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LEGAL OPINION

Sea Employment / Closed salary

The contract for employment onboard a vessel need not refer to a specific Collective Agreement in writing. The applicable Collective Agreement governs the employment contract anyway.

In case the employment contract provides for higher salary than the applicable Collective Agreement, such higher salary prevails and is due. Further, in such case, the parties can also agree that any other income due to the seafarer is covered by the amount exceeding the Collective Agreement salary and allowances. This arrangement is known as 'Closed Salary'.

Piraeus One-membered Court of Appeal Judgment no 218/2020, Judge: M. Kottaki, Attorneys at law: V. Saxonis, I. Athanasoulis, Maritime Law Review vol. 48, p. 369.

NOTE: Where possible newly introduced allowances cover the amount exceeding the Collective Agreement income, amounts above the Closed Salary are due to the seafarer.

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