

NEWSFRONT

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LEGAL OPINION

'Closed salary'

In a seafarer's employment contract, it is possible that a lump sum salary is agreed, comprising basic salary as per applicable collective agreement, and further allowances ('closed' salary). However, such a 'closed' salary should be at least equal to the totality of the minimum lawful wages to which the seafarer is entitled, otherwise such an agreement is invalid, and the seafarer is entitled to claim the difference.

Piraeus One Membered Court of Appeal Judgment no 72/2019, Judge: Ch. Saramanti, Attorneys at law: M. Chalari-Androulaki, G. Giolmas, Maritime Law Review vol. 47, p. 122.

NOTE: A possible bonus, agreed to be paid regularly, can be covered by the closed salary, provided of course the latter exceeds minimum lawful wages plus the agreed bonus.

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