

National Report GREECE



"PANAGIA ELEOUSSA"
Workshop for people with disabilities

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PROJECT PESSIS: PROMOTING EMPLOYERS' SOCIAL SERVICES ORGANISATIONS IN SOCIAL DIALOGUE



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**“Promoting employers’ social dialogue
in the social services sector in Greece”**

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Introduction

For many years, the system of interest intermediation in Greece had been marked by strong state interventionism, party dependency and clientelist politics. Following a transformation process that had gathered momentum in the early 1980s (when the socialists had come to power), organised interests gradually achieved independence and institutionalised access to public policy within the framework of corporatist bodies.¹ This process was mainly triggered off by developments in the EU. The participation of Greek employers' and workers' associations in the European institutions reinforced their bargaining power vis-à-vis the Greek state and increased both their representational weight and their authority vis-à-vis their constituencies.

This rise of organised interests in Greece has been described by many scholars as an "artificial neo-corporatism", owing to the fact that it was not caused by a genuine, endogenous development, but rather by a top-down process, unleashed by the growing requirements for macro governance in the wake of European integration. This trajectory is reflected in the weaknesses of the system: weak membership, excessive fragmentation of organisations, and a formalistic rather than substantial influence on important areas of public policy.

The process of collective bargaining could not remain unaffected by the above developments. Until 1990, the scope of bargaining was confined to pay issues and its outcome was subordinated to a compulsory system of state arbitration. These regulations were replaced by the law 1876/1990, which marked a breakthrough in modernising industrial relations, as it enacted the independence of bargaining from pervasive authoritarian interference of the state. The institutional framework affecting labour relations provided more than 20 years of social peace and greatly contributed to the mitigation of social conflicts.

This was true until the debt and fiscal crisis in Greece forced the government in 2010 to seek a bailout from the IMF, the European Central Bank and the European Union ("troika"). The first bailout agreement concluded in May 2010 in exchange for a € 110 billion in emergency funding (loan), introduced a series of policy reforms including: cuts in public spending impacting on wages and pensions; the downsizing of public utilities; and a drastic revision in labour relations, affecting minimum rates, mass layoff limits, collective bargaining arbitration and severance pay levels. The first rescue plan, that was repeatedly reviewed and supplemented with further austerity measures, was soon followed by a new, even more painful austerity and structural reform programme in February 2012. In exchange for a further € 130 billion emergency funding

¹ See Lanza and Lavdas, 2000, cited in Mouriki, A. and F. Traxler, 2007

from the "troika" and a drastic cut in the country's foreign debt, the Greek government had to pass new legislation that demolished what had been left of the industrial relations and collective bargaining systems. These successive blows to the system of social consultation, in association with a rapidly deteriorating economic and social situation, shaped a totally new landscape for the social interlocutors.

In the social services sector in particular, the structure and organisation of the social dialogue process could not but follow the same course as that at the national level. The European integration and the legislative initiatives of the 1980s and the 1990s gave a significant impetus to social consultation and equipped the social partners' organisations with a decisively greater leverage. However, the long-standing weaknesses and the lack of a consensus culture, characteristic of the overall industrial relations system, have not allowed the social interlocutors to effectively participate in the design and implementation of social policies and to address some of the major problems in this area. Instead, the collective bargaining agenda has traditionally been limited to wage issues and characterised by a confrontational attitude and an inability of the stakeholders to strike compromises and make a synthesis of divergent views.

1. Profile of the social services sector in Greece

1.1. Contextual information: extent of the social services sector and recent developments

The social protection policy context

It is generally accepted that, contrary to what happened in most western countries, the growth of the post-war Greek state (1960s until mid-1970s) has not been accompanied by the development of its welfare functions. Family and more generally informal networks compensated for the lack of organised state support in the social welfare area. It is with great delay, in the early 1980s, that the Greek state began to show some interest in promoting welfare state institutions and functions, a notable example being the establishment of the National Health System.

For a long time and until quite recently, social policy in Greece has played a residual role, mainly filling the gaps left by the family in the provision and distribution of welfare. As a result, the system of social protection in Greece has for many years been dominated by a traditional mode of functioning. Admittedly, this situation has gradually changed over the past twenty five years. For, concurrent socioeconomic developments have led consecutive governments in Greece from the mid '90s onwards to gradually improve the forms of public provision of social, welfare and

support services in order to meet the increasing and multidimensional needs in this area.

Despite these efforts, however, public social policy planning and implementation continues to retain its centralised and legalistic characteristics, as is the case with almost all policy areas. These very characteristics, in their turn, are considered to be among the main problematic features of the social protection system in Greece, with serious implications on efficiency. Other factors that have impeded the development and proper organisation of the social protection system are the deficiencies in the quantity and quality of staff, especially at the regional and local levels. As regards the provision of community care and welfare services in particular, they are also characterised by uneven development with respect to organisation, personnel and funding, compared to the two other basic sectors of social protection, namely social security and health protection.

Overall, it may be said that the system of social protection in Greece was never planned as an entity and even today it appears to be short of possessing a unifying philosophy. When it comes to examining, in particular, the way that welfare and social protection services are organised in Greece, one observes that, despite the positive steps taken over recent years, there exists a split between the provisions made by the various social security funds and the provisions made by the Ministry of Health and Social Solidarity through its decentralised services. Besides, it should be pointed out that until very recently, the National Health System and the Social Care Provision in Greece have been developed separately in different time-spans and their functioning has been governed by distinct laws and regulations in terms of their organisational aspects and their administrative structures.

Moreover, it should be noted that Greece has been characterised by a strong centralised structure of the state mechanism and consequently social policy planning and implementation reflect this excessive centralisation. Regional and local levels had, until very recently, relatively few powers in the social policy area. Rural areas in Greece have presented –and to some extent still do today– a greater “welfare deficit” in relation to urban areas, especially in terms of social infrastructure and human resources capacity. Nevertheless, during the 1980s and the 1990s, a transfer of competencies with regard to welfare activities from the central ministries to the local authorities has taken place. Local authorities were thus allowed to provide a wide range of services concerning mainly the protection of maternity and infants, as well as the protection of the disabled and the elderly, while they could also pay cash benefits to persons in need of financial aid. A notable example in this respect is reflected in the establishment and operation of the Open Care Centres for

the Elderly People (KAPI), an initiative that began at the end of the 1980s and continues through to date. It is worth mentioning, however, that very recently (2010), a new Law was adopted concerning the re-organisation of the Local and Regional Administration ('Kallikratis' Law no 3852/2010). This Law provides, among other things, the delegation of responsibility of the social welfare policy to the Local Government; as a result, municipalities now play a much more important role in social policy and, in particular, in providing welfare and social services. Yet, it is questionable whether this transfer of competencies to the local authorities has been accompanied by a simultaneous transfer of the necessary resources.

The Social Services Sector

Social Services in Greece have been commonly described 'as poorly planned'. Instead of basing the development of social services on a careful assessment of needs and the hierarchy of priorities, the state followed a different approach and proceeded in a piecemeal fashion; as a result, social services were developed to address extreme situations rather than enhance prevention. In general, social services have traditionally –and until recently- focused on the needs of three population groups: the *children and their families*, the *elderly* and the *disabled*. Moreover, in the late 1980s and early 1990s, Greeks coming from Eastern Europe and the former Soviet Union (the 'Pontian Greeks') also became an important target group for social services, given that there were facing serious social integration problems.

Due to poor planning, or lack of planning, needs in many areas have gone unmet, while in other areas there has been a serious overlap in social services provision by multiple public bodies. The multiplicity of bodies has also been linked to geographical inequalities: in some areas there were many bodies offering the same services, while in other areas there were serious shortages of services. The lack of coordination among the service providers made the situation even worse.

However, over the last two decades, significant efforts have been made to move away from the provision of traditional welfare services towards the implementation of programmes, facilities and community services of open social care and protection and other related support services addressed, not only to the above mentioned target groups, but also to people experiencing situations of poverty and social exclusion. In particular, over the recent years, specific schemes of social support have been implemented for pre-school children, disabled children and the elderly, heavily co-financed by the European Social Fund under the Community Support Frameworks for Greece. These initiatives are considered as the main social policy interventions that have significantly benefited the

population in rural areas over the past twenty years. However, there still exist considerable gaps and overlaps in the provision of social services by the different levels of central, regional and local government, as well as by the private and the non-governmental sectors. Moreover, the positive steps taken by the Greek state are still short of meeting the ever increasing demand for new social services, especially in the present conditions of economic and fiscal crisis that Greece is facing and the negative impact that the strict public austerity programmes are having on people's incomes and living conditions.

Historically, in the field of social and welfare services, the Greek state has traditionally assumed a residual role, mainly aimed at filling the gaps left by the family, which, regardless of recent structural changes, still occupies a central position in the provision and distribution of welfare. In playing such a limited role in the provision of social services, the state has finally allowed private initiatives (private for-profit enterprises charitable societies, church organizations and other non-profit agencies) to take on the role of the other main agent (besides the family) in this field, along with a few semi-public nation-wide organisations. The non-statutory provision exhibits a variety of forms ranging from formal institutions of the Church and a number of large non-profit making organisations to small locally based associations, voluntary bodies, self-help and pressure groups. However, with the exception of the Church and a small number of semi-public (semi-independent) organisations, their role has been very limited until recently.

Since the beginning of the 1990s, however, one notes that excess demand for such services has been increasingly met by the *private sector*. This development is not so much the outcome of a transfer of obligations and resources from the public to the private sector, but rather the entry of private sector bodies, both non-profit and for-profit, to meet demand that the public sector could not satisfy. This is also congruent with the fact that, for a variety of reasons (demographic, cultural and predominantly economic), the efficiency of informal networks (such as family support) has tended to decrease in recent years. The significant growth of the private for-profit sector in the provision of certain social services in Greece – such as childcare services and residential care for the elderly – is reflected in the establishment of private limited liability companies governed by commercial law and, to a lesser extent, the establishment of small family enterprises. This undoubtedly indicates the inability of public and private non-profit institutions to satisfy the growing demand for such services.

As regards the *non-profit sector* it should be noted that the last decade has seen the emergence of a large number of non-profit and non-governmental organisations in Greece, which are involved in a wide range

of social activities and programmes, such as rehabilitation services, psychological support, social care, the operation of residential care for the mentally ill, the provision of training, occupational and empowerment activities, etc. The legal form of the great majority of the non-governmental organisations is that of '*civil society*' (*société civile*) which is a legal entity whose purpose may be economic but it does not aim at making profit. The legal form of *association* is also taken by many of these organisations. Yet, it is worth noting that this explosion of NGOs is mainly in response to external stimuli, and more specifically in response to the availability of European Union funds. This availability of EU funding for social programmes has meant that the market for welfare social services, that includes the public sector, the private non-profit sector and the private for-profit sector, has not been self-generated in response to internal demand. Instead, it has been generated largely in response to the availability of EU resources.

Finally, it is useful to point out that, at present, phenomena of poverty, social exclusion and marginalisation are rapidly increasing at a time when conventional forms of support –either from the public sector or the informal networks- are undergoing serious strain. The ever deteriorating economic environment and the unprecedented fiscal crisis have led to the implementation of strict austerity policies which, among other things, restrict public forms of support – which, in any case, in Greece have never been adequate. Traditional support networks, amongst which the family is the most important, are already under strain and find it increasingly difficult to fill the gaps caused by inadequate public provision. Nevertheless, given the lack of adequate public social services and care provision, coupled with the fact that Greece is still lacking a social 'safety net' scheme for all groups experiencing poverty and social exclusion, the family and informal networks in Greece are called upon to play an even greater role in caring for their members who are most in need, especially during these times of economic hardship.

1.1.1. Size of social services sector

Table 1
Social care activities without accommodation (NACE 88)
Number of workers, 2008 & 2011

	2008			2011		
	Full time	Part-time	Total	Full time	Part-time	Total
MEN	1 901	0	1 901	1 571	286	1 857
WOMEN	19 032	553	19 585	19 398	1 219	20 617
TOTAL	20 933	553	21 486	20 969	1 505	22 474

Source: EL.STAT., Labour Force Survey, 2008 & 2011

Out of the total number of 22 474 of employees working in this sector, 75% work in childcare services and the remaining 25% in care activities related to the elderly and the disabled. A further 8,848 workers, of which 888 men and 7,960 women, work in the provision of *residential care activities* to private households (NACE 87), mostly for people with mental health problems, elderly people and disabled.

1.2. Methodological problems and barriers to carrying out the research

The collection of reliable hard evidence has never been an easy task in Greece, although there has been a significant progress over the past years in the quality, the variety and the comparability of data produced, but also in the access to government reports. The same is true regarding the mapping of the main players involved in the social dialogue process in the social services sector. For the purposes of the present report the major problems that the research team encountered relate to the following issues:

- (a) definition of the social services sector: which activities are included and which are not;
- (b) lack of analytical data: available statistics for the social services sector do not make a distinction between the health sector and the social care sector, nor between age groups and ethnic origin of the workforce;
- (c) contradictory information provided by the competent institutions (for example, there are discrepancies in the number of infants at infant schools between the Hellenic Statistical Authority and the Education Ministry);
- (d) administrative deficiencies, such as overlapping responsibilities for social protection and social care among numerous ministries (Interior, Education, Labour, Health and Social Solidarity, etc.) and the lack of monitoring mechanisms;
- (e) fragmentation of organisations involved in the social dialogue process at every level of negotiations, overlaps and serious representativity gaps;
- (f) difficult to define the exact number of employers and employees covered by collective labour agreements;
- (g) difficult to reach all the stakeholders and the players involved; and
- (h) a constantly changing regulatory framework regarding collective bargaining and employment terms and conditions.

As a result of the lack of data and of systematic research, it is difficult to assess the relative weight of and the changing relationships between the various sectors – public, private non-profit, family and community and private for-profit- in the provision of social services in Greece.

It is important to bear these shortcomings in mind whilst reading this report.

1.3. Main sources of data collection

- (a) Statistical data:
- EL.STAT. (Hellenic Statistical Authority): Labour Force Surveys and Household Budget Surveys
 - Eurostat
 - Labour Inspectorate (SEPE), 2012 1st quarter report and 2011 Annual Report
- (b) Specialised reports and studies
- ICAP, 2010, "Sectoral study. Private kindergartens and crèches"
 - EETAA(Hellenic Society for Local Development and Government), 2012, "The municipalities in figures"
 - KEDKE (Central Union for Municipalities and Communities in Greece) , 2008, "The Local Government Organisations in figures"
- (c) Primary data collection
- National Workshop meeting
 - questionnaires sent to the social partners' organisations
 - telephone interviews.

1.4. Users of social services

Table 2
Users of social services

	Children (0-6)	Elderly persons	Disabled persons*
PUBLIC SECTOR	78,272	60,000-130,000 *	n.a.
PRIVATE SECTOR	49,866	10, 000	n.a.
NON-PROFIT SECTOR	n.a.	n.a.	n.a.

sources: EETAA 2012, Ministry of Labour, ICAP 2010

* The number of disabled people in Greece remains unknown, as there are no official data. ² As for the number of elderly people, it varies greatly depending on the year of reference and the availability of funding.

² According to the National Confederation of People with Disabilities, the share of disabled persons (that includes the chronically ill) is estimated at around 10% of the total population, i.e. approx. 1 million people.² However, this estimation should be treated with caution as the only reliable source would be a population census. The lack of hard evidence is even more salient as to the number of users of social services provided to the disabled. For more details, see the National Confederation of People with Disabilities (ESAMEA), available at www.esaea.gr. ESAMEA is the main organization

1.5. Main providers of social services: public, private and non-profit social services organisations

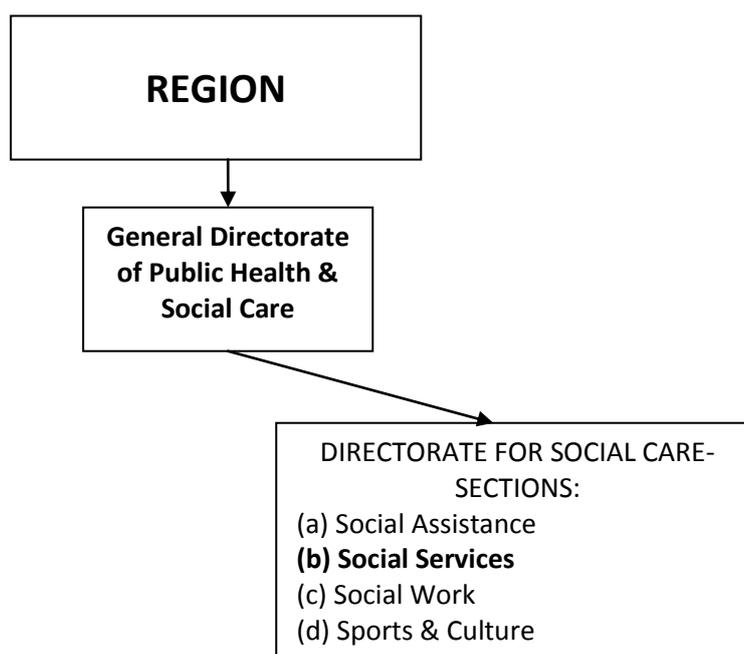
1.5.1. Integrated social services

I. PUBLIC SECTOR

Regional Government (13 Regions)

In each of the 13 Regions of Greece there is a *General Directorate of Public Health and Social Care*, which is responsible for the co-ordination and the monitoring of the good functioning of all units under its authority, as well as for addressing every problem that arises, in close co-operation with the competent ministries. The General Directorate consists of different Directorates, depending on the Region. The Attica Region, for example, the largest in the country, consists of 13 Directorates, a *Directorate for Social Care* responsible for the whole Region and a further 7 Directorates of Public Health and Social Care, operating at the level of the former prefectures. The *Directorate for Social Care* is endowed with welfare competencies regarding the family, the child, the elderly, the disabled and the vulnerable groups of the population. It is organised around 4 Sections: (a) The Social Assistance Section, (b) The Social Services Section, (c) the Social Work Section, and (d) the Sports and Culture Section.

representing disabled people in Greece. It was founded in 1989 and represents more than 250 organisations of the disabled. The Confederation has been officially recognised as a social partner by the State and participates in public debates and official consultations on all relevant issues. Its President, Yannis Vardakastanis, chairs also the European Disability Forum.



The main welfare responsibilities of the *Social Services Section* that are of interest to this report are:

- to link together the Regional welfare social services and infrastructure, and
- to exercise legal control over the functioning of the Elderly Care Units and the childcare institutions.³

Local government

The 325 local government organisations (1st degree) provide services for children aged 0-6, for the elderly and for disabled children. These programmes are funded by the European Social Fund-National Strategic Reference Framework and are run by public law legal entities, private law legal entities, and some private companies.

II. PRIVATE SECTOR – FOR PROFIT AND NON-PROFIT SECTOR

There are no integrated social services provided by the private sector, either from profit or not-for-profit institutions, organisations and companies.

1.5.2. Dedicated services

Childcare

I. PUBLIC SECTOR

³ See Presidential Decree no. 145, *Government Gazette*, 27-12-2010 (in Greek).

The range of public social services devoted to young children and their families includes nursery and infant schools, centres of creative activity for children aged between 6-12, as well as centres of creative activity for children with disabilities. These services are accessible to all children, although priority is given to children belonging to vulnerable groups and to low income families. Public child-care facilities for children under 3 are still underdeveloped in Greece, while facilities for children aged between 3 and 6 years have, in recent years, substantially expanded.⁴

Overall, it may be said that affordable childcare services are still not widely available for pre-school children (i.e. until compulsory school age). The existing public facilities consist of:

- 1751 municipal crèches and kindergartens with 11,150 employees covering approx. 78,000 children, (2008 data).⁵ The most recent data available is: 1319 municipal crèches and kindergartens⁶, with an unspecified number of children.
- The total number of infants in state schools is 147,141 (according to EL.STAT.) or 147,112 (according to the Ministry of Education)⁷.

II. PRIVATE SECTOR

The insufficient number but also the often sub-standard quality of public childcare services, have led parents to turn to the private for-profit sector. At present there exist:

- 1200 (1106) private crèches and kindergartens, mostly of small size, more than half (54%) located in the Athens and Salonika regions, and covering 55,000 (49,866) children⁸
- The total number of infants in private schools is 9,488 (according to EL.STAT.) or 10,525 (according to the Ministry of Education).

Long-term elderly care

I. PUBLIC SECTOR

Historically, elderly-care in Greece has been a 'family affair', while public social policy towards the elderly had been, until the 1980s, restricted to

⁴ It should be noted that, since the 1980s, the responsibility of the state nurseries has gradually shifted from the Ministry of Health and Social Solidarity to the local government organisations.

⁵ EETAA, 2008

⁶ The total number of municipal institutions, including the 258 Centres for Children's Creative Activity (KDAP, for children aged 6-12 years, of which 69 are addressed to the needs of disabled children) is 1,646. (EETAA, 2012)

⁷ ICAP, 2010

⁸ ICAP, 2010

pension payments, with very few non-cash benefits provided. However, as the structure of the Greek family has changed –mostly as a result of socio-economic changes, including the declining size of the family and the increase of women taking-up paid employment- the role of the family in caring for the elderly has been negatively affected.

Since the beginning of the 2000s, largely thanks to the EU co-funding, there has been a significant increase in the social services provided for the elderly living in the community. That is, apart from the Open Care /Protection Centres for the Elderly (KAPI), providing support, recreation and protection in the familiar environment of the community, which began operating in the 1980s (in 2009, 900 KAPI were in operation by the local government), a number of new services were developed, providing social support and care for the elderly at home and in the community. These services are shortly described below:

- Care Homes (residential and nursing care facilities): residential care for the elderly is provided by approximately 270 'care homes' which are operated by private and non-profit organisations. Over half are situated in the Greater Athens Area, and in their vast majority are run by private (for-profit) enterprises, whilst the remaining by charitable organisations, local authorities and the Church. No data is available regarding the total number of these residences.
- Day Care Centres for the Elderly (KIFI): these are day care centres for the elderly who are lacking adequate means, are not capable of self-help and whose family is unable to support them. Today there are 68 institutions operating under the responsibility of local authorities with 340 employees, covering 1,521 users (EETAA, 2012).
- Programme "Assistance at Home": this programme is addressed to the elderly people with a low income, who live on their own and have mobility problems. The aim of the programme is to provide support to the elderly in their own environment, thus avoiding their institutionalisation. Although this programme was initially launched in 1997 in a limited number of municipalities, since 2001 the programme has been expanding all over Greece with the financial support of the European Social Fund. Today, there exist 1,009 institutions, with 4,727 employees, covering 80,600 users in 2011 (EETAA, 2012)⁹

⁹ According to the Labour Ministry, the total number of beneficiaries (old and new) will rise to 130,000 this year, following the co-financing of the Programme by the European Social Fund.

II. PRIVATE SECTOR

- Care homes for the elderly: 10,000 beds in the registered institutions, with approx. 2,500-3,500 workers

Disabled persons

I. PUBLIC SECTOR

There are 52 public sector organisations for people with disabilities, supervised mostly by the Ministry of Health & Social Solidarity, but also by other Ministries such as the Interior Ministry, the Education Ministry and the Labour Ministry. Moreover, there exist approximately 450 community residential structures for mentally ill persons, which provide accommodation, care and protection services (hostels, boarding houses, sheltered apartments, sheltered workshops, etc) to approximately 3,500 individuals. They are operated by public and non-profit organisations, employing in total around 3,000 people.

Diagram 1
PUBLIC SECTOR INSTITUTIONS FOR THE DISABLED PERSONS

Public authority	Name of institution
Ministry of Health & Social Solidarity	Centre for the Education and Rehabilitation of Blind Persons
	National Centre for Deaf People
	National Centre for Social Solidarity (EKKA)
	National Observatory for Disabled People
	Social Care Units for Unprotected Children (aged 5 ½ -18 years)
Regions (13)- Social Care Directorates	Centre for Treatment and Rehabilitation
	Shelter of Supported Living for Disabled Persons (PNOY)
	Centres for Creative Activities for Children with Disabilities (KDAPmeA)
Ministry of Interior-Municipalities	Municipal social services
Ministry of Education	Special education for disabled children
Ministry of Employment and Social Security-Manpower Organisation (OAED)	Rehabilitation Sector for Disabled Persons

One should also include in the social services provided by the public sector to the disabled the following:

- The establishment of a unified structure for the certification of disability (EKPA);
- The operation of day Centres for the Support of Disabled People (KEKYKAMEA).

II. PRIVATE SECTOR

The private sector provides individual services to the disabled and collective services in private clinics for the mentally ill. Some NGOs are also involved in providing services for the mentally ill. There is, however, no evidence regarding the number of either the providers or the users of these services.

1.6. Value of social services and main sources of funding

The value of social services is hard to establish as a large share of these services are provided by the informal sector and the volunteer sector. The informal sector includes the family networks, but also undeclared migrant workers who provide their services not only to households, but to the official sector of the economy as well. Moreover, the boundaries between formal and informal social services are often blurred, thus making it even harder to assess the value of services. This, in part, explains why there is a lack of relevant data, with the exception of very fragmentary information regarding only a small portion of private companies involved in childcare and long-term elderly-care.

There are three main sources of funding in the formal social services sector: public funding, EU funding through the European Structural Funds (mainly the European Social Fund) and private contributory funding. Public funding has been on the decline and is being increasingly substituted for by EU funding, especially for the implementation of programmes for the elderly, childcare facilities and Community Centres for the Disabled, as well as community-based hostels for the mentally ill. The fact that social care heavily depends on the availability of EU funds is a source of major concern, as the viability of these services will be put into great jeopardy in the event of a reduction, or, even worse, a termination of this major source of funding.

2. The social dialogue process in the social services sector

2.1. Prevailing arrangements: the content of the social dialogue process, strengths and weaknesses of existing arrangements, areas covered, positive examples

The strengths and weaknesses of the prevailing social dialogue arrangements emerged quite clearly during the National Workshop discussion with the social partners' organisations.¹⁰

- ***Employers' view:*** both employers' representatives pointed out to the fact that the collective bargaining agenda is very limited agenda, covering only wage issues. The Hellenic Association of Private Kindergartens (PASIPS) has on several occasions attempted to broaden the agenda, in view of including other issues as well, such as on-going subsidised training programmes, participation in joint initiatives like art exhibitions organised by UNICEF, re-forestation, collection of clothing and food for those in need. However, the workers' unions either do not respond to the invitation addressed by the employers' organisation, or they do not fulfil the engagements they have undertaken. The other employers' organisation PEMFI (Hellenic Union of Nursing and Care Homes) pointed out that there is no receptive interlocutor on the workers' side and that in the event of a labour dispute, the arbitration process through the Mediation and Arbitration Service (OMED), as well as the court processes, always rule in favour of the union side.¹¹
- ***GSEE's (General Confederation of Greek Workers) viewpoint:***
 - (a) Content of the social dialogue process: according to GSEE, the content should become more specific as to the participatory parties, the level of negotiations and the agenda, so as to avoid the eventuality of considering any form of bilateral dialogue between any interlocutors as formal "social dialogue"; by contrast, in the institutionalized social dialogue process on labour issues, it is clear that the parties involved include the employers' organisation (or single employer) and the workers' union organisation or the national authorities.
 - (b) Strengths and weaknesses of existing arrangements: as long as the social dialogue is conducted in mutual good faith and with the aim of reaching an agreement and coming into an understanding, the pre-conditions are met for social peace,

¹⁰ For a detailed account and the SWOT analysis see Appendix II.

¹¹ This may have been the case until recently, but, at least as far as arbitration is concerned, the new legislation introduced stipulates that there can no longer be unilateral recourse to the Mediation and Arbitration Service (OMED). Both sides must agree. Therefore, the union side cannot expect any favourable treatment any more.

which, in the case of the social services sector, can bring multiple gains to all parties involved (employers and employees, direct and indirect users, mostly belonging to vulnerable groups). In this context, one of the *strengths* of social dialogue could be the initiative to engage into collective bargaining procedures in view of reaching the conclusion and implementation of a CLA. Equally important could be the conduct of social dialogue on the problems of each sector, the drawing of common conclusions, as well as the presentation of common recommendations and the joint pressure on the government to implement them. As for the *weaknesses* inherent in the prevailing arrangements, regarding workers' rights, one can point out to the concessions that employees have to make, at the expense of the full satisfaction of their demands, in order to strike an agreement with the employers' side. From the part of employers, a weak point – according to GSEE- is their typical difficulty, especially in the private sector provision of social services, to fall back on their profits' aspirations to the benefit of the social service they provide, but also, their unwillingness to reach a binding agreement, especially at the sectoral level. From a wider perspective, the union representative made the point that there is an overall social dialogue deficit, mostly the responsibility of the central government; this deficit has been also stressed by the National Committee for Human Rights (www.nchr.gr), of which GSEE is a statutory member.

- (c) A positive example of social dialogue process in the social services sector is the significant efforts of the Greek Economic and Social Council (OKE) to conduct an organised social dialogue. Also, both the public sector and the private sector unions of the social services sector have contributed to enhancing the social dialogue, as is the case with other important NGOs, such as the Network of Psycho-social Rehabilitation and Mental Health Institutions "Argo", the Panhellenic Association for the Psycho-social Rehabilitation and Professional Re-integration, etc.

2.2. Main stakeholders / players

The extreme fragmentation and complexity of the Greek collective bargaining process is also reflected in the social services sector. The main players involved in social dialogue include the central administration and the local government in the public sector, and the employers' organisations of private childcare and elderly-care services in the private sector. On the workers' side, employees are represented by an array of unions, mostly secondary, without excluding the tertiary organisation and some primary organisations.

Diagram 2

	PUBLIC SECTOR	PRIVATE SECTOR	NON-PROFIT SECTOR
EMPLOYERS	<ul style="list-style-type: none"> ▪ Ministry of Finance (wage setting) ▪ Regional Government (for the legal aspects of operation) ▪ Local Government organisations ▪ Interior Ministry ▪ Ministry of Health & Social Solidarity 	<ul style="list-style-type: none"> ▪ PASIPS (Hellenic Association of Private Kindergartens) ▪ PEMFI (Hellenic Union of Nursing and Care Homes) 	
EMPLOYEES	<ul style="list-style-type: none"> ▪ POE-OTA (Panhellenic Federation of Local Government Workers) ▪ POEDIN (Panhellenic Federation of Public Hospital Workers) 	<ul style="list-style-type: none"> ▪ GSEE (General Confederation of Greek Workers) ▪ OIYE (Federation of Private Sector Employees of Greece) ▪ OSNIE (Federation of Hospital Institutions Associations of Greece) ▪ SKLE (Association of Social Workers of Greece) ▪ Association of Employees working in private kindergartens of Athens-Piraeus and suburbs¹² 	<ul style="list-style-type: none"> ▪ GSEE (General Confederation of Greek Workers) ▪ OIYE (Federation of Private Sector Employees of Greece)

¹² Despite persistent attempts to contact this organisation, there has been no response; hence there is no information on its profile.

PUBLIC SECTOR

⇒ **POE-OTA** (Panhellenic Federation of Local Government Workers) was established in 1950 under a different name and took its current name in 1983. It has 198 members and represents over 50,000 employees working in the local government organisations, in both public law legal entities and private law legal entities.

⇒ **POEDIN** (Panhellenic Federation of Public Hospital Workers) was established in 1978 and is the secondary level trade union representing 250 primary level unions with approx. 80 000 members, professionals working in public hospitals, in welfare institutions, in psychiatric hospitals, in primary health care and in emergency care.¹³ The positions issued by POEDIN, which is the largest public sector union, set the collective bargaining agenda on non-wage issues with the government.

PRIVATE SECTOR

⇒ **GSEE** (General Confederation of Greek Workers) is the highest, tertiary trade union body in Greece. It was founded in 1918 and is affiliated to the European Trade Union Confederation (ETUC). GSEE is made up of 81 labour centres and 73 secondary confederations with a total membership of 450 000 private sector workers. It negotiates with the employer unions the signing of the National General Collective Labour Agreement that sets the minimum rates for private sector employees. GSEE participates in a large number of committees and advisory bodies and in the Board of Directors of national insurance funds, of the Manpower Employment Organisation and of other bodies. It has the capacity to represent the workers' side in the bilateral and trilateral social dialogue procedure at the tertiary level. This right is enshrined by European primary and secondary law, by international conventions and by the European Social Charter.

⇒ **OIYE** (Federation of Private Sector Employees of Greece) was established in 1922 and is a secondary level trade union representing 171 primary unions, covering 55 000 employees working in the provision of services. It is a member of UNI-Europa.

⇒ **OSNIE** (Federation of Hospital Institutions Associations of Greece) was established in 1957 and is a secondary union for private sector employees working in private hospitals, clinics, and care homes for the elderly. It has no European affiliations and very limited financial means. OSNIE negotiates the sectoral collective agreement with the employers' organisations representing the private clinics, care homes, etc.

¹³ 31 out of the 198 primary unions cover employees working in public welfare institutions: rehabilitation centres, support centres for children and disabled persons, etc.

⇒ **SKLE** (Association of Social Workers of Greece) is a primary union established in 1955. It represents the approx. 5,000 social workers employed in public or private sector institutions (both for profit and not-for-profit). SKLE participates in national committees charged with the design and implementation of social policies, such as *The National Council for Social Care* and *The Co-ordinating Council for the Vocational Training and the Rehabilitation of Disabled Persons*. The union negotiates a collective labour agreement with PASIPS (Hellenic Association of Private Kindergartens), covering the social workers employed in private kindergartens and crèches. The most recent collective agreement was signed in 2009 for a 2-year period and since its expiry there has not been a new round of negotiations. The majority of social workers are, however, employed in public sector institutions, in either public law legal entities, or private law legal entities and, thus, their employment status varies.

2.3. Employers' organisations: profile of main players involved

2.3.1. Public sector

The Ministry of Finance is responsible for wage setting, within the framework, of course, of the 1st and 2nd Bailout Agreements concluded with the IMF, EC and ECB. For all other non-wage issues, the regional and local governments are the formal interlocutors of employees working in the public social services sector.

2.3.2. Private sector –for profit and not-for profit

Pre-school childcare

PASIPS (Hellenic Association of Private Kindergartens) was established in 1975. It represents approx. 418 out of the 1154 registered private kindergartens operating in Greece, with 14,000-15,000 employees and around 45,000 children.¹⁴ PASIPS participates in the 4-member committee charged with issuing permits for the local government kindergartens and crèches. To this end, it has trained 70 of its members so that they can participate in these committees.

Elderly-care nursing and care homes

PEMFI (Hellenic Union of Nursing and Care Homes) was established in 1974, and took its present name in 2005. It represents the legally registered care homes providing residential care and nursing facilities for elderly people with long-term care needs across the country. It has 120

¹⁴ ICAP, 2010

members representing both public but mostly private units with a capacity of 10,000 beds. The number of workers employed in the care homes are estimated at approx. 2,500-3,000 employees, and they cover a wide spectrum of qualifications such as social workers, registered nurses, care assistants and associated personnel, including doctors, psychologists, ergotherapists, physiotherapists and gymnastic instructors.

The Union PEMFI :

- promotes communication and fair competition among its members in order to work out best practice to increase the quality of services;
- submits proposals to the public authorities for the modernization of elderly care and nursing homes;
- ensures that the social insurance funds cover part of the expenses of nursing homes' users;
- develops and implements vocational training and certification programmes for care staff employed in care homes;
- participates in European programmes regarding ageing problems and quality care services.

Its main achievements include the standardisation of the costs of the Units and better value in services, through the voluntary implementation of quality care standards and the harmonisation of costs.

PEMFI participates in the European Association for Directors of Residential Care Homes for the Elderly – E.D.E.

2.4. The collective bargaining agenda: major issues facing the sector at the national, regional and local level

The social state in Greece was residual and ineffective even before the outbreak of the crisis. Despite the relatively high share of GDP that went to social protection, its impact on reducing the risk of poverty was limited, whilst the quality of social services was poor and with significant deficiencies in childcare, elderly-care and care for the disabled. The fiscal stabilisation and the austerity programmes imposed in the context of the two bailout agreements, further exacerbated the already serious problems in the provision of social services, especially regarding the social infrastructure, the hiring of personnel in the public sector and the local government organisations, the cost of the services provided and the ability of clients to afford the private social services. In the private sector in particular, the viability of the institutions has come under great threat, whilst the continuation of the municipal social services such as crèches, kindergartens and assistance to the elderly is only made possible thanks to EU funding (especially through the European Social Fund and the National Strategic Reference Framework).

In the private social services sector, the major issues facing the sector were brought into the surface during the National Workshop meeting by the representative of PASIPS (Hellenic Association of Private Kindergartens) who made the following proposals:

- need for a single pre-school care regulatory framework applicable to all service providers, without exceptions, such as the local government institutions, NGOs and the Church
- estimation of the real cost of childcare provision from the local government institutions, so as to have comparable data with the private sector institutions and avoid unfair competition
- launching of a "children's voucher" (issued by the local governments and worth around € 3000 per year) that parents can use in any childcare institution they wish (private or public), provided they are prepared to incur the extra cost, in case they choose a more expensive private institution
- subsidised programmes for working women.

2.5. Recent developments in industrial relations and wage setting

The severe economic and financial crisis that hit Greece in 2009 has had far reaching implications on industrial relations and the social dialogue process. The legislative changes that accompanied the two bailout agreements concluded with the IMF-ECB-EU (troika) in the period 2010-2012 have gradually dismantled the prevailing regulatory framework for resolving labour disputes and for negotiating collective labour agreements. As a result, the social dialogue process has degenerated into a formal and superficial procedure, on behalf of the central government, thus striking a severe blow to the quest of consensus.¹⁵ It has also undermined the collective bargaining procedures at every level of negotiation, national, sectoral and company-level, thus paving the way to the individualisation of labour relations.

The austerity measures voted by Parliament in the period from May 2010 to February 2012 include drastic cuts in pay and benefits of both public sector and private sector employees, increases in taxation and VAT, successive cuts in pensions over a certain amount, and stringent limitations on public sector new personnel recruitment. In the area of labour market institutions and of industrial relations, the new legislation introduced includes a number of shock provoking changes: the unilateral

¹⁵ According to a formal Opinion issued by the Economical and Social Council of Greece, following the first wave of labour market reforms imposed by the 2010 austerity programme in May 2010, the law 3845/2010 was passed without prior social consultation with the social partners' organisations and the Council itself. This proved to be also the case with the much harsher legislative initiatives that followed in 2011 and 2012, that resulted into the dissolution of the industrial relations system that had been set up over the previous 50 years.

reduction by 22% of minimum rates;¹⁶ the introduction of sub-minimum wages for new labour market entrants aged under 25; relaxations in the limitations on mass redundancies and drastic reductions in the levels of severance payments; the abolition of the favourability principle (prevalence of the most favourable -for the employee- collective labour agreement), and of the right to extend the agreement to all the companies of the same sector; the introduction of special enterprise collective agreement in which wages and employment terms can deviate from sectoral agreements; and reforms in the system of collective labour dispute resolution (mediation and arbitration mechanisms).

2.6. The articulation of the national with the European level of social dialogue

Not all of the organisations involved in the social dialogue process in the social services sector have European or international affiliations.

On the employers' side:

- PASIPS (Hellenic Association of Private Kindergartens) does not take part in any European network;
- PEMFI (Hellenic Union of Nursing and Care Homes) is a member of European Association for Directors of Residential Care Homes for the Elderly – E.D.E.

On the union side:

- GSEE (General Confederation of Greek Workers) is a member of the European Trade Union Confederation (ETUC)
- OIYE (Federation of Private Sector Employees of Greece) is a member of UNI-Europa
- POE-OTA (Panhellenic Federation of Local Government Workers) and POEDIN (Panhellenic Federation of Public Hospital Workers) are affiliated, through the tertiary level organisation ADEDY (The Supreme Administration of Greek Civil Servants' Trade Unions) to the European Public Service Union (EPSU).

The other union organisations have no affiliations.

¹⁶ So far, minimum wages were negotiated between the employers' organisations and the General Confederation of Greek Workers (GSEE) and were ratified by the National General Collective Labour Agreement. The basic rates stipulated in the 2010 National General Collective Labour Agreement were reduced from € 740 per month (gross earnings) down to € 586,08 per month (€ 476,35 net earnings), whilst for those under 25 years they were reduced from € 740 to € 510,95 per month (€ 426,64 net earnings).

3. Collective bargaining agreements

3.1. Process and types of collective negotiations: past and present

I. PUBLIC SECTOR

Formal collective bargaining procedures in the public sector were introduced fairly recently, in 1999¹⁷. Public sector employees do not have the right to negotiate wage issues with the government, as these are determined by the central administration according to the fiscal policy that is being implemented. They can, however, put forward their demands regarding pay scales and negotiate a wide range of non-wage issues, such as special allowances, pension rights, secondments, working hours, promotions, etc. At the tertiary level, there are occasional attempts to hold talks between ADEDY-The Supreme Administration of Greek Civil Servants' Trade Unions and the Finance Ministry, without, however, reaching an agreement. Almost all the crucial issues that are considered as "hot potatoes" by both sides, and that relate to the chronic problems of the Greek public sector, are excluded from the discussions. By contrast, at the secondary level, where the collective bargaining agenda is limited to non-wage issues, the majority of public sector federations conclude separate agreements with the central administration. It should be noted, however, that the employment status of public sector employees may vary within the same workplace, depending on their recruitment conditions; for example, employees with exactly the same qualifications and duties may enjoy different employment terms and conditions, depending on whether they have a permanent contract (tenure), an open-ended contract or a fixed term contract. In that case, they are covered by different collective agreements: the tenured personnel are covered by the Unified Pay Scale that applies to the public sector employees, whilst the personnel with an open-ended or a fixed-term contract are either covered by a Common Ministerial Decree or, by the National General Collective Labour Agreement for private sector employees.

II. PRIVATE SECTOR

The procedure that led to the conclusion of a collective labour agreement was, until February 2012, regulated by law 1876/1990 that recognised the right to free collective bargaining, the decentralisation of bargaining and the resolution of labour disputes without state intervention. The scope of agreements encompassed both individual employment relationships and collective labour relations. The provisions of an agreement were divided into "normative" provisions, that were

¹⁷ Law 2738/1999.

mandatory, and into "obligational" provisions which regulate the mutual rights and obligations of the signatory parties.¹⁸

Despite pervasive changes in the industrial relations system, the 4 types of collective labour agreements still persist, albeit with a different weight:

- (a) the sectoral (industry-wide) collective labour agreement
- (b) the occupational collective labour agreement (either local or national)
- (c) the company-level agreement, and
- (d) the National General Collective Labour Agreement.

Until recently, the most widespread types of collective agreements were the sectoral and the occupational agreements, whilst company-level agreements were quite rare and limited to larger enterprises and organisations. The hierarchy of collective agreements made sure that if more favourable clauses for the employees were included in another type of collective agreement, these would take precedence. The *favourability principle* would apply when different collective agreements coincided, with the exception of an eventual conflict between a sectoral or company-level agreement and an occupational agreement. In that case, the first types of agreement would prevail over the second. The favourability principle was abolished by law 3899/2010.

The successive waves of legislative changes introduced over the past two years eventually downgraded the importance of all other types of collective agreements to the benefit of the company-level agreements. Since the most recent legislative initiatives (October 2011 and February 2012), the number of *company-level agreements* has been rising continuously, whilst that of *individual labour agreements* has been exploding, at the expense of sectoral and occupational agreements whose number is shrinking. According to the Labour Inspectorate (SEPE), during the 1st quarter of 2012, 236 firms with 13,829 employees concluded company-level agreements stipulating an average wage reduction of 21.35%, whilst in 16,338 firms, 64,201 workers had to sign individual labour agreements, leading to average wage reductions of 22.9%.¹⁹

Under the previous legislative regime, the collective bargaining process was the following: the employer's or workers' most representative organisation would call the other party to negotiate a new agreement, once the previous one had expired. The provisions of the agreement could not derogate from the provisions of the National General Collective Labour Agreement. The content of a sectoral agreement could be extended by

¹⁸ See Kravaritou, Y., 1994, *European Employment & Industrial Relations Glossary: Greece*, European Foundation for the Improvement of Living and Working Conditions, Sweet and Maxwell and Office for Official Publication of the EC, p. 185

¹⁹ See www.in.gr/economy/article/ May 18, 2012.

the Labour Minister to all employees of the sector concerned, if the agreement signed covered at least 51% of the employees. The *extension* could be requested by the trade union or the employers' organisation. The purpose of the extension was to bind those employers that were not members of the employers' organisation, so as to avert unfair competition. The possibility of extension was suspended until 2015 by law 4024/2011. Under the new regime, the prerogative for negotiating a new collective agreement lies with the employer.

3.2. Organisations involved in the collective bargaining process

Diagram 3
Signatory parties of the agreements concluded

	Employers' organisations	Workers' organisations
Public sector + local government	<ul style="list-style-type: none"> ▪ Interior Ministry + General Accounting Office of the State ▪ Ministry of Health + General Accounting Office of the State 	<ul style="list-style-type: none"> ▪ POE-OTA (Panhellenic Federation of Local Government Workers) ▪ POEDIN (Panhellenic Federation of Public Hospital Workers)
Private sector (for profit)	PASIPS (Hellenic Association of Private Kindergartens)	<ol style="list-style-type: none"> 1. OIYE (Federation of Private Sector Employees of Greece) 2. SKLE (Association of Social Workers of Greece) 3. Association of Employees working in Private Kindergartens in Athens-Piraeus and suburbs
	PEMFI (Hellenic Union of Nursing and Care Homes)	OSNIE (Federation of Hospital Institutions Associations of Greece)

3.3. Content and duration of the agreements

I. PUBLIC SECTOR

- There exist two categories of employees working in the public sector: those working as tenured personnel and those with an open-ended or

fixed-term contract. The first group is treated as public law employees and the second as private law employees. Wage issues for tenured personnel are determined by legislation and the government's fiscal policy. As for the other group (whose numbers are increasing over the past few years), the Interior Ministry and the General Accounting Office of the State conclude a collective labour agreement with **POE-OTA** (Panhellenic Federation of Local Government Workers) covering employees working in the municipalities and in all the institutions linked to the first degree local government organisations, with either a fixed term contract or an open-ended contract. The terms of the agreement apply to the members of the federation POE-OTA and regulate issues such as progress in the remuneration scale, allowances, extra paid leave, health and safety at work, overtime pay, union leaves and union contributions, etc. The most recent agreement was signed in January 2011, covering the period from 2010 to date.

- In the area of public health services no collective agreement has been signed since 2002. Employees' wages and allowances are determined by the Unified Pay Structure applied to the majority of public sector workers.²⁰ As regards non-wage issues, there is a long standing controversy between the union **POEDIN** (Panhellenic Federation of Public Hospital Workers) and the Ministry of Health regarding working hours, as the latter is refusing to implement the EU Directives on the maximum duration of the working week in the health sector and, as a result, the union has filed a complaint against the Minister. Other issues at stake in the public health sector, apart from wages and working hours, include various allowances, hospital mergers, pension rights, secondments, union leaves, etc.

II. PRIVATE SECTOR

- **PASIPS** (Hellenic Association of Private Kindergartens) and the New Association of Private Kindergartens and Infants Schools of Greece on behalf of the employers conclude a local sectoral collective labour agreement with **OIYE** (Federation of Hospital Institutions Associations of Greece) and the Association of Employees working in Private Kindergartens in Athens-Piraeus and suburbs. Owing to disagreements between the signatory parties, an arbitration award was issued on April 30, 2010 by the Mediation and Arbitration Service (OMED), regulating wage issues, allowances and non-wage issues. The decision by OMED stipulates wage increases, as well as the purchase of books, the participation in seminars and the introduction of two paid breaks for

²⁰ The Unified Pay Scale was introduced by law 4024/2011 and resulted into drastic wage reductions for the 20% of public sector employees, following the abolition of most special allowances. Reductions range from 10% to 50% for the higher pay scales. Some categories of public sector employees are still exempt from the Unified Pay Scale, such as the judiciary personnel, the military personnel, the university teachers, etc.

teachers. The arbitration award applies to teachers and their assistants, drivers, cleaning personnel, cooks and its duration covers the period from February 2010 to February 2011. All other employees that fall outside the scope of this local sectoral collective agreement are covered by the provisions (minimum rates) of the National General Collective Labour Agreement. PASIPS also concludes a collective labour agreement with **SKLE** (Association of Social Workers of Greece); the most recent agreement was signed in 2009 for a 2-year period and has now expired.

- **PEMFI** (Hellenic Union of Nursing and Care Homes) and 12 other employers' organisation representing private clinics negotiate a sectoral collective labour agreement with **OSNIE** (Federation of Hospital Institutions Associations of Greece). The last such agreement was concluded in 2009, whilst no agreement was signed in 2010 and 2011. In the autumn of 2011, the union side had recourse to the Mediation and Arbitration Service (OMED) that eventually issued an arbitration award, whereby the 20% reduction in wages requested by the employers was rejected. Instead, OMED decided a wage freeze at the level of 2009 rates. This decision applies to the medical, paramedical, nursing, administrative and assisting personnel and covers the period from February 2011 to June 2012.
- **GSEE** is responsible for negotiating the industry-wide collective agreements at the tertiary level. The collective bargaining agenda of GSEE includes all issues that relate to the protection of workers' rights, and their working terms and conditions, in a context of respect of human dignity. So far, the National General Collective Labour Agreement (NGCLA) concluded between GSEE and the employers' organisations were negotiated every two or three years and stipulated the minimum rates for private sector employees, as well as a number of institutional, non-wage issues. The last NGCLA was signed in 2010 for a 2-year period and included small increases in the minimum rates as of July 2012. However, following the introduction of law 4046/2012 in February this year -a result of extreme pressure exerted by the troika on the Greek government, in view of concluding the 2nd bailout agreement- the provisions of this agreement were unilaterally cancelled and instead were replaced with a set of severe cuts in minimum rates (ranging from 22% to 32%), the quasi-abolition of sectoral agreements and the degradation of the mediation and arbitration process established in 1990.

3.4. Issues at stake

3.4.1. Issues at stake on the employers' side

Pre-school childcare

- According to PASIPS (Hellenic Association of Private Kindergartens) the most important issues that employers in the sector are facing are: the absence of homogeneous and structured labour agreements across the country; too many and heterogeneous levels of negotiations; non-wage issues downplayed; unfair competition from local government institutions and non-registered kindergartens; delays in funding.

Long-term elderly-care

- a considerable part of the care homes for the elderly functions illegally, often as residential "hotels", in order to avoid state control. Licensing of care homes is granted by the Municipality Social Services department and since 2007 has been based solely on structural and staffing criteria, with no reference to criteria relating to the quality of care provided or the residents' quality of life (see J. Triantafillou, 2011). Moreover, the supervision criteria implemented for the private care homes are more stringent than for the public ones, thus creating unfair competition between the private sector and the public sector;
- lack of unified policy and planning in the residential long-term care sector and large gaps in the public provision of long-term care for the elderly. Greece is perhaps the only European country with no policy for the long-term care of the elderly;
- there is lack of transparency in the management and a squandering of public funding, since the cost of care per bed in the public care homes amounts to € 1,500, as opposed to € 900 per bed in the private care homes.

3.4.2. Issues at stake on the workers' side

The major issues, at the collective, as well as at the individual level are:

- job insecurity
- wage and allowances reduction, elimination of discretionary benefits
- working conditions (working hours, health and safety at work, stress, discriminations, etc.)
- education and vocational training (very few opportunities for training and skills' improvement)
- employment rights (unpaid overtime work, severe delays in the due remuneration)
- pension rights (increase in the pension age and reduction of pensions).

These issues are encountered at the firm level, as well as at the local and the national level and they are usually addressed by collective

agreements in a fragmentary way, without the appropriate support from the different levels of social dialogue.

The most important issue that could be addressed at the EU level is to ensure that social dialogue constitutes a fundamental social right and to specify the content that this right should have. GSEE considers that social dialogue between employers and employees should in no way be viewed as a social benefit. Rather, it constitutes a social right and as such it should be treated with due respect on behalf of the state authorities. Furthermore, as social dialogue is ratified at the national, European and international level, its conduct should not depend on or be obstructed because of economic considerations regarding the status of the interlocutors.

4. Future outlook

In the context of the present economic crisis, the persistent and unilateral restrictions of fundamental social rights, the austerity measures, the drastic cuts in public spending and the unacceptably low priority given to the provision of social services, are putting into jeopardy social cohesion and the indispensable safety net. The provision of social services is greatly suffering from the deregulation of labour relations, as trade unions have been deprived from the means to safeguard and promote the economic and social interests of their members. This situation is also having a serious impact on the users of social services.

The way out of the crisis cannot exclusively consist of harsh and rigid fiscal consolidation and austerity measures; in order to be effective, a rescue plan of the Greek economy should also bear in mind the fundamental values and the human rights, of which social rights are an inseparable component and ensure, through democratic procedures, the constant improvement of living and working conditions. The social objectives are inextricably linked to the economic objectives and are of paramount importance to the success of the latter. Economic cohesion cannot be dissociated from social cohesion. The deregulation of labour relations and the dismantlement of employment rights will not contribute to economic growth but to the breakdown of social cohesion, the expansion of poverty and social exclusion and the impoverishment of the country.

Future developments in the social dialogue process in the social services sector are directly influenced by developments in the Greek economy, whose prospects are extremely bleak in view of:

- (a) the excessive demands put on Greece with the two bailout agreements, and the inability of the central administration to impose structural changes, owing to fierce resistance by vested

- interests, result into the further deepening of the recession and of the social tensions, entangling the economy into a vicious circle;
- (b) the continued hesitance of the EU leadership and the ECB to effectively address the euro zone debt problem (US \$ 2.7 trillion!) by issuing euro-bonds and increasing the funds of the European Stability Mechanism;
 - (c) the "moralistic" and dogmatic approach by most European leaders of the EU periphery's debt problems (a "crime and punishment" attitude);
 - (d) the unfavourable broader context: widespread financial and economic crisis, world recession, weak or inexistent control mechanisms of the dysfunctional financial markets that caused the 2008 crisis, etc.

5. Concluding remarks

The role of social dialogue is crucial in ensuring the effectiveness, the quality, as well as the viability of social services, in a context of intense pressures on welfare spending. So far, collective bargaining in Greece has had a mitigating effect on social inequalities and industrial relations. Since the outbreak of the crisis, however, and following the austerity programmes imposed on Greece by the rescue plans, the socio-economic context has changed dramatically. The legislative changes and the internal devaluation policies adopted are having a profound impact on industrial relations and on the social dialogue process. The new industrial relations environment in Greece is shaped by soaring unemployment levels, staggering recession²¹, and a dismantled system for collective bargaining and the resolution of labour disputes. It is also defined by the on-going political crisis and the exacerbation of social tensions. Needless to say, the prime victims of such a confrontational context are bound to be consensus, rational thinking and solidarity for the most vulnerable.

In these unprecedented and dire circumstances, the social partners at every level of consultation need to redefine their priorities, adopt a new approach to new and long-standing problems and overcome the distortions of the past. The social dialogue process needs to re-start on a new basis of mutual respect, rather than mistrust, and a consensual rather than confrontational attitude, aiming at a synthesis of diverging views, rather than the satisfaction of petty and short-sighted considerations, or the postponement of problems and the shifting of the burden to the future generations.

The European level of social dialogue could, under normal circumstances, play a key role in promoting understanding between the different

²¹ A cumulative recession of 14% since 2008 and a further -6.5% expected in 2012.

stakeholders and addressing the huge challenges faced by the Greek industrial relations system. However, the fact that financial considerations at the EU level have taken predominance over social considerations and the '*acquis communautaire*' is no longer an unchallengeable certainty, leaves little room for initiatives in this direction. Unless the EU leadership realises that the fate of European social dialogue is closely linked to the fate of the European Social Model; if the latter is put into jeopardy, there is no air for the former to breathe.

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APPENDIX I.

Table 1
Basic economic indicators
2007-2011

	2007	2008	2009	2010	2011
GDP change (at constant 2005 prices)	+ 3.0%	-0.2%	-3.2%	-3.5%	-6.9%
GDP at current prices (billion €)	222,8	232,9	231,6	227,3	215,1
fiscal deficit	6.8%	9.8%	15.6%	10.3%	9.1%
current account balance	-14.6%	-14.9%	-11.1%	-10.1%	-9.8%
government debt (as % of GDP)	-	113%	129,4%	145,0%	165,3%
unemployment rate (annual average)	8.3%	7.6%	9.5%	12.5%	17.7%
unemployment rate (December to December)	8.9%	8.9%	10.2%	14.8%	21.0%
▪ men	6.1%	6.5%	6.9%	11.9%	17.7%
▪ women	13.0%	12.2%	14.8%	18.7%	25.3%
youth unemployment (Dec.)	24.5%	26.3%	28.9%	39.0%	51.1%
▪ 15-24	12.7%	11.6%	13.7%	21.0%	28.7%
▪ 25-34					

Source: EL.STAT. (Hellenic Statistical Authority), Selected economic indicators, 2001-2011

APPENDIX II.

Project PESSIS
"Promoting employers' social dialogue in the social services' sector"
National Workshop with social partners' organisations
Athens, March 28, 2012

The aim of the national workshop, organised by the national partner "Panagia Eleousa Workshop" and the national researcher "National Centre for Social Research", was twofold:

1. To introduce the PESSIS Project to the stakeholders and raise awareness of the potential for social dialogue at the European level.
2. To gather information from the stakeholders about their experience of social dialogue, the structures that exist, existing collective agreements and the resources that the stakeholders have available to develop social dialogue at the EU level.

1. Participants in the workshop

An invitation was sent, along with a brief presentation of the project and the basic question guide, slightly adjusted to the national context, to 25 stakeholders from the central and regional administration, the private sector and NGOs involved in the provision of social services to vulnerable groups. Although the turn up of the private sector and the NGOs was satisfactory, this was not the case with the response from the central government and the trade unions. Those that eventually participated in the meeting include the following stakeholders:

(a) Employer organisations

For-profit sector:

- Hellenic Association of Private Kindergartens (PASIPS), Mr. G. Stathopoulos, Vice-President of the Board of Directors
- Hellenic Union of Nursing and Care Homes (PEMFI), Mr. St. Prosalikas and Mr. P. Kouvatseas, President and Vice-President of the Board of Directors respectively

Not for profit sector:

- KLIMAKA, Ms O. Theodorikakou, Gen. Secretary of the Board of Directors
- ARGO, Mr. M. Theodoroulakis, President of the Board of Directors
- PETAGMA, Ms P. Papanikolopoulou, Scientific Director
- THEOTOKOS, Ms Aik. Katsouda
- ESTIA, Mr. V. Kassimatis

(b) Government (national, regional, provincial, municipal) departments:

- Union of Regions of Greece (ENPE), Ms L. Vassilakou, sub-Head of Attica Region

(c) Trade Unions:

- GSEE (General Confederation of Greek Workers), Ms E. Vahlava-legal advisor

2. Findings of the workshop

A bleak picture of the current situation prevailing in the social services sector and its future outlook was drawn by all participants. The main sources of this widespread pessimism are: (a) the dire economic situation that Greece is facing, as a result of the successive austerity programmes and the drastic public spending cuts, that have an adverse impact on the already heavily under-funded social welfare sector; (b) the poor quality of the central administration services and the excessive red tape involved in undertaking any business initiative; (c) the weak social dialogue tradition, further undermined by the recent legislative changes that impose extensive unilateral pay cuts, and abolish a series of long-standing employment rights in both the private and public sector; and (d) the absence of a plan and a vision for the future, but also of a discernible exit from the present stalemate. The main points made by the participants during the vivid and constructive discussion, are presented in the Swot analysis below. It is interesting to note, that none of the stakeholders present made a single reference to any positive features (strengths) inherent in the social dialogue process in the social services' sector.

On the *private sector employers'* side it was pointed out that perhaps the most important problem that their sector is facing stems from the unfair competition from public social services, but also from non-registered private and municipal social services (namely kindergartens and elderly-care homes). The unfair treatment is manifested not only in the differential cost of services provided but most importantly in the strict controls and the close monitoring imposed on private social services, as opposed to the absence of similar procedures for the municipal and public sector services. The institutional framework, they added, is very complicated and fragmented, whilst the registry of welfare organisations is outdated and totally unreliable, thus providing a distorted picture of the sector. Finally, as regards collective bargaining, the two employers' associations complained about the poor quality of their interlocutors, their often intransigent and confrontational attitude and the limited agenda.

The participants from the *non-profit private sector* (NGOs), on their part, stressed the lack of adequate funding from the state, as a result of drastic

cuts (as much as by 2/3) in their budgets, causing considerable delays in the payment of employees' wages and jeopardising the quality of their services. They also added the chronic problem of under-staffing of their organisations and their absence from the decision-making bodies. As regards collective bargaining procedures, it is not clear whether the NGOs have the employer status, as they do not own the organisations that they represent. Nonetheless, they made it clear that there is no sectoral collective agreement for the personnel working in NGOs and that there exist different levels of negotiation, depending on whether the employees are working in a public law or a private law legal entity.

The sole *union* representative made some very constructive remarks:

- social services are clearly designated as a low priority issue in the recent 2nd bailout agreement concluded between the troika and the Greek government;
- there is a huge social dialogue deficit, as well as a trust deficit among the social partners;
- the collective bargaining agenda is mostly restricted to wage issues, ignoring other important non-wage issues;
- the central government unilaterally imposed, through legislative changes and ministerial decrees, the dissolution of sectoral collective agreements, drastic cuts in minimum wages and the abolition of long-standing employment and social rights. This is likely to lead to a complete breakdown of the social dialogue process, especially at the sectoral level, limiting its impact to the company level;
- social dialogue can become a tool of social justice, by providing, for example, a set of common evaluation criteria for both the public and the private sectors.

Finally, the representative of the *Regional Government*, the sub-Head of the Attica Region, pointed out the lack of co-operation and co-ordination between the competent ministries in dealing with the provision of social services, the absence of an official interlocutor on behalf of the employees working in public social services, and the controversial role of regional governments in the social dialogue process, as they do not have a mandate to negotiate wages, their role being limited to assessing the compliance of documents with the law.

3. Workshop assessment

As previously pointed out, the two main stakeholders representing the private sector providers of social services (pre-school childcare and elderly-care homes) showed great interest in the research, actively participated in the workshop and provided the research team with useful

primary data (in the case of childcare). Representatives of NGOs also showed a great interest in the research and engaged themselves in the discussions²², although they were unable to produce any hard data on the social dialogue process in the non-profit sector. On the contrary, the union response to our invitation to the workshop was very disappointing, as out of the 7 organisations contacted, only the General Confederation of Greek Workers (GSEE) representative eventually showed up and made a valuable input to the workshop meeting. Finally, on behalf of the central and local governments (4 players), only the Attica Region responded with a high profile representative.

The attendants of the meeting agreed that the social services sector is a low priority issue for government policy and this is reflected in the poor quality of social dialogue between the state and the social partners' organisations. The economic recession and the implementation of austerity policies have further exacerbated these problems. The participants also emphasized the fact that the social dialogue is restricted to wage issues, ignoring other important non-wage issues, such as the provision of quality services, the Code of Ethics between employees and the service users and the working conditions of employees. Regarding the concept of the Social Dialogue, although all the present representatives had a clear understanding of it, they agreed that the problem lies in the correct implementation of social dialogue as well as in the coordination between the parties involved.

The perspective of a better representation of the social dialogue in Europe is viewed and expected through the implementation of the conclusions of the PESSIS program. The social dialogue can be developed into a tool for social justice through planning and with proper prioritizing of needs and evaluation of services.

It is worth noting that, despite the growing (and understandable) tension between the social partners' organisations at the tertiary level, at the level of the workshop there were signs of mutual esteem between the stakeholders present and a willingness to attempt a synthesis of the diverging views and interests. In this sense, it was encouraging to see that the social dialogue process can re-start on a new basis of mutual respect, rather than mistrust, and a consensual rather than confrontational attitude, provided the interlocutors from all sides are prepared to overcome the distortions of the past.

²² With the notable exception of the organisation representing the disabled persons ESAMEA, who refused to participate in the workshop meeting.

4. SWOT analysis

STRENGTHS	WEAKNESSESS
General:	
	fragmentation and plethora of public and subsidised agencies, absence of reliable information on the number of social services organisations
	excessive bureaucracy and red-tape
	lack of co-ordination and communication between the public agencies
	vagueness of the institutional framework
	absence of a strategic plan based on the social needs
	squandering of resources, clientelist state criteria
	under-funding of social services, considerable delays in covering budget expenses and salaries (low priority issue)
	unfair competition from public services at the expense of private services (double standards)
Social dialogue:	
	social partners' representation deficit, lack of a reliable interlocutor on the part of the state, but also on the part of employees
	absence of a social dialogue and a co-decision culture
	state involvement in the bi-lateral wage negotiations through legislative changes and unilateral wage determination
	plethora of wage scales due to the multiple levels of workers' representation, but also different types of contracts

OPPORTUNITIES	THREATS
the social partners must engage into social dialogue in view of concluding a new collective labour agreement and exerting joint pressure on the government to accept their common conclusions and recommendations	the overall dismal industrial relations environment and the dire economic situation have a severe impact on the quality of social dialogue
union rhetoric must open up to new areas of negotiation and the social dialogue agenda must include non-wage issues as well	the welfare sector produces confrontations
the social dialogue process can evolve into a tool for social justice (e.g. through the application of a common set of evaluation and funding rules for both the public and the private social services sector)	problems arise from the imposed weakening of the social dialogue process: the de-facto abolition of the minimum wage stipulated by the <i>National General Collective Labour Agreement</i> leads to lower labour standards and to the elimination of the safety net
the future funding of social services must depend on their full and regular evaluation and the monitoring of the quality of services provided, as well as of the real cost of these services; the certification of social services, both private and social, by specialised national and European certification bodies would be a step in the right direction	danger of a further explosion of undeclared work in the social services sector if wages are significantly reduced
involvement of other stakeholders, as well as of the services' users, in the social dialogue process	disappearance of non-wage issues from the collective bargaining agenda, extremely restricted agenda
the individual must become the object of the social dialogue	danger of a breakdown of negotiations, as employers are unwilling to conclude any new sectoral collective agreements
full use of funding available from the National Strategic Reference Framework for the continuation of the operation of social structures (childcare and elderly-care)	the recent legislative provisions imposed by the troika lead to an internal breach between employers and employees, but also intensify the unfair competition between private firms providing social services
need for a single regulatory framework applicable to all service providers, without exceptions, such as the local government institutions, NGOs and the Church	