

Fourth Study Commission

Public and Social Law

Questionnaire 2011

UNEMPLOYMENT BENEFITS

**Response of the Hellenic Delegation**

George Almpouras, Judge, President of the First Instance Court

***1. What means of improving the economic security of the unemployed are used in your***

***country? Give an overview.***

Greece has an unemployment insurance system . It was initiated in 1954 under the law no 2961/1954, with the establishment of a public service called Organization of Employment of the Manpower.

Unemployed <sup>1</sup> is considered to be he who after the end of his work contract does not find another occupation of any kind. On the other hand unemployed is not considered to be he who is not working because of a strike or because of a lock out. In addition it is not considered to be unemployed when is serving at the military forces of the country, when is working at the business of his spouse - parents or children, when is in jail or even when attending school.

The whole system insures employees becoming unemployed against the financial consequences of unemployment. A part of the loss of income may be covered by unemployment benefit for a certain period of time.

The purpose of the program is to help in many ways people who are seeking for job. This administration provides professional job training and orientation, economical assistance, as well as information on the employment/labor market.

Supplies provided by this program <sup>2</sup> are unemployment benefits, insurance for sickness and foresight for the unemployed through their labor. In particular the Labor Secretary can use an amount concentrated by the contributions for the

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<sup>1</sup> Under the art. 16 of the law no 2961/1954.

<sup>2</sup> By dint of the foresaid law no 2961/1954, as well as the laws no 1545/1985, 2224/1994.

unemployment to implement projects which serve the public interest. Precondition is that subsidized unemployed are hired to work at the figured construction.

***2. Have you got a social security system regarding unemployment?***

Yes, Greece does have an unemployment insurance program (see above, answer to the first question).

***3. Is this social system mandatory?***

Yes, the unemployment insurance charge is mandatory.

***4. Who pays contributions to this social security system?***

Contributions are paid partly by the employer and partly by the employee.

***5. How high are these contributions?***

All employers and employees are obliged to pay contributions into the Greek social security system, as well as taxes.

Unemployment contribution is charged currently with the general contribution to the social system. The Foundation for the Social Insurance is authorized to collect the unemployment contributions over the Organization of Employment of the Manpower.

The contribution of the employer initiated from 2%<sup>3</sup> was increased at 2,67%<sup>4</sup> amount calculated<sup>5</sup> on the base of the incomes of the insured at the social system that is at the above Foundation for the Social Insurance.

The contribution of the employee initiated from 1%<sup>6</sup> was increased at 1,33%<sup>7</sup> amount calculated upon the above base.

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<sup>3</sup> By dint of the foresaid law no 2961/1954 art. 32.

<sup>4</sup> By dint of the art. 44 par. 6 of the Law no 2084/1992.

<sup>5</sup> By dint of the art. 25 par. 2 of the Mandatory Law no 1846/1951.

**6. What are the conditions for entitlement to unemployment benefits (time of paying contributions; availability to work; leaving the last job only with good cause....)?**

To be eligible for unemployment benefit, the employee must:

- be insured at the general security system, that is for employees at the above Foundation for the Social Insurance <sup>8</sup>.

People excepted from the above system are minors of age inferior of 15 years old, the spouse – children – parents of the employer, the pensioners of the State, the public servants, the domestic helpers, the rural and cattle – breeding workers <sup>9</sup>;

- be capable of and available for work <sup>10</sup>.

An insured is considered to be capable of working when he can achieve from his job at least the third of the income of a person corporally and mentally healthy, equally professionally trained, at the same region.

The unemployed is considered to be available for work when he accepts a job which is offered to him relevantly

- being unemployed through no fault of his own <sup>11</sup>.

Whose work contract terminated on his own voluntary retirement is forfeited the right of subsidization.

- If the insured is subsidized for the first time: Having been employed at least 200 days in the last 2 years or 80 days per year in the last 2 years and in addition at least 125 days in the last 14 months, before the first day of unemployment.

If he is subsidized for the second time: Having been employed at least 125 days in the last 14 months, without calculating the days of his labor in the last 2 months, before the first day of unemployment.

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<sup>6</sup> By dint of the foresaid law no 2961/1954 art. 32.

<sup>7</sup> By dint of the art. 44 par. 6 of the Law no 2084/1992.

<sup>8</sup> Art 11 of the foresaid law no 2961/1954.

<sup>9</sup> Art 12 of the foresaid law no 2961/1954.

<sup>10</sup> Art 15 of the foresaid law no 2961/1954.

<sup>11</sup> Art 15 of the foresaid law no 2961/1954.

### ***7. How high are unemployment benefits (percentage of last income)?***

Todate the unemployment benefit is the 55% of the day labor of the unskilled worker <sup>12</sup>. It is pensioned once a month for 25 days. From the 1st of July 2011 the monthly benefit is of 461,5 euros. For each member of the family the benefit is increased of 10%. The duration of the subsidization depends on the number of the days of work of the insured during the upper periods. It is extended from 5 months up to 12 months <sup>13</sup>.

In addition the days of subsidization are equated to the days of work for the fulfillment of the prerequisites of allowance of ailment.

The employees can transfer their right of subsidization to other Member States of the EU, where they resort to seek for job, in virtue of the Regulation no 1408/71/EEC.

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George Almpouras

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<sup>12</sup> Art 21 of the Law 2961/1954 as it was amended with the art. 6 of the law 3552/2007.

<sup>13</sup> [http://www.oaed.gr/Pages/SN\\_84.pg](http://www.oaed.gr/Pages/SN_84.pg)