

Precarity in Greece

In Greece, until the mid '90, the main concept that people shared about their working future was creating an image of some stability. Working people still believed, in spite of the rising unemployment, that they would be able not to change many professions in their working life, that they would be working for 8 hours per day and 5 days per week. And mainly, that even if they would have to change many working positions, these positions would not be of a wide range of different occupation.

The rise to power of Costas Simitis, head of the so called social democratic party of PASOK, brought severe changes in this field. Simitis, claiming that he was in favour of the –once again so called- “modernization” of the state, declared the need for a large scale transformation process. It was proved, that this program was just the way in which the Greek social democracy adopted and applied the principles of neoliberalism. In the field of working relations the changes that PASOK brought were essential. Their main axis was the entrance in the public debate of the concept of “employability”. This meant the idea that being unemployed is not something that has to be attributed to the economic policies but to the unemployed people’s personal responsibility. So, one had to be “employable”, meaning that he should have the proper qualities that would make it possible for him to be employed, in case a working position appeared.

At the same period, partial employment and uninsured work started to flourish. We have to note that for a certain period, uninsured work was for many, especially for younger employees, a free choice, as a mean of raising their income. But in the meantime its percentage was very much raised, as an element of a “contract” between the bourgeois class of Greece and its petit bourgeois class. Keep in mind that in Greece almost 90% of enterprises are of small and medium size, meaning that they have up to 5 employees. The governments, for many years now and with various methods, like the political control and the weakening of the controlling mechanisms, such as the Labor Inspection or the department of the Ministry of Economics that is responsible for financial crimes, were allowing the small and medium size enterprises to evade taxes and use uninsured work.

In the next years, the neoliberal policies were intensified, uninsured work was increased, as well as part-time forms of employment such as "exercise", where the employee is supposed to be educated, and eventually just work with half salary, often in low-skilled jobs that actually do not require long training. Since the signing of the first Memorandum in 2010, the situation became even worse. So, it is quite clear that the real target of these policies were not to make Greece repay its debt, but a huge come back of the bourgeois class, in order to get back all the gains of the labor movement that could even slightly reduce its profitability. And they do so through what we call "internal devaluation", meaning a great devaluation of peoples incomes and social salary, by cancelling the welfare state's structures.

The concept of precarious employment was first introduced to account for particular types of work; employees with typical precarious working conditions (e.g. consecutive employment, partial employment, employment under fixed contract) as well as uninsured employees. However, nowadays precariousness is the rule in employment relations, especially now that the regime of full and well protected employment fell into pieces. The liberation of the legal framework regulating lay-offs provides employers with the new weapon against labour since now the former are in position to regulate the circle precariousness-unemployment-precariousness. In this context, within employees dominates a culture of "low expectations", since the younger generations entering the workforce have nothing to struggle about because the model of full employment is now in perish. Conditions in the labour market are so harsh that employees are feeling fortunate only because they keep having a job irrespective of conditions. All this point to one conclusion precariousness in Greece follows closely the general pattern of change in employment relations.

So, as we all know, in 2 May 2010, the Greek government, the European Commission, the European Central Bank (ECB) and the IMF agreed on an economic adjustment programme (EAP) in exchange for financial aid provided by Eurozone countries and the IMF. Support is granted by instalments whose disbursement is conditional on the strict implementation of a Memorandum of Understanding (MoU 1), describing in detail the measures to be taken by the Greek government and revised periodically. Austerity measures implemented since the beginning of 2010 include big cuts in the

following: salaries, bonuses and overtime payments in the public sector; public and private sector pensions; operating expenditures of line ministries; state budget allocations to municipalities and social security agencies. Between May 2010 and May 2011, declines in real wages were 20.4 per cent and 30.4 per cent, while real pensions fell 15.4 per cent. Additionally, a new single pay scale in public administration took effect on 1 November 2011, bringing about a new reduction in civil servants' nominal wages by 30 per cent on average.

Reduction of the public sector wage bill also requires retrenchment of public employment and working time changes. Some measures in this direction:

- Increase in the standard working time from 37.5 to 40 hours weekly without any rise in pay and drastic reduction in overtime working.
- Suspension of recruitment of permanent employees in the public sector in 2010, application of the rule 'one hire for 10 exits' in 2011 and that of 'one hire for five exits' during 2012–2015.
- Reduction of employees on short-term contracts by 30 per cent in 2010, 50 per cent in 2011 and 10 per cent annually during 2012–2015.
- Reduction of local government personnel by 50 per cent.
 - Restructuring and downsizing of public companies, for example, railways and bus services.
- Closure, merger and downsizing of government entities and establishment of a "labour reserve" for all or part of their staff that will be paid at 60 per cent of the base wage for one year, before being dismissed. 15,000 public employees will be transferred to the labour reserve in the course of 2012.
- Redundant personnel of all government entities and state-owned enterprises will be also transferred to the "labour reserve" or dismissed. This kind of personnel will be identified by the planned functional review of public administration.

In 2010, public sector employment decreased by 10 per cent overall, which is the outcome of both the reduction of employees on short-term contracts and non-replacement of exits for retirement. There is a plan of a further 20% reduction in public sector employment between 2011 and 2015, corresponding to about 150,000 persons.

A series of other reforms are also aimed at making savings in welfare state expenditure: reduction of ordinary unemployment benefits by 22% and tightening of criteria for seasonal unemployment benefits; reduction in the number of employees on short-term contracts, non-replacement of those who retire.

The general plan also includes a large number of labour market and product market reforms, dismantling the Greek employment model and undermining trade unions and collective bargaining. These reforms serve several goals at a time: the reduction of the wage bill in the public sector and radical downsizing of the latter; the opening up of opportunities for capital concentration in services through a substantial decrease in self-employment; and drastic reductions in wages in the private sector.

Drastic reduction in public sector employment and self-employment

Retrenchment in public sector employment is the outcome of a combination of direct measures (parsimonious hiring, labour reserve, dismissals) and indirect ones (closure, restructuring and privatisation of public entities and companies). As for self-employment, a number of factors are curtailing it. First, recession is putting great pressure on own-account workers and micro-entrepreneurs, leading to mass closures of micro-businesses. Second, the government has removed restrictions on competition, business and trade in more than one hundred regulated professions. This has intensified competition and reduced minimum compensation in times of drastically falling demand, pushing great numbers of the self-employed out of business and inducing a concentration of capital in the corresponding activities.

Massive attack on employees' rights

The following measures have also been adopted: halving of notice period and level of severance pay for individual dismissals; increase in the minimum threshold for collective dismissals; labour reserve for "redundant" personnel in the public sector; extension of probation period for new hires from three months to one year; extension of the cumulative maximum duration of fixed-term contracts to three years and easing of conditions for derogations; extension of maximum duration of rotating work at a given firm in case of financial difficulties from six to nine months per year; permission for part-time work in public utilities; abolition of the 10 per cent wage premium for short part-time working; reduction of overtime pay by 20 per cent;

increase in weekly working time in public administration from 37.5 to 40 hours; easing of flexible working time arrangements.

The most important of the above measures are those making individual and collective dismissals easier in the private sector, as well as those concerning the labour reserve and the abolishment of tenure for employees of public enterprises. They lead to the dismantling of a core feature of the Greek employment model, namely strong employment protection of permanent employees.

The Memorandum has led to the following changes, aiming at dismantling the wage-setting system aimed by undoing collective bargaining, defeating the unions and promoting individual bargaining in the private sector;

(i) Minimum wages set by the national general collective agreement (NGCA) were abolished by a recent Act of the Cabinet. Since 14 February 2012 minimum wages are 22 per cent lower than their rate on 1 January 2012; for youth aged less than 25 years and apprentices aged 15 to 18 years, the wages were reduced by 32 per cent. By the same Act, all law and collective agreement clauses which provide for automatic wage increases, including those based on seniority, were suspended until the unemployment rate reaches 10%.

(ii) An overhaul of the NGCA will be prepared by end-July 2012. The aim is to replace the wage rates set in the NGCA with a minimum wage rate legislated by the government in consultation with social partners.

(iii) Collective agreements which expire now remain in force for maximum 3 months (previously 6 months). If a new agreement is not reached after this period, remuneration will revert to the base wage until replaced by a new collective agreement or new or amended individual contracts.

(iv) Collective bargaining on wages was suspended in all public utilities, agencies and undertakings where cuts in wages in 2010 and 2011 were introduced by law. A recent law brought about even more significant cuts by imposing wage ceilings on administrative personnel – in accordance with the new pay scale for civil servants –

and defined a maximum per capita monthly wage bill at €1,900. It goes without saying that collective bargaining is now practically dead in this fundamental pillar of the pre-crisis wage-setting system, where union power has been concentrated for decades.

(v) Suspension for 2012–13 of extension of the coverage of sectoral and occupational collective agreements to non-union members by the Minister of Labour. This induces firms to quit employers' organizations, thus indirectly undermining collective bargaining at the sectoral or occupational level and promoting individual bargaining between employers and employees on wages.

(vi) In case of overlapping issues and clauses, company-level collective agreements have precedence over sectoral and occupational agreements, even if their provisions are less favourable for the employee. Company-level agreements can now be signed not only by unions but also by associations representing at least three-fifths of a firm's staff, who can easily be subjected to employer manipulation in small firms.

(vii) Arbitration now takes place only when agreed by both employees and employers. Before the reform, unions could have recourse unilaterally provided that employers had refused the outcome of mediation. Moreover, arbitration now only applies to the base wage and not on other remuneration. The unions' power against intransigent employers during negotiations is thus weakened.

Apart from institutional changes, the big rise in dismissals and unemployment undermines union power even more. Almost all collective agreements concluded in 2010–11 provide for wage freezes while many employees have accepted or been imposed wage reductions at the company level ranging from 10 to 20% in the last two years. In spite of this development, the signatories of Memorandum 2 state that the above-mentioned labour market reforms introduced by the government should aim at reducing labour costs in the business economy by 15 percent in 2012-14.

To date, unemployment has climbed from 10.2 per cent in December 2009 to 21 per cent December 2011 and 26,8% today, breaking all previous records. Youth unemployment has reached 51 per cent, while families are experiencing major income losses and are increasingly unable to provide for their offspring. At the same time,

social protection is being weakened and the quality of social goods and services eroded. Increasing numbers of people are being pushed into absolute poverty and social exclusion.

The new reality in employment relations as it is shaped by the Third Memorandum (2012) creates a gloomy landscape for labour. The expire in 14 February of all the sectoral agreements that remained active so far cancel, in essence, all kind of collective agreement. From April 1st onwards, the National General Collective Agreement will be dictates by the Minister of Labour, loosing, thus, its protective character. The cancelling of the potential to expand already existing collective agreements after their expiration transforms in essence the minimum wage into national average wage.

Additionally, the third memorandum abolished all the working rights non pertinent to wages. Examples of this are the cancelation of the 5-day per week work in shops, full practical ability of the employer to change the timetable of the employees and full loose of the terms of offices of renting labour.

Political initiatives to organize the struggle of the precarious workers

Politically organizing the precarious works is essentially difficult, due to both objective and subjective reasons, having to do with the organized forces of labour movements and trade unions. The objective reasons have to do with the fragmentation of workplaces and time, leading to difficulties in creating an esprit de corps, a feeling of common interests, even though the latter is starting to be altered, through the violent impoveritization of thousands of employees. As for the subjective difficulties, the role of the model of trade unionism that was followed until now (attached to the interests of the governments and the employers), that was trying to fulfill the needs of some parts of the employees through the clientist system, was very essential. Trade Unions were really late in understanding the new era of the labour relationships and include the precarious workers, having as a result a total contempt from their side.

SYRIZA and its Youth Organizations are pressing the trade unions to include the precarious workers, and in those that we are able to do so, we follow this path. But as long as they do not get officially included by the majority of the unions, we are

building collective structures that even if they are not institutionalized, still offer a chance of collective demands and struggle. On this path, we have also created an initiative named Network of Precarious Workers and Unemployed. This network is trying to give publicity to all situations of massive dismissals, illegal actions of employers, local movements and workers mobilization. Participation in the Network is still too low to help it have essential achievements, but it is planned to act as one of the main organizing factors of our struggle.

On the face of these circumstances, the forthcoming general strike of 20th of February will have to be an event of the utmost importance, that will open the road for the downthrown of the government. We will be in as many neighborhoods and working places we can, talking to people and calling them to participate in the strike. As we say, “they are stealing our future, lets turn them into past”.