

# NEWSFRONT

## GREEK SHIPPING INTELLIGENCE

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### LEGAL OPINION

#### Seafarer wages / "Closed" salary

A seafarer served on a vessel through four consecutive employment contracts, the 2nd and 3rd concerning service onboard while the vessel was undergoing repairs and not sailing.

The salary agreed was on the basis of a "closed" salary, which means it covered all amounts due under the applicable collective agreement, including a certain volume of overtime work.

The Court found that: (a) The 2nd and 3rd contracts were not subject to labour maritime law, as employment, albeit onboard, while the vessel was undergoing repairs and was not sailing. So it was land employment; (b) The Closed salary was applicable in as much as the agreed overtime hours were not exceeded; however, in the last contract they were exceeded, accordingly the difference was due; and (c) The first contract was time-barred, as far as the owner's legal representative was concerned, as the lawsuit was filed after the six- months time-bar period provided by law.

Piraeus One Membered Court of Appeal Judgment no 99 / 2015, Judge: M. Kottaki, Attorneys at law: D. Yomelakis, M. Halari-Androulaki, Maritime Law Review vol. 43, p. 115.

NOTE: Work onboard while the vessel is under repair is not necessarily considered land employment. If the vessel remains idle, but has an organised crew ready to sail, this is considered sea employment. In the case discussed here, there was no organised crew onboard; so the seafarer's employment was considered to be a land one.

Further, "closed" salary is usual; it includes all kinds of remuneration provided in the collective agreement (eg basic salary, leave, overtime etc). It is usually higher than the aggregate of the various remunerations applicable under the collective agreement, and aims to keep the salary stable even if subsequent increases apply; provided always the increased aggregate does not exceed the "closed" salary.

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