector to gain work experience	the achievement of a structured course entry unemployed young people into the labor market, which potentially leads to placing them in jobs in the private business sector of the economy (intervention under the Initiative 'Youth Guarantee')	Managing Authority of the Operational Programme "Human Resources Development" of the General Secretariat for the Management of European Funds of the Ministry of Labour and Social Solidarity. OAED assists by conducting spot checks of the physical object.
Vocational Training Voucher for unemployed 25-29 years old in the private sector to gain work experience	the achievement of a structured course entry of the unemployed young people into the labour market, which potentially leads to placing them in jobs in the private sector of the economy	Managing Authority of the Operational Programme "Human Resources Development" of the General Secretariat for the Management of European Funds of the Ministry of Labour and Social Solidarity. OAED assists by conducting spot checks of the physical object.

<p>Interconnection voucher with the labour market of unemployed university graduates and graduates from technological institutes.</p>	<p>Contribute to linking graduates of Universities and TEI in the labor market through a series of specific and targeted actions. Specifically, graduates of these schools will be supported in order to upgrade and increase their qualifications with a focus the interconnection with the labor market. Targeted training and specialized 6-month internship will be delivered in enterprises of the private sector.</p>	<p>OAED</p>
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