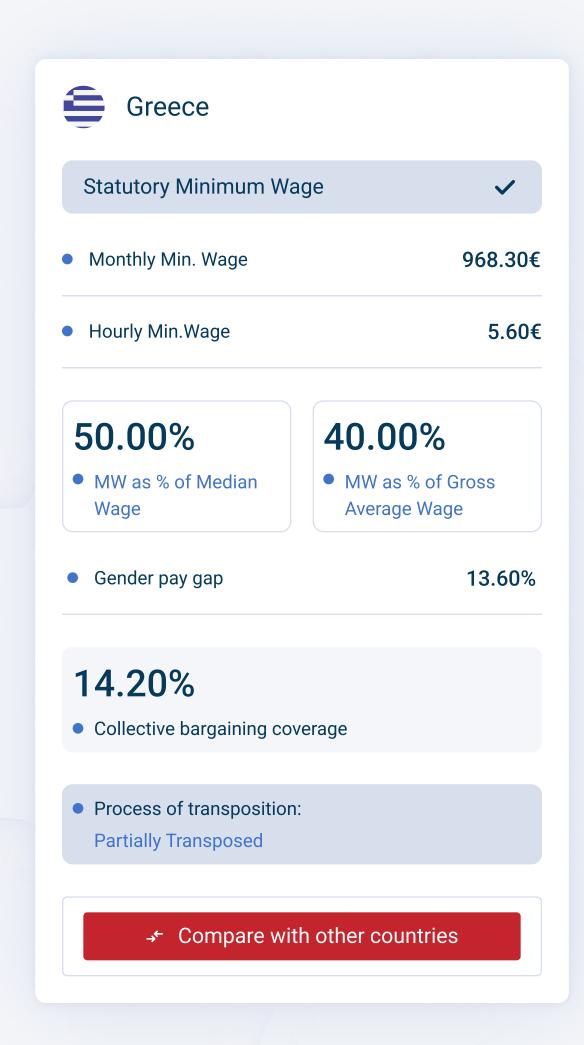


Minimum Wage & Collective Bargaining in

# Greece 2025





Latest update on 05/05/2025

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# Minimum wage system in Greece

Until 2012, the national minimum wage in Greece was determined through collective bargaining between the tertiary social partners (the General Confederation of Greek Workers [GSEE], the Hellenic Federation of Enterprises [SEV], the Hellenic Confederation of Professionals, Craftsmen, and Merchants [GSEVEE] and the Hellenic Confederation of Commerce and Entrepreneurship [ESEE]). The social partners signed a national collective agreement, usually biannually, which determined the national minimum salary and the national minimum wage for all workers in Greece.

As a result of the 2010 financial crisis and the resulting Memoranda of Understanding between Greece and its debtors, however, from 2012 the determination of the national minimum wage became a responsibility of the state, resulting in a statutory national minimum wage.

Law 4093/2012 (subparagraph 11)
established the process for determining the statutory minimum wage. In 2013, Law
4172/2013 (as updated by Law 5178/2025)
introduced the current format for the determination of the national minimum wage (Article 103). According to the law, the statutory minimum wage applies to all salaried employees and workers in the private sector, whose remuneration is not otherwise determined by collective agreements.

It is illegal for individual employment contracts or collective agreements to determine salaries or wages below the level of the statutory national minimum wage.

The national minimum wage applies only to employees in the private sector. Public sector employees' wages are determined by central government.

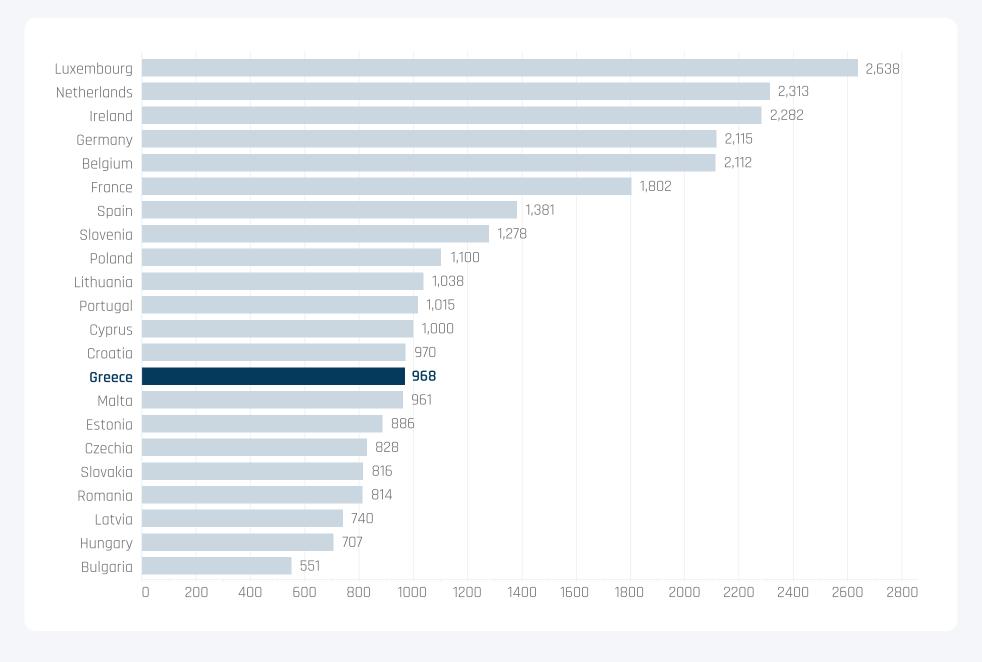
The determination, and subsequent adjustment, of the national minimum wage is a result of consultation between the social partners and the government. Technical and scientific support is provided by specialised scientific, research and related institutions and experts in the fields of economics – particularly labour economics – social policy, and employment relations.

The consultation process is coordinated by a three-member committee, comprising the president of the Organisation of Mediation and Arbitration (OMED), who serves as chair, a representative appointed by the Minister of Finance, and a representative appointed by the Minister of Employment, Social Security and Welfare.

The various scientific, research, and related institutions produce reports that evaluate the current level of the statutory minimum wage, including assessments regarding its adjustment in line with prevailing economic conditions, and submit them to the committee. The committee then submits all these reports to the social partners for their views.

#### Monthly Minimum Wage (€) per Country

2/6



Statutory Minimum Wage

Yes

Wage inequality (inter-decile Ratio P90/P10)

3.30

Gender Pay Gap

13.60%

**Hourly Minimum Wage** 

5.60€/hour

Nominal Growth rate of Wages

6.40%

In-work poverty rate

9.00%

Monthly Minimum Wage

968.30€/ month

Real Growth rate of wages

3.30%

% of workers covered by minimum wage

9.00%



### Minimum wage system in Greece

Once the social partners submit their proposals to the committee, the committee collects all the above documentation and submits it to the Centre for Planning and Economic Research (KEPE), which is responsible for drafting the Consultation Report, in collaboration with a committee of five independent experts specialising in economics (particularly labour economics), social policy and employment relations. Two of these experts are appointed by the Minister of Employment, Social Security and Welfare, two by the Minister of Finance, and one by the Minister of Development and Competitiveness. The Consultation Report is then submitted to the Minister of Employment, Social Security and Welfare and the Minister of Finance.

The Minister of Employment, Social Security and Welfare submits a proposal to the Cabinet regarding the statutory minimum wage, taking into account the Consultation Report as submitted and prepared through the aforementioned process. Following the approval of the Cabinet, the Minister of **Employment, Social Security and Welfare** issues a decision establishing the minimum wage.

According to Art. 3 Law 4172/2013, the determination (and adjustment) of the statutory minimum wage and the minimum daily wage should be based on a comprehensive assessment of the Greek economy's condition

and its growth prospects, taking into consideration factors such as productivity, price levels, competitiveness, employment rates, unemployment levels, income and overall wage trends.

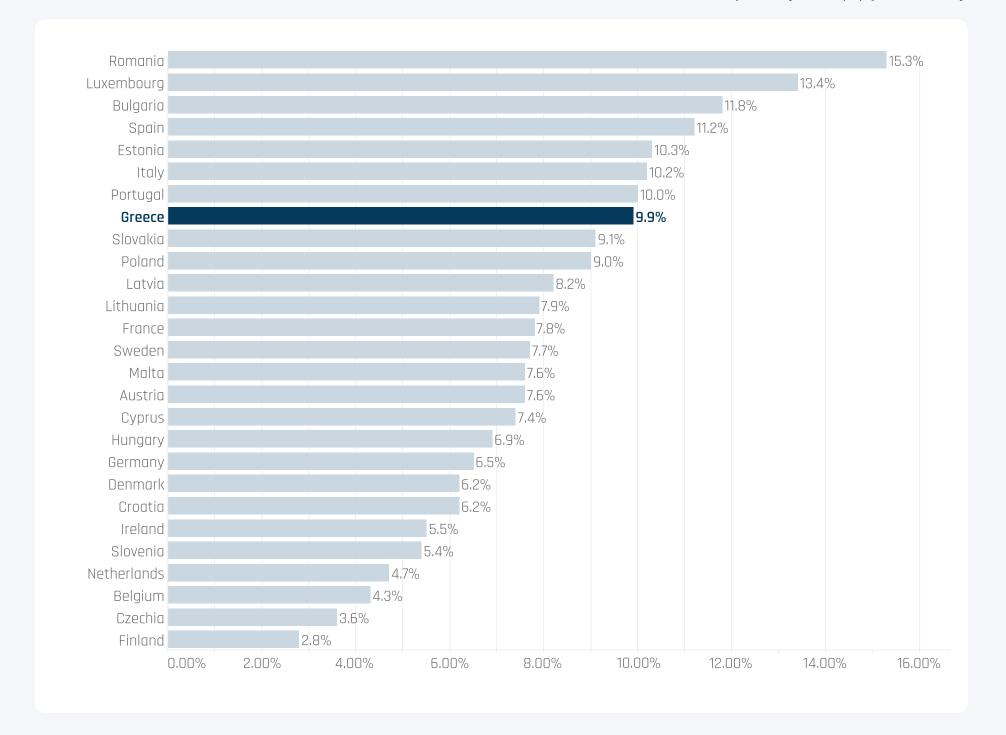
As of 1 April 2025, the national minimum wage in Greece is set at €880 per month (from €830 in 2024, an increase of 6.02%), whereas the national minimum daily salary is set at €39.30 (from €37.07 in 2024).

According to the report of the individual experts committee, the ratio of the national minimum wage to the median wage in 2024 was 70.8%, and the ratio of the national minimum wage to the average wage stood at 56.2%.

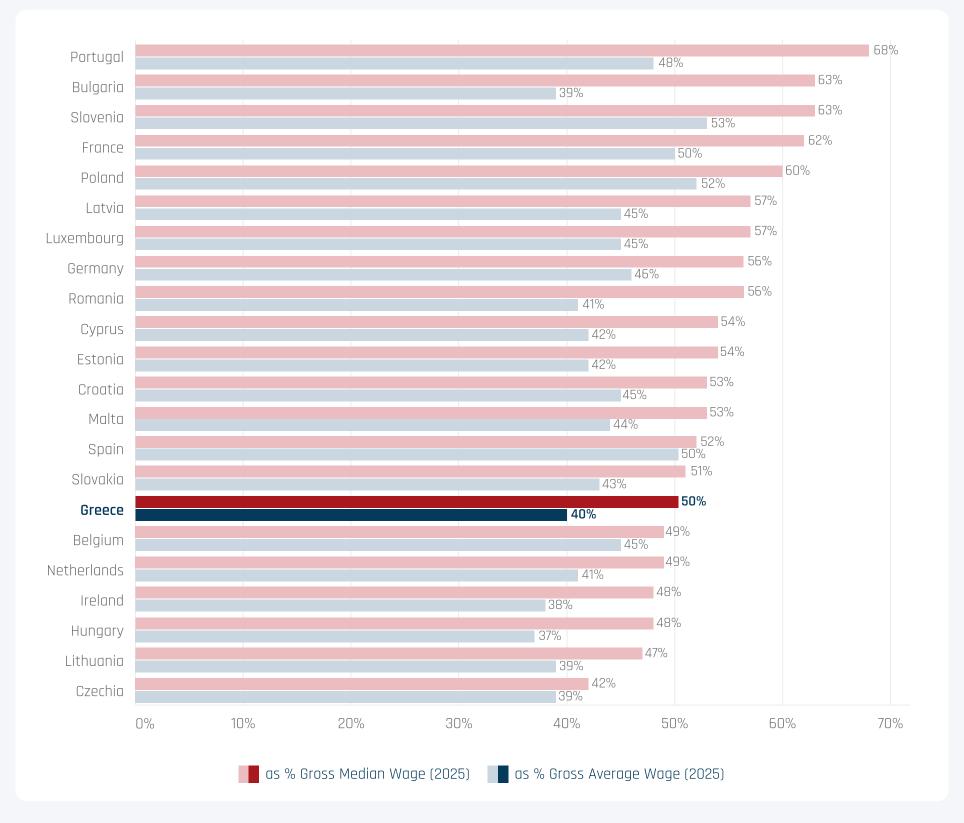
It is worth noting that in Greece private sector salaried employees are entitled to 14 monthly wages per annum.

Adjusting the national minimum wage levels to reflect this, the national minimum wage in a 12 month period for 2025 is €1,026.6.

#### In-work poverty rate (%) per Country



#### Minimum Wage as % of Gross Median and Gross Average Wage per Country





# Collective Bargaining system in Greece

Collective bargaining in Greece is regulated by Law 1876/1990. There are three different levels of collective bargaining: national, which leads to the signing of the national collective agreement between the tertiary social partners; industry and occupational, conducted either at national or local level between industry and occupational trade unions and the respective employers' associations or individual employers; and enterprise, conducted at the level of the enterprise between the enterprise trade union or the association of persons and the employer, or between a local industry union and the employer.

Collective agreements signed at the industry, occupational or enterprise levels cannot contain terms and conditions worse than those stipulated in the national collective agreement or agree wages below the level of the statutory national minimum wage.

Once a collective agreement is signed, its terms and conditions have immediate and mandatory effect for all parties who have signed the agreement. The terms of individual employment contracts that deviate from the regulatory terms of collective agreements take precedence over the collective agreement if they offer greater protection to the employees.

In general, the terms of collective agreements that are more favourable to employees prevail over the law, unless they pertain to provisions of mandatory law with bilateral effect.

#### **Development of bargaining coverage**

According to the latest data from the <u>OECD/</u>
<u>AIAS ICTWSS Database</u>, in 2017 collective bargaining coverage in Greece stood at 14.2%, a steep decline of 37.3 pp since 2012.

This trend is a consequence of the severe institutional, macroeconomic, social and labour market changes that Greece experienced during the financial crisis and in the wake of the subsequent Memoranda of Understanding.

A major factor that contributed to the decline in collective bargaining coverage was the abolition of the erga omnes principle and the stipulation in law that collective agreements shall apply only to the parties who signed it. As such, collective agreements could not be extended to all workers in a specific industry, but only to those whose employers were members of the employers' associations that negotiated the agreement.

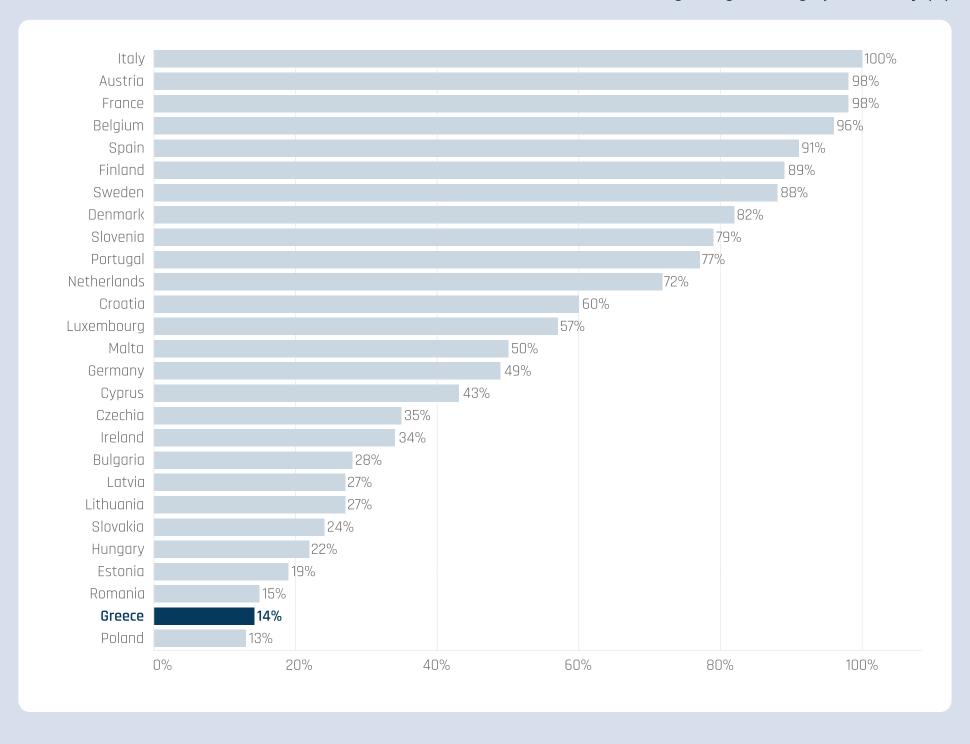
Furthermore, low union density in the private sector and particular labour market characteristics (such as high unemployment, the advent of precarious forms of employment that are notoriously difficult to organise, and the rise in (bogus) self-employment) significantly contributed to the phenomenon. Finally, the opportunity provided to employers either unilaterally, or through enterprise-level bargaining to determine the terms and conditions of employment further exacerbated the decline in bargaining coverage. Greece, an economy in which about 95% of businesses employ fewer than ten employees, and the formation of a trade union requires at least 21 initial signatories, suffered immensely from the deregulation and decentralisation policies introduced between 2010 and 2015. These changes still affect the nature and structure of collective bargaining.

Collective Bargaining Coverage
14.20%

Trade Union Density
19.00%

Valididy of Collective Agreeements
after expirations?
No

#### **Collective Bargaining Coverage per Country (%)**



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## Collective Bargaining system in Greece

#### Validity of collective agreements after expiry

Collective agreements may be concluded for a fixed or indefinite period. Any collective agreement that specifies a duration of more than one year is considered to have indefinite duration.

The regulatory terms of a collective agreement that has expired or has been terminated continue to apply for six months after its expiry or termination, and are also applicable to employees hired during this period. After the expiry of the six-month period, the existing terms of employment remain in effect until the individual employment relationship is terminated or modified.

# **Exclusion of certain groups of employees** from bargaining

With the exception of public sector employees, whose terms and conditions of employment are determined by law, all persons working under an employment relationship governed by private law with any domestic or foreign employer, enterprise, establishment or service in the private or public sector of the economy, including workers in agriculture, livestock farming, and related activities, as well as home-based workers, have the potential to be covered by a collective agreement.

# Collective bargaining clauses in public procurement

While Greek legislation does not provide a general framework mandating the incorporation of collective bargaining clauses in public procurement contracts, a notable exception exists in the context of service agreements concluded between public authorities and cleaning or security service providers. Specifically, Article 68 of Law 3863/2010 establishes a binding requirement applicable when a contracting authority such as the state, legal entities under public law, local government organisations, or other public sector bodies - directly awards or publicly procures cleaning and/or security services. Under this provision, contractors are obligated, under penalty of exclusion, to include in a clearly designated section of their tender offer detailed information concerning, among other things: (a) the number of employees assigned to the project; (b) scheduled working days and hours; and (c) the collective agreement governing their employment. They must annex to their offer a copy of the relevant collective agreement.

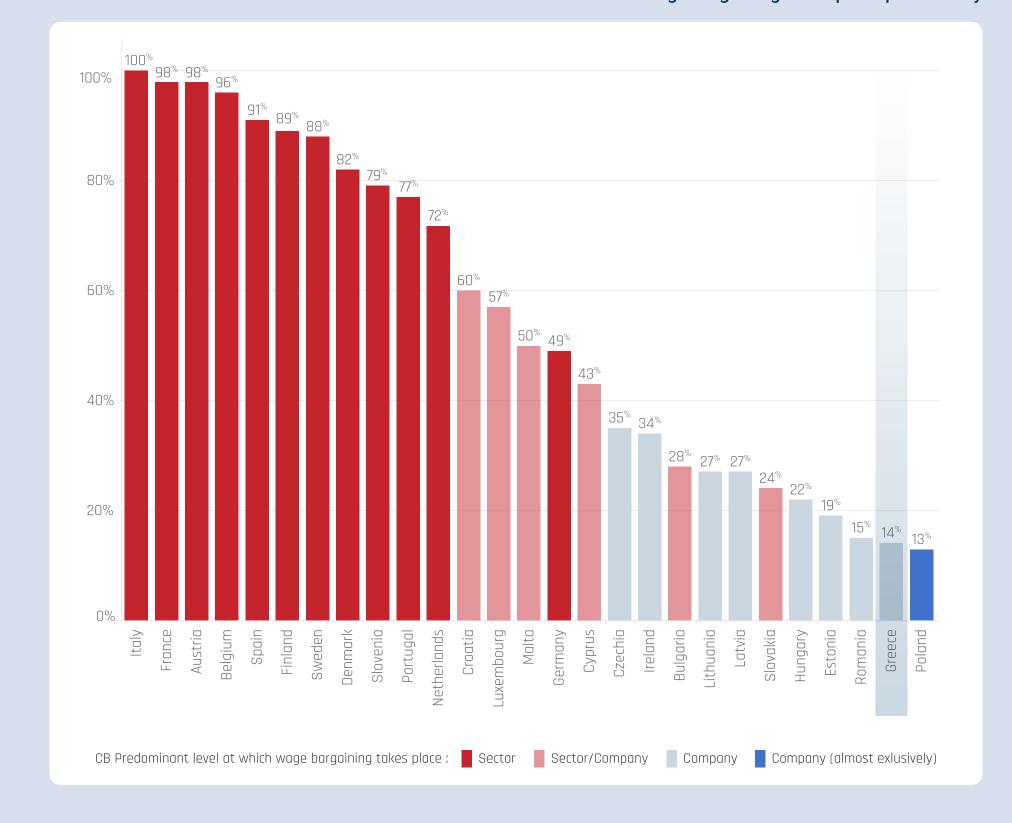
# Right of access to workplaces for trade unions

Trade unions' right of access to workplaces is governed by Law 1264/1982. According to Art. 16, trade unions at all levels have the right to distribute their announcements in areas of the workplace agreed upon with the employer, or in common areas, dining facilities, where available, or outdoor areas, provided this occurs outside working hours.

Moreover, every trade union within a business or enterprise is entitled to operate a website either on the internet or on the employer's internal electronic network (intranet). The employer shall bear any reasonable costs associated with the design, operation and maintenance of this website. The content of the website shall be determined exclusively by the union, in compliance with the applicable legal provisions. If the employer does not provide the means described in the preceding clauses, the enterprise trade unions shall be entitled to maintain bulletin boards at the workplace, in locations mutually agreed upon by the employer and the union's management.

For employers whose enterprises employ more than 100 workers there is the additional obligation to provide, upon request and in accordance with their operational capacity, appropriate office space at the workplace for the most representative enterprise trade union, to enable it to perform its trade union functions.

#### CB Predominant level at which wage bargaining takes place per Country





# Collective Bargaining system in Greece

#### Protection of workers and trade union

representatives from dismissal and discrimination Law 1264/1982 includes specific provisions for the protection of workers and trade union representatives from dismissal, discrimination and unfair treatment. More specifically, according to Art. 14, it is prohibited for employers, their representatives, or any third party to engage in any act or omission that hinders or obstructs the exercise of workers' trade union rights. It is also prohibited for employers or their representatives to treat employees favourably or unfavourably based on their membership of a particular trade union organisation. Terminating a worker's employment on the grounds of lawful trade union activity shall be deemed null and void.

Special provisions also apply to the protection of trade union representatives or the members of a trade union's interim administration. Thus, termination of the employment of members of the governing body of a trade union, or members of the interim governing body of a trade union, or members of the governing body who are temporarily elected during the establishment of a trade union, shall be deemed null and void. This prohibition applies during their term of office and for one year after its expiration, unless there is a case for the application of paragraph 10.

The first 21 founding members of the first trade union set up in the enterprise or establishment, or within the relevant professional sector, are also protected, provided that more than 80 workers are employed in the enterprise. This protection applies for one year from the date of signing the founding act.

# Obligation for employers to engage in collective bargaining with trade unions

According to Art. 4 of Law 1876/1990, trade unions and employers' associations, as well as individual employers, have both the right and the obligation to engage in collective bargaining for the conclusion of a collective agreement. The party exercising the right to engage in collective bargaining is required to notify the other party in writing of the location of the negotiations and the issues to be negotiated. This written notification must also be communicated to the competent labour inspectorate. The other party is then obliged to participate in the negotiations within 10 working days of notification of the issues and to appoint its representatives. This deadline is reduced to 24 hours in cases involving matters that, by their nature, require immediate attention.

# Transposition of the European Directive on Adequate Minimum Wages in the EU

Law 5163/2024 transposed the European Minimum Wage Directive in the Greek legal framework as of 5 December 2024. The Law will come into effect on 1 June 2027, and transposes almost verbatim most of the Directive's articles in the Greek legal context. However, there are instances in which the Greek legislator adjusted the Directive. One such instance is the process by which determination of the national minimum wage takes place, introducing a new hierarchy in the decision-making process and powers for the various committees involved in its determination.

This further exemplifies the specific macroeconomic and labour market indices that need to be considered to justify an increase in the national minimum wage. An interesting point in the new Law is that the national minimum wage cannot be reduced, even if such a reduction is justified on macroeconomic grounds. The national minimum wage must either remain stable or be increased.



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#### **WAGE-UP** is the ETUC Monitoring Tool

presenting information on Minimum Wage setting procedures and Collective Bargaining systems in all EU countries, as well as the progress in EU countries toward the transposition and the implementation of all the provisions of the Directive on adequate minimum wages in the EU (2022/2041).

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