

## **REDUCTION OF WORKING TIME - "SYN-ERGASIA" MECHANISM**

The mechanism "SYN-ERGASIA" was established on 15.06.2020, in order to maintain jobs in the private sector, in parallel with the other support measures of employees and companies (suspension of employment, distance work, special purpose leave, etc.). The conditions for the implementation of the measure are as follows:

- To be employees with active employment, full-time until 10.8.2020. Seasonal employees with a full-time contract can also join, with the right of compulsory re-employment. Suspended employees are not included.
- To be employers who are required to submit a periodic VAT return and show a reduction of at least 20% of the VAT turnover, compared to the previous reference turnover, as specified in law, or to be employers who are not required to submit a VAT return or are exempt from VAT, provided they show a reduction of at least 20% of gross income, or to be employers - companies in the field of Air Passenger Transport, Air Freight, Air Transport Related Activities.

### **The operation of the Mechanism is as follows:**

- Employers may reduce the weekly working time of employees by up to 50%, by unilateral decision, either for part of their employees or for all staff, depending on the operational needs of the company. The reduction in working time does not change the employment contract to part-time for the period that employers use the measure.
- Employees receive financial support for short-term work amounting to 60% of their net salary, which corresponds to the time during which they do not work. In the event that the net remuneration of the employees falls short of the net statutory salary or wage, including the 60% increase, the difference resulting shall be replenished by the state budget.
- Insurance contributions regarding the non-working period are not covered by the Mechanism, but employers are required to cover all insurance contributions on the initial nominal salary, including contributions related to gift benefits.

### **Employer Restrictions:**

- It is prohibited to dismiss employees who have joined the Mechanism for the period of membership in each of them, and in case of termination of an employment contract, that is considered invalid.
- Employers are required to retain the same number of staff they had on June 30, 2020. The same number of staff does not include those who leave their jobs voluntarily, retirees due to retirement, fixed term employees whose employment contract expires after 30 June 2020, employees who were suspended on 30 June 2020 and cases termination of the employment contract due to the death of the employee.
- The employer is obliged to maintain the nominal salary of the employees participating in the Mechanism for as long as they join it. Therefore, it is not possible to reduce the salaries of employees during this period even with their own consent.

Procedure for joining the Mechanism:

Employers submit a solemn declaration for membership in the "ERGANI" system and to the Independent Authority for Public Revenue (greek abbreviation: AADE) for the approval of membership in the "SYN-ERASIA" Mechanism. If the application is rejected, then the employers are obliged to pay them their full salary, if they have already imposed the measure of reduced work on the employees. Once the application is approved, the employers submit the details of the employees who are part of the Mechanism and inform the "ERGANI" system. It should be noted that before the reduction of employment time, the "ERGANI" system must have been already updated.

The financial support of the employees is paid within the first 10 days of each following month of application of the Mechanism.