

The new bill entitled «**Public pension rules and other insurance provisions, enhancement of employees' protection, rights of persons with disabilities and other provisions**», which includes important labour and social security provisions, has been passed and is expected to be published in the Government Gazette.

A. Social security provisions

Disconnection of the insurance obligation from the capacity of engineers and lawyers

Subjection to insurance depending on the initiation or cessation of activities before the tax authorities

- The self-employed engineers and lawyers who are or will be registered with the Technical Chamber of Greece and the competent Bar Associations respectively, are subject to insurance with E.F.K.A. and E.T.E.A.E.P. from the commencement date of their activities before the competent tax authority and until the cessation of activities and de-registration with said tax authority.
- The new provision will be retroactively effective as of 01.01.2017. Any contributions that have been paid and concern any insurance period as from 01.01.2017 are offset or refunded, with the exception of healthcare contributions.

Optional continuation of insurance

- The above individuals, who have been subject to insurance with E.F.K.A. and E.T.E.A.E.P. until the entry into force of the new law and for whom it derives that their insurance should be discontinued, may optionally continue their insurance for all insurance sectors to which they were subject until the termination of their mandatory insurance. In this case, the monthly contributions are calculated on the basis of the minimum monthly income threshold applying to insured individuals for more than 5 years, provided by article 39 of L. 4387/2016. For the optional continuation of insurance, a relevant declaration should be submitted within a deadline of three (3) months after the entry into force of the new law.

Unduly paid contributions

Procedure for refund of undue payments of contributions

- In accordance with the new provisions, any undue payments of contributions to E.F.K.A. are offset against any kind of overdue debts, settled or not, of the beneficiaries towards E.F.K.A. and third parties, for which E.F.K.A. collects contributions. If there are no debts or if after the offset, a specific amount remains, then said amount will be refunded without interest to the beneficiaries, as follows:
 - In the case of employees, following a relevant application by the beneficiaries.
 - In the case of freelancers and self-employed, the refund is made after the annual settlement of the contributions which are due. Said individuals, may request that the excessive amount remains with E.F.K.A. as a credit balance to be offset against any forthcoming contributions.

B. Labour provisions

Time of registration with «ERGANI» of overtime and working time amendments

- In accordance with the new provisions, the employer is obliged to register with the informative system «ERGANI» any change or amendment of the working time, no later than the day when the change or the amendment of the working time takes place and, in any case, prior to the commencement of work by the employees, as well as the overwork and the lawful overtime prior to their commencement. The relevant provisions will enter into force following the publication of a relevant decision by the Minister for Labour, Social Security and Social Solidarity.

Procedure for the notification of the termination of the employment contract

- In every case of an employee's voluntary resignation or termination of the employment contract of indefinite term or expiry of the fixed-term employment contract or of the project contract, should be notified by the employer to the informative system «ERGANI», within four (4) working days after the above events at the latest.
- The notification of voluntary resignation should be accompanied by either an electronically scanned form which should be signed by both the employer and the employee, or by an extra-judicial statement of the employer towards the employee, informing the latter about his/her voluntary resignation and that it will be notified to the informative system «ERGANI». The extra-judicial statement of the employer should be served to the employee no later than four (4) working days since the voluntary resignation took place and the notification should be performed the next working day after the service of the extra-judicial statement.
- If the employer fails to timely fulfill its obligations regarding the notification of voluntary resignation, including the submission of the relevant accompanying documentation, the employment contract is deemed to be terminated by the employer (without notification). Said new provisions on the formalities regarding voluntary resignation are effective as of the publication date of the new law in the Government Gazette.

Issuance of payment order for overdue salaries

- In addition, a new article is added to the Code of Civil Procedures, which provides for the possibility to request the issuance of a payment order for overdue salaries, provided that the conclusion of the employment contract and the amount of salary are proved by a public or a private document and provided that a written notice has been served by a court bailiff at least fifteen (15) days before the filing of the request. According to the explanatory report of the law, such documents include, among others, the extract of the employee's personal account maintained in the informative systems of public authorities (e.g. S.E.P.E., E.F.K.A). In the above case, the work corresponding to the salary for which the payment order is requested, is presumed to have been provided.

Other provisions

- Also, it is provided that, during the performance of an audit, all those being present at the workplace should present to the Labour Inspector their police ID card or other document proving their identity. Otherwise, said individuals will be subject to administrative penalties similar to those applying to employers. Finally, the new law provides that the employer is obliged to provide its employees with a copy of the list of personnel, or an extract thereof, when said employees are occupied outside the seat of the enterprise or its branches.

www.pwc.gr

This information is intended only as a general update for interested persons and should not be used as a basis for decision making. For further details please contact PwC:

268, Kifissias Avenue

15232 Halandri

tel. +30 210 6874400



© 2017 PricewaterhouseCoopers Business Solutions AE. All rights reserved.

PwC refers to the Greece member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.