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## Contracting for Work in Tourism and Catering in Greece:

# Beyond a State/Market dichotomy

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#### **Abstract:**

Drawing on a case study of contemporary employment relations in tourism and catering in Greece, this paper seeks to contribute to our empirical understanding of employment law. Which factors determine the ways in which the law is perceived by employers and workers and complied with, breached or avoided? The main argument of the paper is that not only market forces are relevant here; several other factors need to be taken into consideration, which when combined with market forces can re-regulate as well as deregulate the field of employment. These tend to be informal, locally embedded, and influenced by wider social relations. By constructing a simple matrix of employment settings based on locale and seasonality on one axis, and size of enterprise and scope of services provided on the other, the paper demonstrates how organisational and spatial parameters and the social environment interact with market forces and legal forces to shape prevailing norms and to influence the behaviour of parties to the contract for work. It further demonstrates that the structuring of the sectoral labour market is a process determined by broader social power dynamics. Beyond serving as part of the context within which contracting for work takes place, legal rules are a resource to be mobilised by both employers and workers.

#### Introduction

In Greece, swingeing changes were made to employment law in the years following the financial crisis of 2008, aimed in part at dismantling the long-established system of collective industrial relations. In the hotel sector, sectoral collective bargaining survived and, in recent years, even experienced a minor recovery. In contrast to large parts of the national economy, tourism and catering has been an area of economic growth. Nonetheless, a significant proportion of the workforce is subject to casualization and low pay. To date, research has analysed how the drastic reduction of the minimum wage and other legislative reforms brought about internal devaluation and suppressed living standards. There has been little industry specific research and analysis of how national laws interacted with economic and social forces to produce results on the ground.

This paper presents a case study of contemporary employment relations in tourism and catering in Greece, addressing the question of the key determinants of actors' understandings of the law and their compliance with, breach or avoidance of particular legal rules. Utilising ideal type analysis, the paper constructs a simple matrix of employment settings in the Greek tourism and catering sector based on locale and seasonality; size and scope of hospitality services provided; and the social power of workers and employers respectively. It then uses this matrix to explain observed variation in contracting behaviour across the sector. National law and sectoral collective bargaining are counterposed to social dynamics that influence rule interpretation and the degree of regulatory compliance highlighting the role of local and sectoral norms and the informality of social relations in producing differentiated labour markets and employment practices.

The paper's main argument is that market forces and legal change cannot account for the actual form employment relations assume unless other parameters and dynamics are brought into the analysis. An

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analysis that focuses solely on the economy and the legal and institutional orders, carries the risk of overlooking or obscuring the substantial variation that exists in workers' terms and conditions of employment. Beneath national trends and uniform, general, sector-specific, and occupation-specific rules, lie working relations which are also affected by informal social dynamics, structured by spatio-temporal contexts, and shaped by positioning and function in political-economic terms. Insights from this case study of Greek hospitality are relevant in the analysis of other sectors and countries where analogous seasonal, spatial, and social parameters exert significant influence.

After a brief examination of the constitution of labour markets and the positionality and role of labour law, the paper outlines the impact of the crisis on the economy of Greece focusing on the key features of labour law reform since 2008, both in terms of its aims and intended effects. It then provides an overview of the Greek tourism and catering sector, mapping the general characteristics of the workforce, the operational models, and prevailing market conditions. The methodology used to conduct the fieldwork is described, including the characteristics of the sample and how the content analysis of the data was undertaken. The final section discusses the key findings of a variety of contracting practices within differentiated contexts. Here, the experience of workers in different hospitality settings is used to construct a typology of functional, geographical, and social parameters which can explain questions of compliance with and avoidance of legal obligations, taking account of broader dynamics in operation, within and beyond the market.

# Labour markets and labour law

The factors shaping the field

In their analysis of labour relations, economists and economic historians alike can tend to focus primarily or solely on markets, assuming that wage levels and migration patterns are a function of

freedom of contract and labour supply and demand. Legal scholars and labour historians have long insisted that such a perspective is over-reductive: it is also necessary to consider how law constitutes and regulates markets, shaping parties' freedom of contract. As Douglas Hay and Paul Craven put it in their discussion of master and servant law: 'the mere fact of bargaining does not make for freedom... The crucial questions are about the limits on freedom, the constraints, disincentives, and boundaries'. As their study well demonstrates, limits on formal freedom of contract – such as the criminalisation of workers' quitting their employment – can serve to enlarge the substantive freedom of one or other contractual party – in this case, the freedom of the employer to pay low wages despite an undersupply of labour.

Neither can it be assumed, socio-legal scholars might caution, that law will always and everywhere have the effect intended by the legislature. How the law is given effect at any particular time in any particular place is likely to be shaped by the nature and effectiveness of law enforcement procedures, by custom and practice, and by shared beliefs among the parties subject to the law about fairness and justice. The law can only take effect as intended, shaping economic and social action and reality, to the extent that it becomes normalised; incorporated in the behaviour and consciousness of the actors.<sup>5</sup> It is through this attribute of the law, its power to influence actors in one way or another, that labour in the realm of the economy comes to occupy, as well, the realm of the state<sup>6</sup>. Contracting for work is at the same time economic, social *and* legal action, or as Ruth Dukes put it with reference to Max

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<sup>&</sup>lt;sup>1</sup> Steve Fleetwood, 'Do Labour Supply and Demand Curves exist?' Cambridge Journal of Economics, (2014), 38, 1087-1113

<sup>&</sup>lt;sup>2</sup> Simon Deakin, 'Conceptions of the Market in Labour Law' in A Numhauser-Henning and Mia Rönnmar (eds), Normative Patterns and Legal Developments in the Social Dimension of the EU (Oxford: Hart 2014); Mark Harvey, 'Productive systems, Markets and Competition as 'Instituted Economic Process' in Brendan Burchell, Simon Deakin, Jonathan Michie, Jill Rubery (eds.) Systems of Production: Markets, Organisations and Performance, (Routledge 2002).

<sup>&</sup>lt;sup>3</sup> Douglas Hay and Paul Craven (eds.), *Masters, Servants and Magistrates in Britain & the Empire, 1562-1955* (Chapel Hill 2004)

<sup>&</sup>lt;sup>4</sup> Ibid; Paul Lyndon Davies and Mark Robert Freedland (eds), 'Kahn-Freund's Labour and the Law' (3rd ed. Stevens and Sons 1983), 18

<sup>&</sup>lt;sup>5</sup> Eleanor Kirk, 'Legal Consciousness and the Sociology of Labour Law' (2021) *Industrial Law Journal*, forthcoming

<sup>&</sup>lt;sup>6</sup> Kahn-Freund, 'Legal System' in Allan Flanders and Hugh Clegg, *The System of Industrial Relations in Great Britain* (Blackwell 1954)

Weber, economic social action oriented to the legal order.<sup>7</sup> It proceeds in a context that is shaped by social norms and social statuses as well as the prevailing law and economic conditions.<sup>8</sup>

The treatment of labour as a commodity in capitalism binds the labour market to other markets and subjects it to their force, their vicissitudes and ultimately their logics. State power which structures, defines, and oversees the operation of markets relies on the law as the main instrument of its intervention in labour relations practices; at the same time the role of law in the economy, and in employment relations, remains secondary. 10 Employment law has limits both in terms of its scope and its effectiveness. 11 Neither economic force nor legal regulation however can of themselves account for terms and conditions of work. Economic dynamics might at best illuminate orientations and power imbalances among the parties and the legal framework can at most indicate existing freedoms and constraints. While the contract for work attempts to determine the relationship between parties, and to preordain their behaviour, a substantial element of indeterminacy remains. 12 This incompleteness of the work contract creates a behavioural realm that is unscripted, substantially open, and thus subject to other social processes that are normative, customary, and informal. Just as the content of the contract for work has politics and power dynamics engrained in it, so does the context in which it is materialised. To grasp comprehensively the modality of work one must look at how the economic and the legal spheres combine and interact with other factors operating in other spheres such as the social and the ideological which are historically as well as spatially determined.

The regulation of working relations is not an event whereby the employers and workers conform and adapt to a set of rules or alternatively breach and ignore them. Compliance with rules is rather a

<sup>&</sup>lt;sup>7</sup> Ruth Dukes, 'The Economic Sociology of Labour Law' (2019) 46(3) *Journal of Law and Society* 396-422 citing Max Weber, *Economy and Society*.

<sup>8</sup> Ihid

<sup>&</sup>lt;sup>9</sup> Ben Fine, Labour Market Theory: a Constructive Reassessment, (Routledge 1998).

<sup>&</sup>lt;sup>10</sup> Davies and Freedland (n.4)

<sup>&</sup>lt;sup>11</sup> Gregoris Ioannou and Ruth Dukes. 'Anything Goes? Exploring the Limits of Employment Law in UK Hospitality and Catering', Industrial Relations Journal (2021) 52(3): 255-269

<sup>&</sup>lt;sup>12</sup> Wolfgang Streeck, Social Institutions and Economic Performance: studies of Industrial Relations in Advanced Capitalist Economies, (Sage 1992).

process of negotiation that plays out over time, shaped by the interaction of the legal and the organisational context. While economic calculations constitute important parameters, political and social environments also shape whether, when and to what extent compliance with the regulatory framework will occur. Micro processes, internal to the sector, the area and the firm, have a relative autonomy from the macro institutional order and although influenced by external forces, ultimately operate according to their own dynamics resulting in a heterogeneity of compliance outcomes. At the same time different actors in the field can mould the institutional and legal order through their action and inaction. By extending the analysis beyond the legal order and economic force in the narrow sense, a more nuanced understanding can be achieved of how the state and the market combine with and are constrained by additional social factors.

The state is an also an active agent in the employment and class relations field and the de-regulation process, itself a result of state agency, is coupled with re-regulation in specified directions.<sup>17</sup>

Migration policy for example with the legal statuses it assigns, and the immigration controls it imposes, fosters particular relations between employers and workers including the construction of temporariness and institutionalised uncertainty and thus the production of labour precariousness.<sup>18</sup>

The distinction between the state and the market is an analytic, and not necessarily a substantive one.

The management of the economic crisis in Southern Europe and the instrumentalization of labour law

<sup>&</sup>lt;sup>13</sup> Lauren B. Edelman, and Shuahin A. Talesh, 'To Comply or Not to Comply – That Isn't the Question: How Organizations Construct the Meaning of Compliance'. In Christine Parker and Vibeke Lehmann Nielsen (eds) *Explaining Compliance: Business Responses to Regulation*, (Edward Elgar 2011).

<sup>&</sup>lt;sup>14</sup> Bridget M. Hutter, 'Negotiating Social, Economic and Political Environments: Compliance with Regulation Within and Beyond the State', in Christine Parker and Vibeke Lehmann Nielsen (eds) *Explaining Compliance: Business Responses to Regulation*, (Edward Elgar 2011)

<sup>&</sup>lt;sup>15</sup> Monder Ram, Paul Edwards, Guglielmo Meardi, Trevor Jones and Sabina Doldor, The Roots of Informal Responses to Regulatory Change: Non-compliant Small Firms and the National Living Wage *British Journal of Management* (2020) 31, 856–871

<sup>&</sup>lt;sup>16</sup> Gregoris Ioannou, *Employment, Trade Unionism and Class: The Labour Market in Southern Europe since the Crisis*, (Routledge 2021)

<sup>&</sup>lt;sup>17</sup> Chris Howell, Regulating class in the neoliberal era: the role of the state in the restructuring of work and employment relations, Work, Employment and Society (2016) 30(4): 573-579

<sup>&</sup>lt;sup>18</sup> Bridgette Anderson, Migration, immigration controls and the fashioning of precarious workers, *Work, Employment and Society* (2010) 24(2): 300–317

in the service of labour devaluation, with state policy not only aligned to but also producing market dynamics, has made that painfully clear. <sup>19</sup>

The crisis and its legacy

The Great Recession of 2008 and its transposition into a Eurozone crisis hit Greece with enormous severity as its citizens' employment rights and welfare were sacrificed in exchange for financial survival. As early as 2010, the state faced bankruptcy and was forced to surrender part of its sovereignty to the Troika of the European Central Bank, European Commission, and International Monetary Fund. The aim of the first bail-out programme was essentially to produce internal devaluation through fiscal interventions. This caused a substantial deterioration of employment relations in the public sector, through salary and benefits cuts, redundancies, and reorganisation of working time. <sup>20</sup> Wages in the private sector also fell as the country entered a recessionary spiral with rising unemployment. In this context, collective agreements with legal force across whole sectors functioned to prevent excessive wage reduction and, for that reason, came under direct attack by the Troika in the second bail-out of 2012. <sup>21</sup>

The removal of the minimum wage from the national collective agreement, and its statutory regulation at a significantly lower level, with the introduction of a subminimum wage for those under 25, served to undermine significantly both the living standards of large numbers of workers and collective bargaining as an institution. In low-paid sectors where the young were over-represented, such as tourism and catering, the impact of this reform was huge. The other major reform in collective labour

 $<sup>^{19}</sup>$  Yiannis Kouzis and Apostolos Kapsalis, 'Labour Relations in the Context of the Third Memorandum'. The Contested Fields of Negotiation with the Lenders and the European Environment [Οι εργασιακές σχέσεις στο πλαίσιο του Τρίτου Μνημονίου. Τα Επίμαχα πεδία της Διαπραγμάτευσης με τους Δανειστές και το Ευρωπαϊκό Περιβάλλον] (INE-GSEE 2020).

<sup>&</sup>lt;sup>20</sup> Aristea Koukiadaki and Lefteris Kretsos, 'Opening Pandora's box: The Sovereign Debt Crisis and Labour Market Regulation in Greece'. Industrial Law Journal, (2012) 41(3), 276-304.

<sup>&</sup>lt;sup>21</sup> Aristea Koukiadaki and Chara Kokkinou, 'The Greek System of Collective Bargaining in (the) crisis', in Aristea Koukiadaki, Isabel Tavora, and Miguel Martinez-Lucio (eds.) *Joint Regulation and Labour Market Policy in Europe during the Crisis*, (ETUI 2016)

law was the abolition of the favourability principle between overlapping collective agreements allowing typically inferior company level agreements to prevail over sectoral ones.<sup>22</sup> To complement this, employers were given the right to sign collective agreements with "associations of persons" representing 15%-20% of workers at the company level thereby by-passing both trade unions and works councils.<sup>23</sup> This was intended in essence to force collective bargaining decentralisation as an instrument of wage reduction.<sup>24</sup> In the peak crisis years it was extensively used and was a crucial means through which major wage reductions were achieved.<sup>25</sup> Furthermore, the collective bargaining extension mechanism was abolished, and the post-termination effect of collective agreements shrank in duration from six to three months and in scope, covering only the basic wage and some benefits.

A series of additional changes took place in the fields of individual employment law reducing employment protection, promoting flexibility in working time and agency work, leading to the expansion of involuntary non-standard employment. <sup>26</sup> The scope of mediation and arbitration was reduced, with limits placed on the ability of workers and trade unions to seek redress. <sup>27</sup> During the crisis years, the institutional order of Greek industrial relations was effectively dismantled. <sup>28</sup> The reforms were contested, both politically and legally, with some success: a number of the measures

<sup>&</sup>lt;sup>22</sup> Ioannis Katsaroumpas and Aristea Koukiadaki, 'Greece: 'Contesting' Collective Bargaining' in Torsten Müller, Kurt Vandaele and Jeremy Waddington, (eds.) *Collective Bargaining in Europe: Towards an Endgame*, (ETUI 2019)

<sup>&</sup>lt;sup>23</sup> Horen Voskeritsian and Andreas Kornelakis, 'Power, Institutional Change and the Transformation of Greek Employment Relations', in Horen Voskeritsian, P. Kapotas and C. Niforou (eds.) *Greek Employment Relations in Crisis: Problems, Challenges and Prospects*, (Routledge 2019)

<sup>&</sup>lt;sup>24</sup> Christos Ioannou, 'Collective Bargaining Decentralization and Wage Adjustment for Internal Devaluation,' in H. Voskeritsian, Panos Kapotas and Christina Niforou (eds.) *Greek Employment Relations in Crisis: Problems, Challenges and Prospects*, (Routledge 2019).

<sup>&</sup>lt;sup>25</sup> Nicholas Giannakopoulos and Ioannis Laliotis, 'Firm level Adjustments Before and During the Crisis: Evidence from the 2011 Industrial Relations Reform', in Horen Voskeritsian, Panos Kapotas and Christina Niforou (eds.) *Greek employment relations in crisis: problems, challenges and prospects*, (Routledge 2019)

<sup>&</sup>lt;sup>26</sup> Ilias Livanos and Konstantinos Pouliakas, 'The Rise of Involuntary Non-standard Employment in Greece during the Great Economic Depression', in Horen Voskeritsian, Panos Kapotas and Christina Niforou (eds.) *Greek Employment Relations in Crisis: Problems, Challenges and Prospects*, (Routledge 2019)

<sup>&</sup>lt;sup>27</sup> Ioannis Koukiadis, Ατομικό και Συλλογικό Εργατικό Δίκαιο Επιτομή [Individual and Collective Labour Law: abridgement] (6th ed. Sakkoula 2017) Yiannis Kouzis, Το Νέο Εργασιακό τοπίο με Αφορμή την Κρίση [The new Labour Landscape after the Crisis] in Kostas Demoulas and Yiannis Kouzis (eds.) Κρίση και Κοινωνική Πολιτική: Αδιέξοδα και Λύσεις, [Crisis and Social Policy: Dead ends and Solutions] (Topos 2018)

<sup>&</sup>lt;sup>28</sup> Matina Yannakourou and Chronis Tsimpoukis, 'Flexiblility without Security and Deconstruction of Collective Bargaining: The New Paradigm of Labor Law in Greece' (2013-2014) Comparative Labor Law and Policy Journal (2016) 35(3): 331-370.

adopted such as for example the subminimum wage were later revoked; others such as the 'association of persons' mechanism fell into disuse<sup>29</sup>; and others such as the power of the employers to not consent to arbitration were ruled by the courts to be unconstitutional. Nonetheless, the bigger picture is one of the de-constitutionalisation of collective labour rights, treated by the legislature and the courts as inferior to the rights of international capital.<sup>30</sup> In the SYRIZA period 2015-2019, no substantial reversals in collective bargaining and wage setting mechanisms took place. The "new normal" in post crisis labour law and employment relations was significantly degraded compared to a decade before.<sup>31</sup>

Mapping the tourism and catering sector

With its primarily low-skilled and low paid workforce, the tourism and catering sector is considered difficult terrain for trade unionism.<sup>32</sup> The hospitality workforce is typically young, and tourism and catering are sectors where women and migrants are over-represented and where temporary, seasonal, and part-time employment prevails. Hospitality is a paradigmatic sector where not only numerical but also temporal flexibility reigns, negatively affecting job quality and the work life balance of the labour force. Moreover, temporal flexibility poses an additional barrier to the prospect of successful trade union action, as the structural and institutional power of the employer is difficult to challenge even when trade unions possess substantial associational power.<sup>33</sup> Seasonality, in the heightened form it assumes in the Greek tourism and catering sector, sharply divides the year into two periods of extreme over-employment and underemployment, and unemployment respectively facilitates short term thinking on behalf of employers and enhances the precariousness of workers.

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<sup>&</sup>lt;sup>29</sup> Kouzis and Kapsalis (n.19).

<sup>&</sup>lt;sup>30</sup> Ioannis Katsaroumpas, 'De-constitutionalising Collective Labour Rights: the case of Greece', Industrial Law Journal (2018) 47(4): 465–503

<sup>&</sup>lt;sup>31</sup> Yiannis Kouzis, Η Εργασία και η Παγίωση της Νέας "Κανονικότητας" [Labour and the Consolidation of the New "Normal"], in Christos Laskos and Demosthenes Papadatos-Anagnostopoulos (eds.) Ο ΣΥΡΙΖΑ στην κυβέρνηση, η Αριστερά; [SYRIZA in Government, the Left?] (Topos 2020).

<sup>&</sup>lt;sup>32</sup> Rosemary Lucas, Employment Relations in the Hospitality and Tourism Industries, (Routledge, 2004).

<sup>&</sup>lt;sup>33</sup> Alex Wood, 'Flexible scheduling, Degradation of Job Quality and Barriers to Collective Voice, Human Relations, (2016) 69(10):1989-2010.

Unlike in the UK and many other European countries, collective bargaining is not overtly marginal in the hospitality sector in Greece. While trade unionism was always very weak in restaurants and cafébars, medium and large hotels have a tradition of unionisation and of collective bargaining at the sectoral, regional and, in some cases, enterprise levels. Though it was certainly affected by the general economic downturn after 2008, tourism was among the few industries that did not shrink. Indeed, due to its orientation to an international market, and the opportunities for gainful employment that it offered to the new masses of unemployed, it even grew.

The sectoral collective agreement in hotels was one of the few that survived the Troika's onslaught but at the cost of trade unions accepting a 15% wage cut. 34 During the crisis years until 2018, the collective agreement lost its erga omnes binding effect, as the possibility for administrative extension was removed and its coverage shrank, being restricted only to trade union members and employers belonging to the signatory employers' association. While some large hotel owners deserted their association to avoid the sectoral collective agreement, many small hotels did not even abide by it in the first place and any pressure to enforce it evaporated. 35 The biggest challenge to the industrial relations system on the ground came however from the statutory regulation of the minimum wage and the establishment of the subminimum wage for younger workers. Like in the UK, the statutory minimum wage effectively became the going rate for new recruits and given the high labour turnover in the tourism and catering sector it came to shape the terms of employment of a significant section of the labour force. 36

In large hotels, older, experienced workers with a professional qualification, employee status and trade union membership, were able to limit their losses in terms of rights, wages and benefits. An expanding periphery of precariously employed in the same hotels could not, let alone those in smaller

<sup>&</sup>lt;sup>34</sup> Male, trade union leader 2, Athens.

<sup>&</sup>lt;sup>35</sup> Orestis Papadopoulos and Dave Lyddon, 'Deregulation and Institutional Conversion in the Greek Hotel Industry: an Employment Relations Model in Transition', Industrial Relations Journal, (2020) 51: 92-109 <sup>36</sup> Ioannou and Dukes (n. 10).

and non-unionised hotels.<sup>37</sup> In restaurants and café-bars the situation was even worse as the core workforce was smaller, and the sectoral collective agreement had limited reach and no legally binding force. Furthermore, the rise of informality during the crisis years meant that, in many settings, workers could at best hope to get the legal minimum, functioning now as a ceiling rather than a floor. More generally subcontracting and agency work, internships, and subsidised training programmes accustomed new entrants to the labour market to the prevailing conditions of precarity. Young workers had to learn to lower their expectations and demands; they had to learn to adjust to what was on offer.<sup>38</sup>

As in all South European countries, the crisis produced a polarising trend that increased social and economic inequalities.<sup>39</sup> As the Greek crisis was the deepest and the most prolonged in Southern Europe, so the decline in living standards was also the most acute with a marked increase in flexible contracts, in-work poverty and earnings inequalities.<sup>40</sup> Although there was a general trend of degradation of employment and increase of precariousness, region-specific structural advantages and

<sup>&</sup>lt;sup>37</sup> The formal distinction in Greek law between the status of "employee" and the status of the "worker", impacts on rights both during employment and upon its termination. While both categories, like the analogous ones in the UK context, refer to dependent employment, in Greece the difference derives from the old distinction between mental and bodily work and is based on the character and the type of work performed rather than the contract and the form of payment which is the case in the UK. In hotel work, "employee" and "worker" status is regulated explicitly by law. "Professional employee" status in hotels is secured after the completion of a 3-month training course (4 hours every day), leading to a diploma by the School of Tourist Professions. The employer usually allows his workers who have at least 3 consecutive years of employment to register for this winter school after which he is obliged to reward them with a 10% salary raise, and after which they have enhanced employment protection and are entitled to a significantly larger redundancy payment. <sup>38</sup> Aristea Koukiadaki and Chara Kokkinou, Το Πρεκαριάτο την Περίοδο της κρίσης και η Εδραίωση της Εργασιακής Επισφάλειας: η Περίπτωση Μελέτης της 'Ενοικίασης Εργαζομένων' [The Precariat in the Crisis Period and the Consolidation of Labour Precarity: the Case Study of Leased employees] in C. Karakioulafi and M. Spyridakis (eds.) Κοινωνία, Ανεργία και Κοινωνική Αναπαραγωγή [Society, unemployment and social reproduction], (Gutenberg 2017) pp. 327-348. Giorgos Bithymitris and Orestis Papadopoulos, «Μαθαίνοντας» την Οριακότητα: η Περίπτωση ενός Προγράμματος Κατάρτισης Ανέργων στον Κλάδο Τουρισμού ['Learning' liminality: the Case of a Training Programme for Unemployed in the Tourism Sector] in C. Karakioulafi and M. Spyridakis (eds.) Κοινωνία, Ανεργία και Κοινωνική Αναπαραγωγή [Society, Unemployment and Social Reproduction], (Gutenberg 2017) pp. 349-373

<sup>&</sup>lt;sup>39</sup> Eurofound 'Income Inequalities and Employment Patterns in Europe Before and After the Great Recession', (EU Publications Office, 2017).

<sup>&</sup>lt;sup>40</sup> Maria Karamessini and Damian Grimshaw, 'Minimum Wages and the Remaking of the Wage-setting Systems in Greece and the UK'. In D. Grimshaw, C. Fagan, G. Hebson and I. Tavora (eds.) *Making Work more Equal: A New Labour Market Segmentation Approach* (Oxford University Press 2017), pp. 330–355.

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disadvantages and regional specialisation in sectors hit to different extents and in different ways by the crisis had an influence on the patterns of atypical employment.<sup>41</sup>

While the new national minimum wage and the general reforms in individual and collective labour law instituted *universal* and *uniform* changes in employment relations, there was also significant variation across and within sectors. Beyond the nexus of the force of the law and the forces of the market, the impact of other factors, social and institutional, cultural, and ideological needs to be brought into the analysis. Factors such as local embeddedness and informality in social relations, pronounced as well as dynamic in small firms, may interact with the law and sectoral economics and their combined effect shape how labour is regulated, deregulated, and re-regulated in practice. <sup>42</sup> The mechanisms by which state policy and its legal instruments produce actual change in the employment field is ultimately an empirical question.

# Empirical research: methods and sample

Fieldwork was conducted during the spring and autumn of 2019 consisting of forty semi-structured interviews with hospitality workers employed in a variety of occupations and with different types of work contract in several locations in Greece. The sample included full time and part time, permanent, seasonal, and casual workers, and was balanced in terms of gender, reflecting the primarily youthful character of the hospitality workforce. It included people who had also worked in restaurants, cafes/bars and hotel resorts in several small islands, students and unemployed at the time of the interview, people who had formal hospitality training, both front of house and back of house and other tourist-related occupations. The majority came from small independent businesses and family and micro businesses, again reflecting the structure of the Greek tourism and catering sector. In addition,

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 <sup>&</sup>lt;sup>41</sup> Stelios Gialis and Maria Tsampra, The Diverse Regional Patterns of Atypical Employment in Greece: Production Restructuring, Re/deregulation and Flexicurity Under Crisis, Geoforum 62 (2015): 175-187
 <sup>42</sup> Monder Ram, Paul Edwards, Mark Gilman and James Arrowsmith, 'The Dynamics of Informality: Employment Relations in Small Firms and the Effects of Regulatory Change', Work Employment and Society (2001) 15(4), 845-861.

some interviews were conducted with trade union officials and labour activists and some with employers, employer representatives and other researchers in their capacity as experts. As a qualitative sample this was in no way representative, yet it was balanced and diverse enough to capture an overview of contemporary Greek hospitality and to demonstrate the main trends in an indicative manner.

Interviews varied according to the profile of the interviewee but generally included both current and past working experience, labour rights whether complied with or enforced or not, and worker reflections concerning the prospects of improving the terms of employment. The content of the worker narratives, comprising both fact and opinion, was subsequently subjected to thematic analysis singling out the elements which described common experiences and perspectives indicating generalised conditions. Interviews with trade unionists and experts revolved around issues concerning the institutional context and its impact in shaping realities on the ground and content analysis of these interviews was used to complement worker interviews, to supplement the insights gathered from the literature and secondary sources, and to achieve triangulation.

The main common elements emerging out of the interviews were used to construct ideal types, which were used in turn to organise the data and subject them to further interrogation. The empirical data were categorised by selecting the generalisable elements with broader significance, and then the empirical insights complemented with the insights from secondary sources in the construction of an explanatory account. Ideal typical analysis serves as a mapping tool orienting the account by imposing order of significance among selected factors and conceptually clarifying the terms used. <sup>43</sup> The attributes used to compose the ideal types are real but the ideal types themselves are not. Ideal types are constructed as polar points existing in relation to one another and as "pure forms" they point to the absolute in order to illuminate the relative. Ideal typical analysis is used to outline the characteristics of both the workforce, and the employment settings.

<sup>&</sup>lt;sup>43</sup> Max Weber, 'Οικονομία και Κοινωνία, Τομ. 1: Κοινωνιολογικές Έννοιες' [Economy and Society, Vol. I: Sociological Concepts] (Savvalas 2005).

## Findings and discussion

## Employment contracts: national laws and differentiated labour markets

To make sense of contracting for work in Greek tourism and catering, the factors exerting most influence on the behaviour of the contracting parties must be identified. These pertain to the composition and the distribution of business activity across time and within social space. Seasonality, a global characteristic of the tourism and catering industry, is enhanced in Greece where tourism largely operates according to the Mediterranean 'sun and sea' model, and is further accentuated by its geography comprised of big urban centres and numerous small islands. In Greece, the sector is also characterised by decentralised ownership models and the prevalence of small and medium firms, rather than big multinational chains operating through branched and franchises.

It follows that tourism and catering enterprises can be positioned along two axes: a spatio-temporal one defined by the degree of seasonality and distance from major urban centres – ranging from distant islands and resorts to the centre of Athens; and an economic-functional one defined by size and the scope of the services provided – ranging from micro cafes to medium restaurants, hotels, and bars to large, luxurious hotels. The degree of formality and compliance with legislation and sectoral collective bargaining tends to increase along both axes. The lesser the seasonality and the smaller the distance from urban administrative centres, the more significant institutional arrangements become relative to other factors. Similarly, as the size and scope of services provided increases, the risks become bigger, and it becomes more likely for enterprises to abide by the law and to align their practice with the existing institutional order. There are of course exceptions to these observed trends as this schematic mapping is more an analytic than a descriptive exercise, aiming more in explanation rather than quantified stratification of the entire sector.

In the framework thus sketched, at least four ideal types can be identified in a simple 2x2 matrix.

Examples of ideal type A would include work in a small restaurant, café or bar or other small tourism

related enterprise in an island or tourist town or resort area. Ideal type B would also refer to a high seasonality and distance from urban centres but would be composed of bigger establishments with a wider scope of services provided such as a large hotel, a large restaurant perhaps also operating as café and bar or other large tourism related enterprise. Examples of ideal type C will include small enterprises located in urban centres such as Athens or other big cities and operating throughout the year while ideal type D will again refer to low seasonality and central urban location but composed of larger enterprises such as hotels and major catering services.

Formality in employment relations and its absence is an important parameter directly shaping matters such as wages and benefits, working time and overtime remuneration as well as employment protection and other rights. More importantly it influences management and daily routines at work, recruitment and retention patterns and the trajectories of workers in the sector. 44 That said, it is not the only parameter determining employment relations and it is in many ways a relative one, often partially effectual and/or excluding at least some workers who are assigned to the periphery.

Moreover, while formalised employment relations tend to offer more security and a floor to workers who enjoy them, it is also the case that the flat wage cuts, increased tax contributions and other austerity and deregulatory policies have served, in some respects at least, to lessen the distinction between regular and precarious work. Enforcement of rights relies on the Labour Inspectorate which oversees both compliance to labour law, including social insurance law, on its own accord and more often investigates claims made by individual workers or trade unions. Although the Inspectorate has the power to impose administrative sanctions, for penal offenses it addresses the case to the court. There is also the Mediation and Arbitration Service whose primary focus is collective bargaining and dispute resolution through mediation between the parties and secondarily arbitration.

During the crisis years, all pre-existing sectoral and occupational collective agreements in the tourism and catering sector either collapsed or became non-obligatory, with the exception of collective

<sup>&</sup>lt;sup>44</sup> Female, hotel events organiser, Thessaloniki.

agreements for hotels. For most workers, the statutory minimum wage became essentially the going rate, while for many young, new entrants in the sector, it figured as the most that they could hope for. Even where the minimum wage was offered to workers, however, this was not necessarily done in the precise way stipulated by law. Even in settings where there was compliance with the minimum wage, social insurance, and working time legislation, over time rates, paid leave and other fringe benefits were sometimes breached. The wages of waiting staff, for example, previously came out of the service charge as a proportion of the total enterprise turnover; now they had a fixed wage instead, estimated either on an hourly, daily, or monthly basis. For waiting staff, as well as other front of house workers, tips emerged as a significant factor, increasing wages, and compensating for income lost elsewhere. In hotels where tips were limited, employers felt under pressure to offer a better wages and benefits package, at or a bit above the legal minimum, in order to retain their workers.

Using the ideal typical categories constructed above and illustrated by selected quotes from the interviews translated from Greek to English, a more detailed examination of contracting for work in the tourism and catering sector becomes possible. The "season" is undoubtedly a structural parameter, defining the tourism and catering labour market. When this is combined with sufficient distance from urban centres such as small islands and far away towns and resorts it becomes a total experience as workers migrate there and fully devote themselves to five months of intensive work.<sup>47</sup> Numerous workers who left Athens for "the season", narrated to me stories of very long working hours and weeks, even months without a single day off. Although they are formally entitled to breaks, and rest days, paid holidays and other rights and benefits these are typically waived in exchange of a higher

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<sup>&</sup>lt;sup>45</sup> Before the crisis service personnel wages came out of sharing the service charge, 13% of the total enterprise turnover. There was at the same time a minimum wage floor set by the national collective agreement, protecting workers if the total turnover was low. During the crisis years when uncertainty increased, minimum wage floors were reduced and sales became variable, and in many instances substantially reduced, a trend was established whereby employers and workers agreed fixed wages instead. However, at least in some of the restaurant chains and catering enterprises, even when workers are paid a fixed daily wage, they are insured on an imputed income based on the service charge which is often higher as this remains legally regulated, and not subject to collective bargaining. Male, trade union leader 2, Athens.

<sup>&</sup>lt;sup>46</sup> Restaurant waiter 4, Athens.

<sup>&</sup>lt;sup>47</sup> Barman, Athens.

wage. They negotiate their wage and orally agree it in advance, <sup>48</sup> and there is an understanding that long hours will lead to sufficient savings as more money will be earned with not much free time available to spend it. While most workers are registered for social insurance purposes for 40 or 48 hours per week, working for around 70 hours per week is expected and has become an occupational norm, internalised into a sort of common sense.

"It has become self-evident that this is what the season is like. A friend of mine works in a hotel 7 days a week for months and asked for a day off once and her colleagues said: "Are you serious? Why should you take a day off during the season?" Do you understand? This is now the normality. That you work intensively, inhumanely because it is the season." (Female, tourist guide 1, Crete)

"Often there is lack of clarity, of like "come on man, you will have a day off per week or per 10 days" which is never true. "Come on, it is 8 at most 9 hours per day" which it is not because there is not enough staff so that we can finish in those hours. And you end up working 7 days per week without a day off ...Personally, up until last year I had accepted this, only because I was trying to accumulate experience so that I could hunt for something better along the way. And I mean both a better wage and less tiring work." (Male, pastry worker 1, Athens)

Food and accommodation are typically provided, although there is barely time for a proper lunch break, and accommodation is in most cases either makeshift or crowded – workers go there exhausted to have a shower and sleep before their next long work shift begins. For most seasonal workers who are not locals, especially in small islands, there is little to do anyway in their free time, were they to have any, since the only people they know are their co-workers.

In cities, where seasonality is more limited and tourism and catering operate all year round, extremely long hours are not routine. Some may work long hours out of choice and need or employer

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<sup>&</sup>lt;sup>48</sup> Male, cook, Athens.

compulsion, however, this is not structural in the way it is in small islands and distant tourist resorts. Small restaurants and café/bars operate weekly shift programmes and distribute working time among their staff, reducing the daily shifts offered in the winter and increasing them in the summer. Larger establishments such as major hotels hire additional seasonal staff in the summer maintaining the regular working time of their core, older and permanent staff. In hotels and other large enterprises, the trend is for full registering of the employees, paying social insurance and at least the statutory minimum wage. In smaller restaurants and café/bars the norm that has been consolidated during the crisis and post crisis years is one of 'semi-compliance', whereby the workers are registered and insured on a part time basis, typically 16 or 24 hours per week, while working 40 or 48 hours and receiving part of the wage cash in hand.<sup>49</sup>

In the context of the Troika loans, direct and indirect taxes were raised, and a sustained effort was made to ensure that they were paid. Inspections became more frequent and heavy fines were instituted per undeclared employee. This was successful in dealing with undeclared work insofar as employers registered all their workers. Yet small enterprises, resorted to the stratagem of partial registration mentioned above. In some small enterprises, the employer might make this a precondition of hiring a worker. In other cases, however, the workers' consent is given freely, because they see some benefit in tax evasion, especially if their net income is anyway equivalent to what it would have been had they been fully registered. For others there is simply fear, or a lack of confidence that this could be challenged effectively. Sometimes there is also the lure of perks, the inculcation of a family climate whereby there is mutual benefit in tax evasion, which in any case helps to keep the business viable in difficult economic conditions.<sup>50</sup>

As fines are heavy, there is a disincentive for employers to under-declare work, especially in large establishments. "A serious company doesn't gamble its head to have uninsured (workers). It is worried about its reputation as well. And it has a lot of staff, it cannot risk it. Only hotels abide with

<sup>&</sup>lt;sup>49</sup> Male, trade union leader 2, Athens.

<sup>&</sup>lt;sup>50</sup> Restaurant waitress 3, Athens. Male tourist guide 2, Athens.

this. And this sort of companies. A café for example, never. I have never heard a friend of mine tell me I went to a café to work and they insured me full." (Restaurant waitress 1, Athens). Yet the magnitude of the fines – big enough to put an employer out of business – also operates as a disincentive for workers to report their employer to the Labour Inspectorate. In small enterprises with fewer workers, the fine may be comparatively even more detrimental as small-scale firms have a low turnover capacity. In any case, management structures are personalised in such settings, with the boss often present and working himself, and the worker will probably have decided to leave already before the question of reporting to the Labour Inspectorate arises.

## Social power dynamics

In the variety of contexts identified in the previous section, there are different dynamics in operation, all connected to the particular structural, functional, and institutional settings but not reducible to them. Power relations between employers and workers shape not only the economic aspect of employment, determining wages and benefits, but also the management style, everyday working life, and understandings of the rights and obligations owed by each party. The social power of the employer influences the degree of willingness to comply with or dodge legislation and this is shaped not only by nature of the relationship with workers and to the state but also with the broader community in which the enterprise is located. The social power of the workers is shaped by the existence or absence of trade unionism, or informal labour activism, and by the availability of alternatives (work or social security) and of social support networks, facilitating mobility across jobs, sectors, and regions.<sup>52</sup>

High unemployment makes workers more reluctant to challenge employers and to demand the legal minimum, let alone anything above that. With formal dispute resolution procedures non-existent in small enterprises, conflicts are either suppressed or lead to the break-up of the employment relation, with the worker being asked, or choosing, to leave. The allocation of shifts can operate not only as an

<sup>&</sup>lt;sup>51</sup> Restaurant waitress 1. Athens.

<sup>&</sup>lt;sup>52</sup> This includes home and even food sharing during difficult transition periods. Restaurant waitress 1, Athens.

organisational aspect of management but also as a disciplinary function. 53 On the other hand, there are always limits to what workers are prepared to tolerate. The high turnover in hospitality work, at least in peripheral and precarious jobs, also reflects workers' constant search for better conditions. Just as they can be fired easily, sometimes on the spot, they can also as easily leave, moving into another job, get by for some time on state benefits, or emigrate abroad. This however depends on the social circumstances and social connections of workers as well as their geographical location. In contexts of high seasonality and long working hours, the undeclared part of the wage may be withheld by the employer until the end of the season so that the workers do not desert the enterprise during its peak.<sup>54</sup>

The social environment is of paramount importance in shaping the employment norms. As in most countries, word of mouth is the primary means by which workers find jobs in the tourism and catering sector in Greece. Typical of Mediterranean countries, the informal dimension in employment relations is especially heightened and this becomes more dominant in small and remote settings. Social dynamics outside work can serve both to undermine formally instituted employment rights through toleration of their non-enforcement but also to provide support to workers in latent as well as open conflicts at work. "In the hotel where I am, whoever came in, came in because they know somebody in there. So, they will say: "I don't want to offend the boss, because that one is my mother's cousin", or something. Or they will say that we are all family and that family members must support each other" (Female, hotel waitress, Crete). In settings where workers are well integrated within broader communities, employers may wish to avoid systematic malpractices for fear of social sanctions; for example, the kind of rumours that could result in reduced clientele. "There was an announcement about something they did to a woman, and the trade union intervened there and although it was the most popular thing in Exarcheia, suddenly there was an automatic drop." (Bar waitress, Athens).

Reputation and prestige are significant parameters especially when the societal scale is small. On islands, in tourist resorts in the countryside and small touristic towns, social monitoring is constant

<sup>&</sup>lt;sup>53</sup> Restaurant waitress 3, Athens.

<sup>&</sup>lt;sup>54</sup> Restaurant waitress 3, Athens. Barman, Athens.

and involves both employers and employees. "In Athens you are anonymous. In a small society you are eponymous. Whatever you do, everyone knows. You might not know them, but they know you. They know your name, if not your name they know your looks, they know with whom you have worked, they know you. If you get a bad name, it is very hard to repair that." (Male, tourist coach driver, Crete). The distribution of social prestige is structured on the basis of social statuses and hierarchies and is shaped by values and beliefs, prevailing ideologies and prejudices, and familial, local and social connections and networks which may extend from the smaller community to the central state.

The Labour Inspectorate, the main instrument that workers may use against their employers is, as mentioned above, also their final one. If it does intervene it may address past injustices and operate as a warning to avoid future ones, but the workers who alerted will most probably already have left. It may be used as a threat, however, in the hope that the employer will retreat, but that presupposes both some collectivism on behalf of the workers and a readiness to proceed if the employer stands his ground.

"When I went on my own, demanding something, there was always this style: "Don't think that I will lose anything if you report me. I have connections everywhere. It is you who will not be able to find work again." (Female, pastry worker 2, Chalkida). When I probed my interviewees further on this point, insufficient trust in the institutions, their perceived unreliability and the fear of employers and their retaliation were the most common themes to emerge. The inefficiency of the Labour Inspectorate was compounded with perceptions of prevalent corruption within the state apparatus. "First of all, they have money, they have lawyers behind them, they have people, they are connected, insiders in institutions. You may end up paying them rather then them paying you...Here in the countryside, in Chalkida, employers are all bound together, generally they protect each other." (Female, pastry worker 2, Chalkida).

When there is an inspection, workers not formally registered as working that day may pretend to be customers, or they may even give the names of others who are registered as working that day, instead

of their own names.<sup>55</sup> The solidarity between employers, taking the form of one informing the other whenever a state agency turns up, is something that also came up repeatedly in the interviews. On islands and in remote tourist resorts, it is an unwritten rule that when a state agency appears in one enterprise there is an "obligation" to alert others.<sup>56</sup> This involves a type of local, sectoral bonding, both between and within enterprises, between employers and workers, of a communal type. In catering especially, "there are omerta terms, mouths do not open." (Male, trade union leader 2, Athens).

Trade unionists and labour activists who had better knowledge of the Labour Inspectorate gave three reasons for its inefficiency: that it was a) understaffed, b) institutionally weakened and c) poorly organised and under-resourced, resulting in its gradual weakening during the 2010s. There were few inspectors with limited powers and with insufficient transport means and capacity to perform inspections in other cities and in the evenings and weekends. <sup>57</sup> They contrasted the national level and local level, with the former seen as being "methodical and efficient". "At the local level however, they were totally fearful and adaptive to major employer interests, depending on the area. They did not dare do literally anything." (Male, trade union leader 1, Athens).

Several workers pointed out a direct connection of some employers with criminal gangs and explained worker reluctance to put up fights in those terms. "Persons that clashed with their boss demanding [rights] or refusing something irrational, have come to face even the mafia. Not just that they will not find a job again. They confronted the mafia. We have been in workplaces to support people who were really threatened." (Female, tourist guide 1, Crete). While it is difficult to assess how widespread this alleged connection is, and how realistic the fear, such references appeared in several workers' narratives of their work trajectories.

<sup>&</sup>lt;sup>55</sup> Restaurant waitress 1, Athens. Restaurant waitress 2, Athens.

<sup>&</sup>lt;sup>56</sup> Female, hotel events organiser, Thessaloniki.

<sup>&</sup>lt;sup>57</sup> Male, trade union leader 2, Athens.

Public image is especially important in sectors such as hospitality which are overtly sensitive to customer views. Especially in non-unionised settings or where trade unions are weak, workplace conflicts may be waged outside the workplace, capitalising on the need of the employer to maintain its good reputation. Numerous workers narrated to me instances they had experienced themselves, or knew of from friends and colleagues, of noisy protests held outside the premises of a tourism and catering enterprise. In Athens, anarchists and radical left trade unions operating outside the formal trade union movement structure, such as the Union of Waiters and Cooks, SSM [Somateio Servitoron Mageiron] and the Base Assembly of Worker-Drivers of Two-wheel Vehicles SVEOD [Sinelefsi Vasis Ergazomenon Odigon Dikyklou] have made this sort of quasi-social movement action their basic form of activism. The issues provoking such reactions usually concern arbitrary and/or revenge dismissal and non-payment of sums owed, but may also involve systematic underpayment, aggressive behaviour, and sexual harassment.

Public protest combined with a public defamation campaign is sometimes adopted as a strategy by trade unions operating within the formal trade union structure. PAME, affiliated to the Communist Party of Greece, and more so Lanzta, a smaller radical left group within the sectoral Trade Union Federation, have resorted to such direct action when a bargaining channel was not open and/or when the employer adopted an intransigent stance.<sup>60</sup> Social movement activism does not preclude the

<sup>&</sup>lt;sup>58</sup> Restaurant waiter 4, Athens.

<sup>&</sup>lt;sup>59</sup> The list of the interventions by the radical labour union SSM detailing the different cases and reasons in the last years is available here: <a href="http://somateioserbitoronmageiron.blogspot.com/p/blog-page\_12.html">http://somateioserbitoronmageiron.blogspot.com/p/blog-page\_12.html</a> Similarly the interventions by SVEOD in the last years, focusing explicitly on the rights of couriers and delivery drivers can be found here <a href="https://sveod.gr/">https://sveod.gr/</a>

<sup>&</sup>lt;sup>60</sup> Demetris Papanikolopoulos, Demetris Katsoridas, Giorgos Kolias and Vicky Dermani. Το Απεργιακό Φαινόμενο στην Ελλάδα: Καταγραφή των Απεργιών κατά την Περίοδο 2011-2017 [The strike phenomenon in Greece: Registering the Strikes in the Period 2011-2017] (2018) Athens, INE. Three such examples are accounted for by Lantza here: a) <a href="https://www.lantza.org.gr/kinitopoiisi-exo-apo-ta-bakers-na-paroun-piso-tin-apolisi/">https://www.lantza.org.gr/kinitopoiisi-exo-apo-ta-bakers-na-paroun-piso-tin-apolisi/</a>

b) <a href="https://www.lantza.org.gr/paremvasi-sto-repeat-den-tha-kanoume-piso-oso-i-ergodosia-den-plirwnoi-ta-dedoulevmena-ton-ergazomenon/">https://www.lantza.org.gr/paremvasi-sto-repeat-den-tha-kanoume-piso-oso-i-ergodosia-den-plirwnoi-ta-dedoulevmena-ton-ergazomenon/</a>

c) https://www.lantza.org.gr/%ce%bc%ce%b1%ce%b6%ce%b9%ce%ba%ce%ae-%cf%80%ce%b1%cf%81%ce%ad%ce%bc%ce%b2%ce%b1%cf%83%ce%b7-%ce%ad%ce%be%cf%89-%ce%b1%cf%80%ce%bf-%cf%84%ce%bf-%ce%ba%ce%b1%cf%86%ce%ad-%ce%bc%cf%80%ce%b1%cf%81/ From PAME, an example of such local action is available here: https://pamehellas.gr/epitropi-agona-ergazston-episitismo-toyrismo-irakleioy-kinitopoiisi-sto-xenodocheio-gouves-water-park-holiday-resort

formal route to mediation and arbitration services often happening in parallel. Yet it aims to exert sufficient pressure to force employer retreat without having to go the whole way to court, which involves significant financial and emotional costs. Thirteenth and fourteenth monthly salaries — Christmas and Easter 'gifts' — are payable as a matter of law, with non-payment punishable by way of a penal fine. Employers wishing to evade this obligation have to resort to more blunt measures. Some workers told me how they had received their "gifts", which were then taken back out of their salaries via under-reporting of worked hours. Some employers even asked to have the "gift" money refunded by the workers in cash. <sup>61</sup>

Given the high mobility of most workers from one enterprise to another, disputes involving large sums of money are rare, making it not worth the hassle, in the eyes of workers, to fight for it. Workers are more frequently pressurised into resignation rather than being formally dismissed. "There are no dismissals. If the manager singles you out, she makes your life hell. And you leave on your own." (Restaurant waitress 2, Athens). After the deregulatory reforms in the Troika years which decreased the cost of dismissals, even older, regular workers belonging to the core of large enterprises are not sufficiently protected from the threat of redundancy. During the crisis years, some employers utilised the reform of the employment protection legislation to make older staff redundant, replacing them in later years with younger, lower paid workers. <sup>62</sup>

## Social statuses and social power

To understand the social power of employers and workers tourism and catering, the composition of the workforce needs to be brought into the analysis. Beyond the segmentation line between permanent, typically older, and precarious, typically younger workers, and beyond the diverging structural workplace characteristics schematically sketched above in terms of seasonality, place, size, and scope, it is useful to examine the further subdivisions of the workforce from below. These concern elements such as class and educational background, motivations and life expectations,

<sup>61</sup> Male, tourist coach driver, Crete; Restaurant waitress 2, Athens. Male, trade union leader 2, Athens.

<sup>&</sup>lt;sup>62</sup> Male. Trade union leader 1.

worldviews and correspondingly inclinations and prospects for action. Young workers in tourism and catering in Greece can be broadly categorised into three profiles: a) the professionally and career-oriented, having or aspiring to have specialised training; b) the temporary and transient, often students or recent university graduates; and c) the marginalised, including both those from poor and deprived backgrounds and migrants. While differences in employment conditions are negligible and even standards of living may be converging, if the analytic frame is extended in time and scope to capture life trajectory, these three ideal types correspond to three distinct positionalities which impact on the actual and potential social power of workers.

Whereas all three profiles identified above would benefit from the strengthening of trade unionism and the enhancement of workplace collectivism that constitutes a precondition both for better regulation and improvement of terms of employment, they have different priorities and a different relationship to their jobs. Young professionals who have the strongest attachment to the sector and would benefit most from an organisational and employment relations upgrade are held back from unionisation and mobilisation by fear that a conflict with their employer might disadvantage them in their career. In any case, at least in the early stages, they are more interested in learning and acquiring experience than in wage and working time issues.

The temps, in contrast, do not see themselves and their future as part of the industry and are unlikely to invest time and effort to change things. "I will be doing something else in the future. why should I join the union? Why should I fight since this is not my job? Why should I care?" (Restaurant waitress 2, Athens). "This is one of the reasons of the self-downgrading of the sector. You see yourself as transient, the boss sees you as transient." (Restaurant waiter 1, Athens). Whether in need of the money, or in it for the lifestyle, this group of workers are reluctant to take action that could damage workplace social relations, and this tends to dissuade them from trade unions and collective initiatives. Finally, the marginalised, while attuned to collectivism are also at the weakest position in the division of labour and facing intra worker competition at the most extreme. Often in greater need,

and with the hardworking attitude as their only labour market resource, the marginalised are socially more vulnerable and wary of risk-taking.

Workers become more open to trade unionism when a blatant injustice occurs, when they are fired, when wages are withheld or when a company goes bust with wage payments outstanding. It is then that many become interested in the law, wishing to find out what their rights are and how they can be enforced. Trade unions become more relevant reactively rather than proactively, when legal action begins to be seriously considered. This applies on the other side of the equation as well. Trade unions, not just smaller, activist unions, but also the bigger, established ones, tend to mobilise when something happens – when for example the government adopts a new policy initiative, as opposed to engaging in sustained organisational campaigns to recover some of the ground lost in the institutional domain. In any case, putting weight behind organising in the difficult terrain of the tourism and catering sector does not seem to constitute a trade union priority.

Whether occupational communities can be the site of regenerating regulation at work through the utilisation of informal social norms drawn from social identities and ideas of fairness at work remains an open question. The overcoming of the multiple fragmentation of the labour force and the convergence of worker priorities is a prerequisite for labour rights to flourish, whether substantive or procedural. Irrespective of how important individual labour rights are, and of how useful a trade union can be when a worker decides to claim them, there is no substitute for collectivism, collective action, and ultimately collective bargaining, even if that will require new forms of labour agency.

### **Conclusions:**

Using the tourism and catering sectors of post-crisis Greece as a case study, this paper has sought to explain differences in contracting for work between workers who are subject to the same national

<sup>&</sup>lt;sup>63</sup> Ruth Dukes and Wolfgang Streeck, 'Labour Constitutions and Occupational Communities: Social Norms and Legal Norms at Work', Journal of Law and Society (2020) 47(4): 612-638.

employment laws. Drawing on existing literature, it first articulated the position that market forces and public policy and law are analytically insufficient as explanatory factors. It then found support for this position in empirical data illustrating the organisationally and spatially specific parameters that have a determining influence and need to be brought into the analysis. These organisational and spatial parameters and the social environment in which they are embedded interact with market forces and legal forces to shape the prevailing norms and to influence the structures and the practices of agents in the field. It is on this plane that the social power dynamics between employers and workers in differentiated labour markets are played out.

Public policy and law, on the one hand, and market forces on the other, are thus examined not only in terms of their interaction, but also in terms of their combination with the social environment in which they are embedded, elements of which may amplify or constrain their influence. For example, the degree and form of compliance with labour legislation, and the likelihood and impact of enforcement, are both influenced by the structural and agential factors prevailing in different contexts. Locale and sectoral culture, and social and communal norms, shape the orientation and stance of the employers and the capacity and willingness of the state to intervene. These factors also affect workers and the possibility and means of effective resistance: the possible combination of formal and informal action, trade union led and independently oriented, addressed to the state or to the community and society. While the case of the Greek tourism and catering sector has a distinctiveness emanating from combined impact of dispersed geography and extreme seasonality, the main insight coming out of this article is of much broader relevance: that contracting for work is subject to wider social power dynamics that can and often do moderate, orient, and mediate the force of the "law" and the forces of the "market".

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