

## Developments in Employment Legislation as Result of Covid-19

This Briefing provides an overview of Joint Ministerial Decisions 17788/346/10.5.2020, 17787/520/10.5.2020 and ΓΔ2/16764/106/12.5.2020

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#### **A. Extension of the Suspension of Employment Contracts**

1. For employers-businesses for whom the suspension of operations continues during May 2020 by virtue of a public authority order, Articles 1-4 of subchapter A1 of the Ministerial Decision 17788/346/10.5.2020 (Government's Gazette B' 1779/10.5.2020) apply and stipulate that:
  - a. the suspension of employment contracts is extended for as long as the suspension of operation remains effective;
  - b. the suspension of the fixed-term contracts is also extended for as long as the suspension of operation remains effective; after the end of the extended suspension period, the duration of the fixed-term contracts continues for the agreed remaining time;

- c. dismissals are prohibited for the period the suspension is extended; if any dismissals are effected, they will be null and void;
  - d. employees whose employment contracts remain suspended for May 2020 are entitled to special purpose compensation amounting to €534 for May 2020, the payment of which will be effected within the period between 5 June 2020 and 10 June 2020; employees are not required to submit their own solemn declaration for payment, but they can amend their initial solemn declaration in relation to their IBAN or house lease details, within the period between 19 May 2020 and 1 June 2020;
  - e. employers shall submit the solemn declaration document for the extension of suspension within the period between 18 May 2020 and 31 May 2020 to the ERGANI electronic system.
2. For employers-businesses which are seriously affected by Covid-19 or which are in operation again by virtue of a public authority order, Article 1 of subchapter A2 of Ministerial Decision 17788/346/10.5.2020 (Government's Gazette B' 1779/10.5.2020) applies and stipulates that:
  - a. employers-businesses which:
    - i. are seriously affected by Covid-19 and have suspended the employment contracts for part or of all their employees; or

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- ii. are in operation again after the lifting of the prohibition of operation by virtue of a public authority order, may extend the duration of the suspension for up to 60% of the suspended employees for a period not exceeding 30 days and, in any event, to no later than 31 May 2020;
  - b. if the 60% threshold is exceeded, employers must pay salaries to the affected employees; in the event that the above threshold results in a decimal number of 0,50 and above, rounding-up applies; employers-businesses with only one employee whose employment contract has been suspended, may extend the suspension of this employment contract;
  - c. the measure of extension of the suspension of employment contracts may be implemented for May 2020 in a gradual manner for a different number of employees and up to the threshold of 60% per solemn declaration to the ERGANI electronic system;
  - d. the permitted days of the duration of the extension of the suspension of employment contracts depending on the start and end date of the suspension, are specified in Table 1 'for employers-businesses which are seriously affected' and Table 2 'for employers-businesses which are operational again in May 2020 by virtue of a public authority order', which are incorporated in Article 1 of the abovementioned Joint Ministerial Decision;
  - e. the employees are entitled to special purpose compensation of €534 pro rata for the days for which the suspension is extended as per the Tables 1 and 2 above; the amount payable for each day of extension is €17.8;
  - f. employment contracts which have not already been suspended as of 10 May 2020 may not be suspended, with the exception of KAD 86.10;
  - g. employers-businesses which make use of the measure allowing extension of the suspension of employment contracts, must not terminate any employment contracts for the time of the extension of the suspension and, in any case, until 31 May 2020; if any dismissals are effected, they will be null and void;
  - h. the employers-businesses which make use of the measure allowing extension of the suspension of employment contracts are obliged to retain the same number of job positions and with the same employment terms and conditions for 45 days following the end of the extension of the suspension of the contracts; voluntary exits, voluntary exits for retirement and fixed-term employment contracts, the duration of which end during the 45 day time period, are not included in the meaning of the 'the same number of job positions';
  - i. the extension of the suspension of fixed-term employment contracts is permitted; after the end of the extended suspension period, the duration of the fixed-term contracts continues for the agreed remaining time; Article 4 of subchapter A2 of the abovementioned Joint Ministerial Decision stipulates that employers shall submit the solemn declaration document for the extension of suspension between 1 June 2020 and 7 June 2020 to the ERGANI electronic system; the payment of the special purpose compensation to employees will be effected between 10 June 2020 and 12 June 2020;
3. Exceptions to the extension of suspension of employment contracts are as follows:
- a. Article 3 of subchapter A2 of the abovementioned Joint Ministerial Decision stipulates that employers-businesses which:
    - i. are operational again in May 2020 by virtue of a public authority order; and
    - ii. are affected by Covid-19 on the basis of the KAD list published by the Ministry for Finance, which is annexed to the same Joint Ministerial Decision, may extend the suspension of employment contracts for a higher than a 60% threshold.

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## B. Permanent Revocation of the Suspension of Employment Contracts

1. Article 2 of subchapter A2 of the Ministerial Decision 17788/346/10.5.2020 (Government's Gazette B' 1779/10.5.2020 stipulates that employers-businesses which are operational again after the lifting of the prohibition of operation by virtue of a public authority order, may revoke the suspension of at least 40% of the employment contracts on suspension.
2. Employers-businesses which are seriously affected by Covid-19 and have suspended the employment contracts of their employees, may revoke the suspension of at least 40% of the employment contracts on suspension, on the condition that the suspension lasted at least 15 days.
3. The employers-businesses under 1 and 2 above, which permanently revoke the suspension of employment contracts for part of their employees, may use the measures of Article 9 and 10 of the Act of Legislative Content dated 20 March 2020, ie the measure of operation with security personnel (rotation) and the measure of transfer to other companies within the same of group of companies. It is clarified that for the calculation of the 50% of employees who may be put on rotation employment (operation with security personnel), the number of the employees for whom the suspension of employment contract has been revoked permanently is taken into account.
4. The employment contracts of employees whose suspension is revoked cannot be put on suspension again.
5. The employees for whom the suspension of employment contracts has been extended until the date of re-operation by virtue of a public authority order in May 2020, are entitled to special purpose compensation of €534 pro rata, as per Table 3 'Employers-businesses which are operational again by virtue of a public authority order in May 2020' that is incorporated in Article 2 of subchapter A2 of the abovementioned Joint Ministerial Decision.
6. The employees whose suspension is revoked are entitled to a special purpose compensation pro rata

for the days their employment contracts were suspended.

7. Employers-businesses for whom the suspension of the operation continues for May 2020 by virtue of a public authority order, are not permitted to permanently revoke the suspension of employment contracts.
8. Article 3 of subchapter A2 of the abovementioned Joint Ministerial Decision stipulates that employers-businesses which:
  - a. are operational again in May 2020 by virtue of a public authority order; and
  - b. are affected by Covid-19 on the basis of the KAD list published by the Ministry for Finance, which is annexed to the same Joint Ministerial Decision, may permanently revoke the suspension of employment contracts for a lower threshold.
9. Article 4 of subchapter A2 of the abovementioned Joint Ministerial Decision stipulates that employers shall submit the solemn declaration document for the permanent revocation of the suspension between 1 June 2020 and 7 June 2020 to the ERGANI electronic system; the payment of the special purpose compensation to the employees will be effected between 10 June 2020 and 12 June 2020.

## C. Temporary Revocation of the Suspension of Employment Contracts for Urgent Needs

1. Subchapter A3 of Ministerial Decision 17788/346/10.5.2020 (Official Gazette B' 1779/10.5.2020) stipulates that the employers-businesses:
  - a. for whom the suspension of the operation continues for May 2020 by virtue of a public authority order; or
  - b. which are operational again by virtue of a public authority order; or
  - c. which are seriously affected, on the basis of the KAD lists issued by the Minister of Finance, may temporarily revoke the suspension of employment contracts for urgent and extraordinary needs that cannot be postponed. Such needs for each category of the above

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employers-businesses are specified in subchapter A3.

2. Employers-businesses making use of this measure are obliged to submit, prior to the start of the provision of work by the employees, the relevant ERGANI form/solemn declaration specifying the reasons justifying the revocation and the revocation period.
3. The employer is obliged to pay contractual salaries to employees pro rata for the days of their employment.
4. The time the employees provide work (ie the time of temporary revocation) extends the suspension period for the same amount of time.

## D. Extension of Special Purpose Leave

1. Pursuant to Joint Ministerial Decision 17787/520 (Government's Gazette B 1778/10.5.2020) the special purpose leave is linked to the operation of the kindgartens, schools, special care units and so on and is extended as long as their operation is

suspended and is granted to employees for the period the suspension of operation remains effective, without any time limits relating to their use. Further legislative provisions will not be published regarding the matter.

## E. Analytical Periodical Declaration for Employees on Suspension

1. Joint Ministerial Decision ΓΔ2/16764/106, (Government's Gazette B 1805/12.5.2020) specifies the procedure for the cover from the State Bill of the social contributions of employees whose employment contracts have been suspended and provides clarifications about the Analytical Periodic Declaration for March 2020 (ΑΠΔ) to be submitted by the employers (information to be included in the Analytical Periodic Declaration, deadline for submission and so on).

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