



# Integrated approaches to active welfare and employment policies

## Greece

**Executive summary**

**Introduction**

**Employment and unemployment in Greece: trends and characteristics**

**Labour market policies: Institutional framework and policy objectives**

**Public Expenditure on labour market policies**

**Unemployment compensation policies**

**Activation policies**

**Coordination of active labour market programmes**

**Policy initiatives and recent developments**

**Conclusion**

**References**

**Appendices**

**T. Papadopoulos**, University of Bath.

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## Executive Summary - Key findings

The **structure of employment** in Greece is defined by its relatively low activity rates, especially for women; high levels of self-employment; low levels of part-time employment; a large - albeit declining - agricultural sector; and a rapidly expanding service sector. The share of employment in agriculture was more than four times the EU average in 1999 while both the shares in industry and services were below the EU average. By the end of nineties the share of employment in industry as a percent of total employment was reduced to 22.9 per cent while the share of employment in agriculture fell dramatically from 24 per cent in 1990 to 17 per cent in 1999. The same period, however, saw the expansion of the service sector - from 50.2 per cent in 1990 to 60.1 per cent in 1999. These changes reflect the intensification of economic restructuring precipitated by the gradual opening of Greek economy to European and global competition. By the second half of the nineties this economic restructuring was taking place within the context of Greece's effort to join the EMU. This effort was eventually successful but it demanded a series of socially painful economic measures and it took place against the backdrop of rising unemployment.

**Unemployment** increased dramatically during the nineties - from 7 per cent in 1991 to almost 12 per cent in 1999. One of the main features of this rise was the considerable growth in long-term unemployment which increased, from 48.4 per cent of the unemployed in 1991 to 55.6 per cent in 1999 - the highest rate in the EU. Another key feature is the differential impact of unemployment. Female unemployment rate is more than twice the respective rate for males. Increasing faster than male unemployment, female unemployment reached an all-time high of 18 per cent by 1999. Youth unemployment is also very high - 29.7 per cent of young people aged between 15-24 were unemployed in 1999, the third highest rate in EU after Spain and Portugal. Further, wide differences exist between regions. By 1999, unemployment in Epirus, the region with the highest overall unemployment rate, was almost twice that of Peloponese, the region with the lowest overall rate

Greek public **expenditure on both "passive" and "active" labour market** policies is among the lowest in Europe - 0.85 per cent of GDP in 1997 - with expenditure on unemployment compensation comprising the main part. During the nineties, and despite rising unemployment, the levels of expenditures actually remained static or even fell slightly. This seemingly paradoxical occurrence is explicable on at least three grounds. First, the Greek system of **unemployment compensation** is basically an insurance system in which entitlement to benefits is strictly based on long contribution records. Those with short or interrupted contribution records (women, youth) or no records (first-time job seekers) are entitled to unemployment benefits for very short periods. In the case of the first-time job-seekers entitlement is granted after very long waiting period (12 months) during which no benefit is paid. Second, after entitlement to unemployment insurance benefits expires the lack of any safety net / social assistance arrangements in Greece results in the exclusion of the unemployed from any form of welfare support. As a result, the long-term unemployed - who in Greece constitute more than half of the unemployed - have no entitlement to unemployment benefits or any form of welfare assistance. By 1998 less than 10 per cent of the unemployed received unemployment benefits in Greece. Third, the level of benefits is very low; replacement rates rarely exceed 50 per cent of average income.

The current policy objectives of the Greek labour market policy, as stated in the National Action Plan for Employment (2000), emphasise the government's commitment to a shift from

passive to active labour market policies. On the one hand, for the unemployed receiving benefits participation in training programmes is not obligatory and there is no activation regime using sanctions or loss of benefits. On the other hand, however, low levels of benefits, strict entitlement conditions and total loss of benefits after entitlement expires result in **the Greek unemployment compensation system effectively operating as part of an "activation" policy**. Seen in this context, **active labour market policies** in Greece as described in the Greek NAP do not constitute, strictly speaking, activation measures applying to all unemployed claiming benefit. Instead, they either take the form of job subsidisation - like the programme 'Young People in Active Life' or more often, they are vocational training programmes offered to those who lost their entitlement and especially to groups particularly hit by unemployment, like women and young people. In this context, they fulfil a dual role of both compensation and investment in human resources through vocational training. Given the current budgetary constraints, the Greek government's emphasis on active labour market policies as *primarily* vocational training policies aims at the utilisation of appropriate EU funding, especially from the European Social Fund. As mentioned in the Greek NAP (2000) the "ESF will be the chief financial tool of carrying out the annual National Action Plan for Employment in Greece for the duration of the new planning period 2000-2006".

The **co-ordination of activation labour market programmes** remains a predominantly top-down activity. In terms of its **vertical dimension** and at the **policy level**, the Ministry of Labour and Social Security (MLSS) works closely with the Ministry of the National Economy on issues of labour market policy formulation. In addition, some co-ordination and collaboration takes place with other ministries on issues surrounding labour market policy implementation on a national or regional level. This is especially the case with the planning of vocational training programmes where MLSS collaborates with the Ministry of National Education as well as a number of public and private organisations which offer training programmes. According to the Greek NAP (2000), the government encourages social partners to "conclude as soon as possible agreements with a view to increasing the possibilities for training, work experience, traineeships or other measures likely to promote employability of the young and adult unemployed" and reinforces their role as participants in the planning, financing, implementation and evaluation of labour market policies. Indicative example of co-ordination at this level is the establishment of the Employment and Vocational Training Fund (LAEK) with regional and prefectural units, which was set up and is supervised by the social partners and is funded by contributions from employers and employees. In terms of co-ordination at **the service and individual level**, the creation of a large number of Employment Promotion Centres (KPA) across the country - one of the main aims of which is to provide individually tailored support to the unemployed by special advisors - is promoted as a serious attempt to co-ordinate action at the local level and develop pathways out of unemployment based on the characteristics of individual unemployed. Further, the National Employment Observatory (EPA) is responsible for the co-ordination of monitoring methods aiming at the collection of more reliable statistics regarding labour market policy implementation and evaluation. In terms of the **horizontal dimension** of co-ordination, the relationship between local authorities or NGOs and OAED at the local level is very limited. Some elements of horizontal co-ordination can be noticed between OAED and enterprises under the "Stage" programme of job subsidies, where the wage is paid by OAED while the applicants' profiles and the job offers are supplied by the enterprises (Greek NAP, 2000).

In terms of **recent policy developments**, consecutive National Employment Plans emphasised the need for a change in the administrative structures of labour market policy monitoring and implementation in Greece. Thus, the Organisation for the Employment of the

Labour Force (OAED), the institution with the main responsibility for implementing labour market policies, is undergoing a period of major restructuring both administratively and in terms of IT infrastructure. The creation of a large number of Employment Promotion Centres (KPAs) across the country is part of this ongoing process. Indicative developments following the same trajectory are: the establishment of the Employment and Vocational Training Fund (LAEK); the reorganisation of the collection of statistical data undertaken by the National Employment Observatory (EPA); the implementation of MLSS' Operational Programme 'Combating exclusion from the labour market' and the creation of the National Centre for Certification (EKEPIS) and a series of changes regarding accreditation regulations aiming at improving the quality of vocational programmes. Essentially most of these measures aim at creating new administrative structures partly to facilitate a better statistical/knowledge base for labour market policy monitoring (required by the NAPs) and partly to support active labour market policies understood as vocational training co-funded by ESF. In addition, the debate for providing a form of guaranteed minimum income intensified especially during the (unsuccessful) attempt of a PASOK MP to pass a relevant law through the parliament. At the beginning 2001, the prime minister initiated discussions on the implementation of the programme Network for Social protection but no clear commitment to a form of GMI was recorded.

**Evaluation:** In the case of **unemployment compensation** benefits, the modest increases in the levels of benefits took place in 1996-7 are not enough to guarantee a socially acceptable standard of living for the unemployed. Further, it appears that the political will to tackle the basic inadequacies of the unemployment compensation system - especially the absence of a 'safety net' for the long-term unemployed - has not matured yet. As a result only a fraction of the unemployed receive any benefit in Greece; thus, making the unemployment compensation system part of an activation policy. It is very early to evaluate the effectiveness of the **active labour market** measures especially since some of them have not yet been through the stage of implementation and no data are available for others. Although some emphasis is given to job subsidisation the main emphasis is given to vocational training and the utilisation of ESF funding. However, it is widely accepted that their effectiveness is directly related to the availability of resources, qualified personnel etc. which is precisely where problems have been identified and where efforts are now concentrated. It appears that previous activation measures had negligible results (OECD, 1996, Kottis, 1997) and the most recent data does not indicate any change in this pattern. By 1999, total employment in Greece increased by a marginal 0,1% compared to 1998 - equivalent to 5000 jobs. At the same period official unemployment has risen by 0.6 per cent. Further, co-ordination of activation policies is clearly part of the agenda and is mentioned as both an objective and a parameter of policy making in consecutive Greek NAPs. However, in reality it remains a predominantly top-down approach taking place more at the macro-institutional rather than the local level.

## Introduction

This report examines the main features of labour market policies in Greece. The first three sections examine the trends and characteristics of employment and unemployment, the institutional framework and labour market policy objectives and the trends in public expenditure for active and passive labour market policies. A fourth section describes the operating principles of unemployment compensation and evaluates the adequacy and effectiveness of these policies in terms of extent of coverage and work incentives. A fifth section provides a description of various activate labour market policies and discusses issues regarding the co-ordination of activation measures. The report ends with a brief discussion of recent policy developments.

## Employment and unemployment in Greece: trends and characteristics

The structure of employment in Greece is characterised by relatively low activity rates, especially for women; high levels of self-employment and low levels of part-time employment; a large - albeit declining - agricultural sector; and a rapidly expanding service sector.

In particular, during the period 1977-1999 the Greek activity rate remained below the respective EU average rate (Table 1). By 1999 it stood at 64.4 per cent of working age population compared to 69.2 for the EU as a whole. This is primarily due to low female activity rate which, although it has increased since the late seventies, remains substantially lower than the EU average. By 1999, the women who were employed or actively seeking work constituted approximately 49 per cent of women of working age. This was at least 10 percentage points lower than the respective EU average.

The comparatively high level of self-employment is a distinctive feature of employment in Greece. As a per cent of total employment, self-employment in Greece was more than double the EU average in 1999. However, when observed across time the share of self-employment in the overall employment is decreasing. It fell from 35.2 in 1991 to 32 per cent in 1999. On the other hand, although part-time employment is increasing it remains well below the EU average. In 1999 it was almost one third of the respective EU rate.

In terms of *direction* of change, employment structure in Greece follows the EU trends: expansion of the service sector and decline of the traditional sectors of agriculture and industry. However, the distribution of employment across sectors remains distinctively different from the one of the EU as a whole. The share of employment in agriculture was more than four times the EU average in 1999 while both the shares in industry and services were below the EU average. During the nineties the share of employment in industry as a percent of total employment was reduced from 25.9 in 1990 to 22.9 in 1999 while the share of employment in agriculture fell dramatically from 23.9 per cent to 17 per cent. The same period, however, saw the expansion of the service sector - from 50.2 per cent in 1990 to 60.1 per cent in 1999.

In a nutshell, these changes reflect the intensification of economic restructuring precipitated by the gradual opening of Greek economy to European and global competition. By the second half of the nineties this economic restructuring was taking place within the context of Greece's effort to join the EMU. Although this effort was successful it demanded a series of socially painful economic measures the costs of which are still felt.

Current developments in the field of labour market policy in Greece take place amidst increasing unemployment. Indeed, the negative consequences of economic restructuring can be seen clearly in the dramatic rise of unemployment during the nineties - from 7 per cent in 1991 to almost 12 per cent in 1999 (Table2). One of the main features of this rise was the considerable growth in long-term unemployment. It increased, from 48.4 per cent of the unemployed in 1991 to 55.6 per cent in 1999 – the highest rate in the EU. The these average figures, however, should be treated with caution. In order to obtain a more accurate picture, the impact of unemployment in Greece has to be examined across at least three dimensions, namely gender, age and region.

Table 1: *Employment in Greece and the EU*

	1977	1985	1990	1991	1994	1996	1997	1998	1999
Activity rate (% working age population)									
- Greece	58.6	61.2	60	58.4	61	61.6	61.6	63.1	64.4
- EU average	67.2	66.7	68.2	68.8	68.3	68.4	68.6	68.9	69.2
Activity rate (Men)									
- Greece	85.2	82.5	78.4	77.6	79.2	78.5	78.2	78.2	77
- EU average	88.4	82.6	81.5	81.3	79.4	78.8	78.8	78.9	78.8
Activity rate (Women)									
- Greece	34.2	41.5	42.8	40.4	44	45.9	46.4	48.8	48.9
- EU average	46.7	51.2	55.0	56.4	57.3	58.0	58.5	58.9	59.6
Self employed (% total employment)									
- Greece	37.7	36	34.8	35.2	34.4	33.7	33.3	32.5	32
- EU average	15.8	15.1	15.4	14.7	15.0	15.0	14.9	14.7	14.4
Employed part time (% total employment)									
- Greece	na	5.2	4.1	3.8	4.8	5.3	4.6	6	6.1
- EU average	na	13.1	13.8	13.8	15.6	16.4	17.0	17.4	17.7
Share of employment in agriculture (%)									
- Greece	33.2	28.9	23.9	22.2	20.8	20.3	19.8	17.7	17
- EU average	11.1	8.3	6.7	6.3	5.5	5.1	5.0	4.7	4.4
Share of employment in industry (%)									
- Greece	29.2	25.7	25.9	25.7	23.6	22.9	22.5	23	22.9
- EU average	39.5	34.4	33.3	33.3	30.7	29.9	29.6	29.6	29.3
Share of employment in services (%)									
- Greece	37.5	45.4	50.2	52.1	55.6	56.9	57.7	59.2	60.1
- EU average	49.4	57.3	60.1	60.3	63.7	65.0	65.4	65.7	66.3

Source: *European Commission (2000) Employment in Europe*

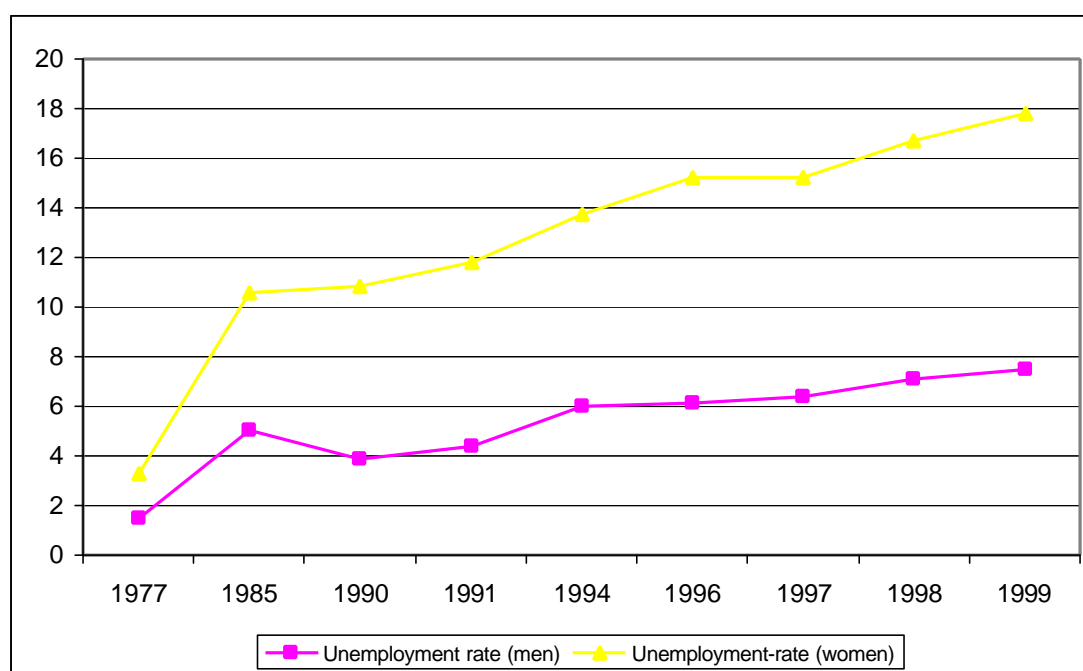
Table 2: *Unemployment in Greece*

	1977	1985	1990	1991	1994	1996	1997	1998	1999
Total unemployed (000)	67	269	255	276	370	411	421	483	521
Unemployment rate (%)	2.1	7	6.4	7	8.9	9.6	9.8	10.9	11.7
Long-term unemployment rate (% unemployed)	na	42.9	50.0	47.1	50.6	56.3	56.1	55.0	55.6
Youth unemployment (% of population aged less than 25 years)	na	23.5	21.5	22.9	27.7	31.0	30.8	29.8	29.7

Source: *European Commission (2000) Employment in Europe; Eurostat (2000a) Yearbook*

First, the level of female unemployment has been consistently higher than that of men during the last twenty years (Figure ). In addition, the rate of its increase has also been higher than the respective rate for male unemployment, especially during the nineties. Increasing faster than male unemployment, female unemployment reached an all-time high of 18 per cent by 1999. This was more than twice the male unemployment rate.

Figure 1: *Trends in male and female unemployment rates in Greece*



Source: *European Commission (2000) Employment in Europe*

Second, similar to other Southern European countries, young people in Greece constitute a large proportion of the unemployed. 29.7 per cent of young people aged between 15-24 were unemployed in 1999, the third highest rate in EU after Spain and Portugal and well above the EU average of 19.6 per cent (Eurostat, 2000a). Further, a recent report by the Greek National Labour Institute estimated that almost 60 per cent of all the unemployed were between the ages of 15-29.<sup>1</sup>

Third, when the wide regional differences are taken into account the social impact of unemployment reveals itself in dramatic colours. In 1999, 42.6 per cent of young people aged

<sup>1</sup> Eleftherotypia (Greek Daily), 23 January 2001

15-24 in the region of Epirus were unemployed, compared to a 15.7 per cent in the islands of Southern Aegean (Eurostat, 2000b). Overall, at the end of the nineties, the regions with the highest unemployment rates were Epirus and Western Macedonia – 14.2 and 13,7 per cent respectively - while the lowest unemployment rates were recorded in the Peloponese and the Ionian Islands - 7,6 per and 7,8 per cent respectively (NAP, 2000).

In conclusion, unemployment in Greece has increased significantly during the nineties. A number of social groups have been hit particularly hard, namely:

- long-term unemployed, who comprise more than half of total unemployment;
- women, whose unemployment rate is more than twice that of men
- young people, aged between 15-29, who comprise more than half of the unemployed
- unemployed in specific regions, especially in areas of Northern-western and Central Greece

### **Labour market policies: Institutional framework and policy objectives**

The Organisation for the Employment of the Labour Force (OAED) is the main institution responsible for the implementation of labour market policies in Greece. OAED is a self-administering legal entity under public law which in principle is financed solely by contributions from the employees and employers. However, ad hoc financial support from the state plays a dominant role in its financing. OAED's administrative council resembles a corporatist structure consisting of representatives of employees, employers, the OAED itself and experts. The chair is held by the director of OAED, a political appointee, while the organisation itself is subject to the supervision of the Ministry of Labour and Social Security.

Among the key areas of OAED's responsibilities are the registration of the unemployed; the registration of labour market vacancies; collection of information regarding labour market trends; the payment of unemployment compensation benefits, employment subsidies and a number of social allowances; and the organisation and delivery of vocational training and guidance. During the nineties and under conditions of increasing unemployment, the capacity of the institutional structures of OAED to effectively implement labour market policies came seriously under question. As a result, the development of a strategy for the institutional restructuring of OAED became a key policy issue in consecutive National Employment Plans. According to the Greek NAP (2000) "the beacon of this strategy [is the creation of] 48 Employment Promotion Centres (KPA), 24 of which have already opened their doors, whereas the other 24 will have begun operating by the end of June 2000". Among the basic aims of the KPAs are "a more effective link between supply and demand in the labour market; more efficient service for the unemployed, the working population, special social groups, employers and businesses; a more effective link between training, education and employment and the conversion of the OAED's employment policies from passive to active".

The Ministry of Labour and Social Security is the main decision making body for labour market policy in Greece. Still, a number of other bodies are also involved in labour market policy planning and formulation. Most important of those are the Supreme Council of Labour (ASE) and the National Council for Vocational Training and Employment (ESEKA). ASE is a tripartite council which provides advice on issues related to the implementation of labour and social policy. ESEKA involves a larger number of social partners including representatives of major employer and employee organisations, representatives of ministries



and authorities involved in vocational training, representatives of major agricultural and craft-based producers and representatives of local authorities and the National Union of Students. ESEKA provides advice on issues regarding vocational training and employment. Among ESEKA's aims is to promote and facilitate the coordination of the organisations involved in the implementation of vocational training and employment policies. ESEKA's structure comprise also region-based (PEEKA) and prefecture-based Committees of Vocational training (NEEKA) both of which provide information and advice on local priorities regarding vocational training.

Labour market policy formulation and implementation is further facilitated by the work of LAEK and EPA. The main aim of LAEK (the Employment and Vocational Training Fund) is to raise necessary funds for vocational training. Thus, the main resources of LAEK are employee and employer contributions to the Special Joint Unemployment Fund (Articles 14 and 15 of Law 2224/94) and various grants from the Special Fund for Vocational Training Programmes. Further, the creation of EPA (National Employment Observatory) in 1996, aimed at reorganising the collection of statistical data in order to create the necessary knowledge base for technical and information support for policy decisions. Establishing a unified methodological approach and an effective data processing system of able to support systematic analysis of labour market trends is among EPAs key objectives (European Commission, 1999: 46).

The National Action Plans for Employment contain the main policy objectives of labour market policy in Greece (see Appendix 1). In fact, according to the Greek NAP 2000, "NAP (ESDA) is a fundamental orientation and co-ordination tool, so that when carrying out necessary interventions our national goals are linked to the perspective of European cohesion within EMU." The key aims for the year 2000 were the commitment to combine economic growth with social cohesion; the prevention of unemployment - including a commitment "to complete the transition from passive to active employment policies" and a commitment to support vulnerable groups by providing opportunities for access labour market. Key policy objectives were the creation of a total of 300,000 new jobs during the four year period from 2000-20004; the modernisation of OAED and public employment services; changes in accreditation regulations; selective interventions in the labour market "whenever it makes sense"; the utilisation of ESF funds and the creation of "the greatest possible social consensus" by the enhancing the participation of social partners in the stages of policy planning and implementation. In fact the role of ESF is recognised as fundamental in achieving these objectives:

*[..] the ESF will be the chief financial tool of carrying out the annual National Action Plan for Employment in Greece for the duration of the new planning period 2000-2006. This includes the Greek NAP for the year 2000, a large portion of which is co-financed by the Structural Funds and particularly by the ESF in the framework of the second CSF, while another portion of its actions will be incorporated in the third CSF.*

Greek Government (2000) National Action Plan for Employment

## **Public Expenditure on labour market policies**

At the end of the nineties total public expenditure on labour market policies, i.e. both "active" labour market policies and unemployment compensation, was the lowest in the EU (Figure 1). Comprising 0.85 per cent of the Greek GDP, total expenditure was below the EU average and

almost 1/6 that of Denmark (5.04 per cent), the highest spender in the EU. Expenditure on unemployment compensation was the lowest in the EU while expenditure on “active” labour market policies was the second lowest after Luxembourg. However, the latter recorded the lowest unemployment in the EU (2.3 per cent in 1999).

Table 3 presents the levels of public expenditure on labour market policies in Greece during the period 1990 – 1997. Expenditure on active labour market programmes remained very low during this period and, apart from the year 1995, it never exceeded the expenditure on unemployment compensation. By 1997 it comprised 0.35 per cent of GDP, slightly lower than the level at the beginning of the nineties. Expenditure on unemployment compensation reached 0.5 per cent of GDP by 1997, a figure that partly reflects the increase in the level of benefits that took place in 1996-97 and partly the rise in unemployment.

Table 3: *Public expenditure on labour market policies in Greece as % of GDP, 1990-97*

	1990	1991	1992	1993	1995	1996	1997
Active labour market programmes	0.36	0.4	0.37	0.31	0.45	0.44	0.35
Unemployment compensation	0.46	0.5	0.43	0.41	0.43	0.44	0.5
Total expenditure on LMP	0.82	0.90	0.80	0.72	0.88	0.88	0.85

Source: *OECD, Social Expenditure Database*

Remarkably, despite rising unemployment, the levels of expenditures remained static or even fell slightly during the period 1990-97 (Figure 2). This occurrence might appear paradoxical but can be adequately explained when at least three factors are taken into account.

First, unemployment benefits in Greece are available mainly to individuals with long or uninterrupted contribution records (see section on unemployment compensation below). Those with short or interrupted contribution records (women, youth) or no records (first-time job seekers) are entitled to unemployment benefits for very short periods after which no entitlement to benefits is granted. In the case of the first-time job seekers entitlement is granted after very long waiting period (12 months) during which no benefit is paid.

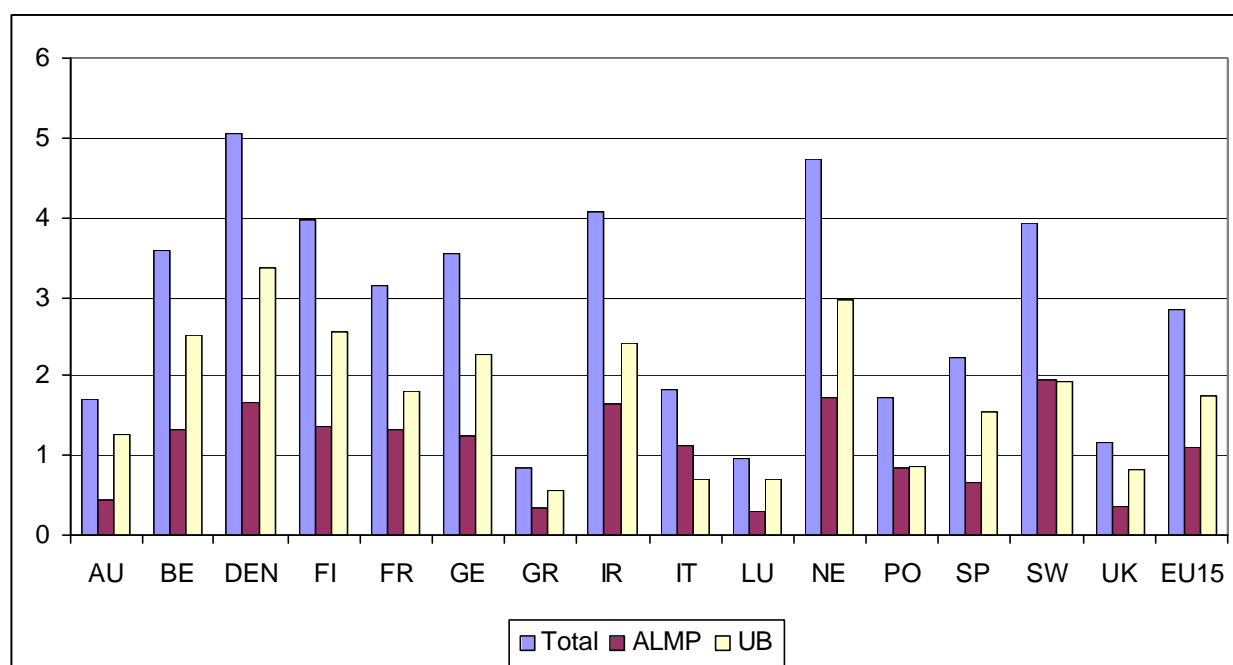
Second, unemployment benefits are available for a short-term period and maximum for a year. The lack of any safety net / social assistance arrangements for the long-term unemployed - who in Greece constitute more than half of the unemployed - results in total loss of entitlement to any unemployment benefits or other form of welfare assistance. Access to some form of income support is available through participation in vocational training programmes, participation which is neither obligatory nor guaranteed for all. As a result, by 1998 less than 10 per cent of the unemployed received unemployment benefits in Greece (see Figure 3 and Table 8).

Third, the monetary value of benefits is very low; replacement rates rarely exceed 50 per cent of previous earnings.

Still, there are some indications that the level of expenditure might increase. In particular, Law 2434/1996 on "Policy Measures for Employment and Vocational Education and Training" introduced a series of new activation measures the implementation costs of which are expected to affect the levels of expenditure. These include, for example, a new programme of employment subsidisation – “The Young in Active Life” – aiming at providing opportunities to young unemployed (age 20-27) to gain work experience. OECD (1998)

reported that the programme's ambition was to cover an estimated 200 000 unemployed young people over the three year period 1998-2000 with a cumulative cost of Dr 290 billion – approximately 1 per cent of the 1997 GDP. A second programme of employment subsidisation focuses on the long-term unemployed and aims to provide coverage to approximately 63,000 persons during the three year period at an estimated cost of Dr 22 billion. These programmes will be supplementary to the existing programmes of employment subsidisation administered by Organisation for the Employment of the Labour Force (OAED). By the time of writing this report no statistical data was yet available regarding the effectiveness of the aforementioned programmes or the actual – rather than estimated - levels of expenditure. It is worth noting, however, that consecutive Greek National Action Plans for Employment recognised that successful implementation of these measures was highly dependent upon the institutional infrastructure of the OAED, infrastructure that is currently undergoing a period of major restructuring. In this context, it is almost certain that the implementation of these programmes encounters delays.

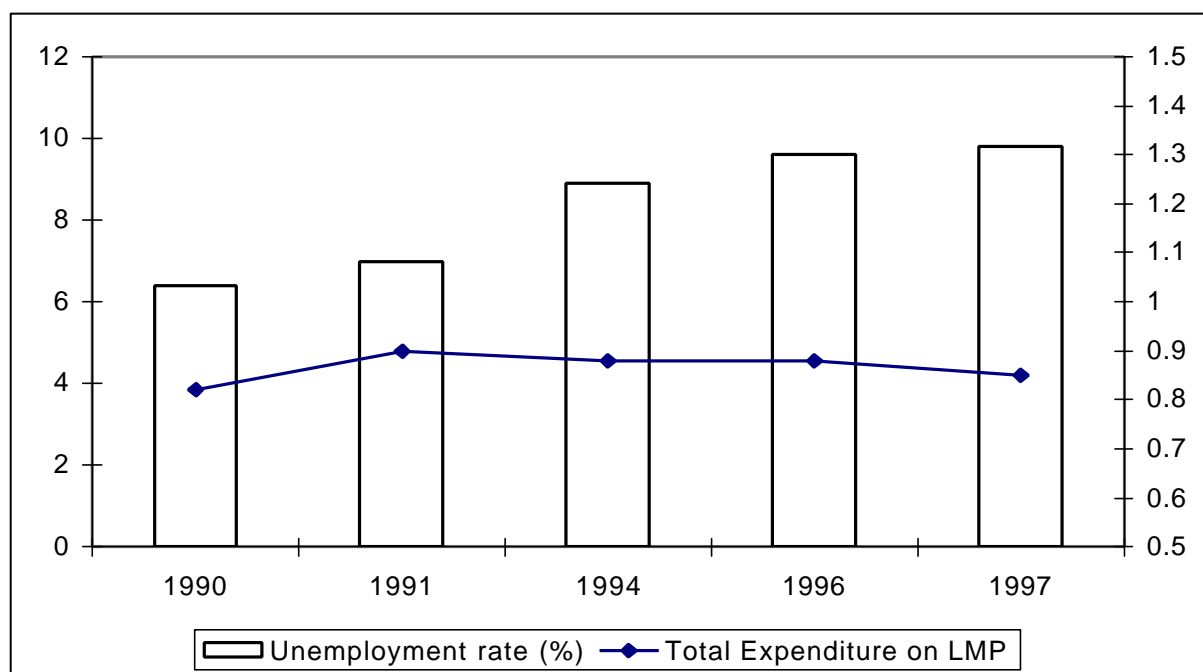
Figure 1: *Public expenditure as % of GDP, 1998*



Note: ALMP - Active labour market policies; UB – unemployment benefits; Data for Greece and Luxembourg is for 1997; Data for Ireland is for 1996.

Source: OECD (2000) *Employment Outlook*

Figure 2: *Unemployment rate and expenditure on labour market policies as % of GDP, 1990-97*



Sources: *European Commission (2000) Employment in Europe; OECD Social Expenditure Database*

## Unemployment compensation policies

### Types of benefits and Entitlement Conditions

The system of unemployment compensation consists of several benefit schemes administered by the Organisation for the Employment of the Labour Force (OAED) via its local offices. Unemployment compensation takes two forms: regular benefits and special allowances.

The insurance-based Unemployment Benefit (*Epidoma Anergia V - Epidoma Anergias*) is the predominant form of unemployment compensation in Greece. Introduced in 1954, it provides coverage to all salaried employees who are insured against sickness with a social security fund. The minimum required period of insured employment for a person to qualify for the benefit is 125 days during a 'base' period of 14 months preceding unemployment or 200 days during a 'base' period of 2 years. For those who claim the benefit for the first time the minimum period is at least 80 days of work in each of the 2 years preceding unemployment. Self-employed persons are not entitled to this benefit.

Entitlement to the Unemployment Benefit is of limited duration the length of which depends on the claimant's employment record and the claimant's age (see Table 4). To qualify the claimant has to be:

- involuntarily unemployed
- fit and available for work
- registered at an employment exchange
- under the age of 65 years and not receiving invalidity or old age pension benefits.

After entitlement to unemployment insurance benefit has expired, the unemployed person is entitled to a 3-month additional unemployment benefit. This is payable at a reduced rate for an

extra 3 months. A means-tested lump-sum amount is offered to those who continue to be unemployed a month after their entitlement to the above benefits has expired.

A special means-tested short-term allowance is available to those who although have worked for at least 60 days in the year previous to their unemployment do not qualify for the unemployment insurance benefit mentioned above. To qualify for this allowance the claimant should register as unemployed for a period of 3 months during which no support is provided.

A number of other special allowances provide compensation to different categories of unemployed. In particular, entitlement is provided to

- those who became unemployed due to special circumstances (e.g. interruption or termination of activity of the enterprise)
- those who become seasonally unemployed (e.g. seasonal workers, artists like actors or musicians, workers in the tourist industry, construction workers)
- groups of the unemployed with particular social circumstances (e.g. certain categories of repatriates; ex-convicts; reservists whose military service was extended due to a state of emergency; farmers who due to natural events have lost their produce)
- all young persons between 20 and 29 years of age who are seeking employment for the first time.

The minimum required period of insured employment for a person to qualify for the allowance for the seasonally unemployed benefit is 100 days during a 'base' period of 12 months. Entitlement to the first-time jobseekers' allowance is granted only after a young person has been registered as unemployed for 12 consecutive months. During this period no support is provided.

Finally, no schemes for partial unemployment compensation or a guaranteed minimum income exist. The only equivalent to a social assistance measure is a scheme under which a one-off lump-sum is offered on a discretionary basis and only after a means test.

### **Duration of benefits**

In Greece the duration of unemployment insurance benefit varies according to the length of contributions' record (Table 4). The latter is calculated as time in previous employment during which full contributions were paid measured against a 'base period' which normally is the twelve months preceding the last two months of employment. In 2000, the maximum duration of unemployment insurance benefit varied between 5 months, for a contributions' record of 125 days and 12 months for a record of 250 days. However, for older unemployed a more relaxed regime of restrictions regarding the length of contributions' record applies. In particular, an unemployed person who is 49 years old or over can claim unemployment insurance benefit up to a maximum of 12 months, with a contributions' record of at least 210 days.

Table 4: *Duration of unemployment benefits in Greece*

Days of paid work during the 12 months preceding the last 2 months of employment	Maximum duration of unemployment benefit
125 days	5 months
150 days	6 months
180 days	8 months
220 days	10 months
250 days	12 months
If aged 49 or more: 210 days	12 months

After their entitlement to unemployment insurance benefit has expired unemployed persons can claim a benefit for 3 extra months but at a reduced rate. The duration of the unemployment allowance for the young persons between 20-29 years who seek employment for the first-time is 5 months.

### **Waiting periods**

The unemployment insurance benefit is payable after a 6 day waiting period. For the special means-tested short-term allowance, a waiting period of 3 months applies during which the potential claimant should register as unemployed. During this period no support is provided. For the first-time jobseekers' allowance a 12 month waiting period apply during which the young person has to be registered as unemployed. During this period no support is provided.

### **Components of benefit formulae**

The calculation of the level of unemployment benefit in Greece is based on the insurance class of the beneficiary. There are 22 insurance classes and the reference earnings are the assumed gross earnings corresponding to the insurance class of the beneficiary. These earnings are determined after the actual earnings of the beneficiary have been averaged over a period of two years. Different formulae are employed in the calculation of the replacement rates, referring to the different insurance classes as well as to different types of employment contracts. For example, for the first five classes (which correspond to lower earnings) the basic benefit is 70 per cent of assumed earnings. For the other insurance classes, i.e. up to class 22, the formula changes according to the type of employment contract. The basic unemployment benefit for manual workers is 40 per cent of the assumed daily wage; for employees it is 50 per cent of the assumed monthly wage. There is also family allowance amounting to a 10 per cent increase in the basic benefit for each dependant.

The benefit is paid monthly and refers to 25 daily amounts per month. The total benefit income package is subject to a 'floor': the minimum benefit cannot be less than two thirds of the statutory daily minimum wage. It is also subject to a 'ceiling': the maximum total benefit income package, that is the basic amount plus extra for dependants, cannot be more than 70 per cent of the assumed earnings for the appropriate insurance class.

For those whose period of entitlement has expired, the 3-month additional benefit can be claimed at the rate of 50 per cent of the total benefit package claimed previously. The means-tested lump-sum amount offered to those who continue to be unemployed a month after their entitlement to unemployment insurance benefits has expired is equivalent to 13 daily unemployment insurance benefit amounts with an increase of 10 per cent for each dependent member. The special means-tested short-term allowance, available to those who do not fulfil

the requirements for claiming unemployment insurance benefit, is payable once every three months as a lump-sum amount. This amount is equivalent to 15 per cent of the minimum daily unemployment insurance benefit amount that theoretically could have been paid during the three month period.

Finally, first-time jobseekers are entitled to a flat rate benefit the level of which vary according to family status. In particular, for a single person the allowance is GRD 25,000 (EUR 76) per month; for a married person the allowance increases to GRD 27,000 (EUR 83) per month and, in the case of children, an additional GRD 2,000 (EUR 6) per child is paid.

### **Other benefits and allowances**

Apart from a tax allowance for house rent and a rent subsidy limited to very few beneficiaries no other support with housing costs is available to unemployed persons in Greece. Further, in addition to the supplements for dependants included in the benefit formulae, entitlement to the general scheme of family benefits for the salaried employees is available (Table 5). However, this entitlement is relatively restricted. In particular, those of the unemployed who have worked for less than 50 days in the year previous to their unemployment are not entitled to these family benefits. In addition, for those of the unemployed who are entitled, payment of these family benefits starts only after the first 2 months of receiving their unemployment benefit have elapsed. The level of benefits is very low for the first and second child but increases considerably after the third and consecutive children. It should be noted though that some extra support for families exist in the form of tax allowances (see below). Finally, although a flat-rate allowance for lone-parent families does exist, no child-care benefits are available.

Table 5: *Levels of Family Benefits in Greece*

Number of Children	Amount per month	Amount per month
	GRD	EURO
1	2,000	6
2	6,000	18
3	13,500	41
4	16,400	50
5	19,150	57
6	21,900	67
7	24,650	75

Note: amounts in EUROS are rounded

With regard to social assistance benefits no safety net for the unemployed exist in Greece. A number of social assistance benefits are primarily targeted to groups in high risk of poverty and especially disabled people and bob-insured elderly<sup>2</sup>

### **Tax, social security contributions and earnings disregards**

The unemployment insurance benefit is not subject to social security contributions. There are no earnings disregards and the benefit is withdrawn if there is income from other sources. The benefit is subject to taxation but tax applies to the portion of benefit that exceeds a total annual income 'ceiling' which in 1999, was GRD 1,355,000 (EUR 4,142). In addition, a

<sup>2</sup> For a comprehensive list of measures see Matsaganis (2000).

number of tax reductions apply which vary according to the number of children (Table 6). In this context, it can be safely argued that the vast majority of claimants are not actually taxed.

Table 6: *Unemployment insurance benefit tax reductions by number of children, 1999*

Number of children	Amount of tax reduction <i>GRD</i>	Amount of tax reduction <i>EURO</i>
1	25,000	76
2	50,000	153
3	105,000	321
4	180,000	550
5	225,000	688

Note: amounts in EUROS are rounded

### **Evaluation of adequacy, coverage and incentive effects of unemployment compensation**

Various comparative studies of the adequacy of unemployment benefits have confirmed that the Greek income ‘package’ for the unemployed is among the lowest in the European Union (OECD, 1999; Papadopoulos, 1997; CEC, 1995). Table 7 provides the replacement rates of unemployment insurance income packages for different ‘model’ household types. It was assumed that the head of household was 35 years of age, unemployed for six months and was previously on average male earnings. In all but one case, replacement rates are at least 20 percentage points below the European average. When one takes into account the fact that average wages in Greece are among the lowest in Europe and that there is no safety net after entitlement to insurance benefit has expired, the adequacy of support for the Greek unemployed compares very poorly with the rest of the EU countries. The policy response to this issue was a series of modest increases in unemployment insurance benefits (10 per cent in 1996 followed by another 10 per cent increase in 1997). However, these were mere attempts to bring the benefit levels in line with inflation, which has considerably eroded the value of the benefit package - benefit levels are not index linked in Greece - and with the modest increases in the minimum wage. Thus, replacement rates remained almost unchanged.

Furthermore the extent of coverage is very limited. The institutional characteristics and operational principles of the Greek unemployment compensation system result in a large number of the Greek unemployed fall through the net of social protection. By 1998, less than 10 per cent of the unemployed in Greece had access to unemployment compensation. Figure 3 compares the trends in short-term (ST) and long-term (LT) unemployment and unemployment compensation beneficiaries as percentage of the unemployed. It is clearly observable that the number of beneficiaries increases (or decreases) only in response to increases (or decreases) of the short-term unemployed. Increases in long-term unemployment have no effect whatsoever, illustrating the total lack of support after the first year of unemployment.

Against this background, it can be argued that unemployment compensation in Greece operates as a de facto activation policy. As Kottis (1997) argued “although the ungenerous nature of the Greek UB system results from budgetary constraints it has the same effects as if it were part of an activation strategy”. Still, the same author warned about the adverse impact on job-search that this situation might have: “if the unemployed do not have a sufficient income to enable them to maintain a minimum standard of living and to cover the various costs associated with job-search efforts, their activation may be reduced” (p.27). On the other hand, although those who receive unemployment compensation are obliged to search for employment they are not obliged to participate in training programmes and stopping benefits



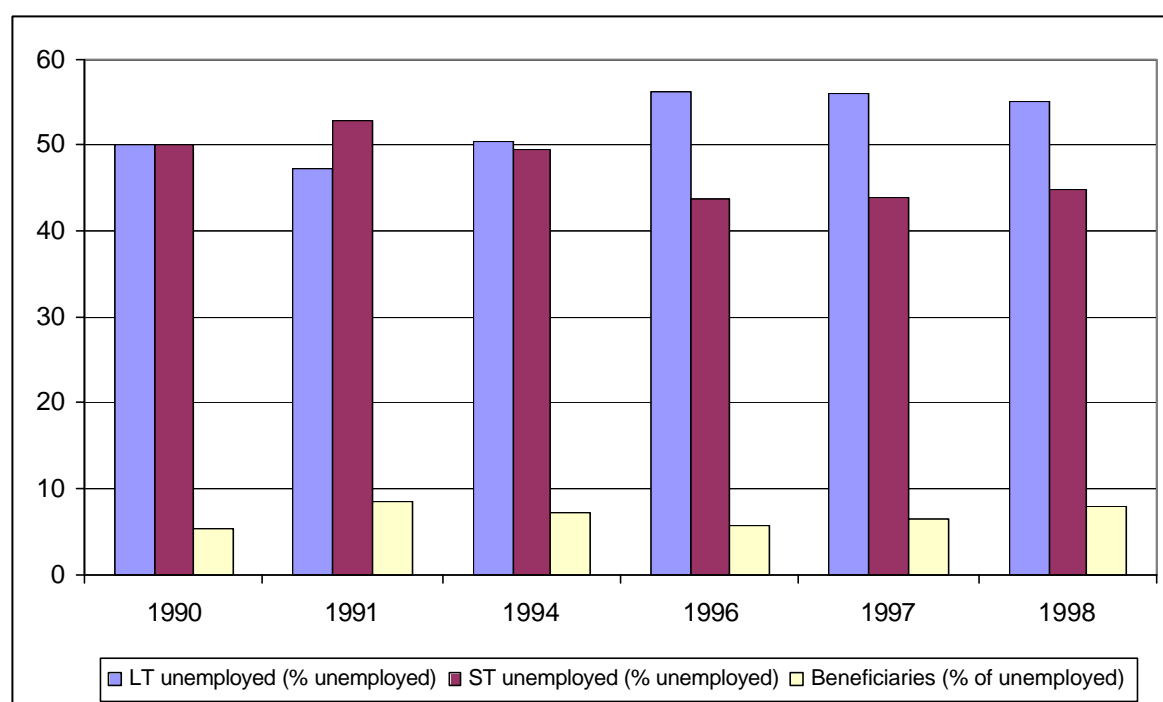
in the case of refusal to take a “suitable job offer” is rarely implemented. However, Kottis (1997: 27) identified as the most serious problem associated with the unemployment benefits system, the lack of financial incentives for the beneficiaries to accept part-time or casual work mainly because “any earnings are deducted in their entirety from unemployment benefits. Since part-time or casual work may help the unemployed to keep in touch with the labour market and may even lead to regular employment, the lack of any incentives for such or any other kind of work is definitely a deterrent to their activation”.

Table 7: *Replacement rates of unemployment insurance income packages for different household types in Greece and the European Union (mid 1990s)*

Household types	Greece	European Union average
Single person	35	57
Single parent with one child	40	64
Couple	34	58
Couple with two children	42	65
Couple with four children	56	72

Source: *Papadopoulos, 1998*

Figure 3: *Short-term (ST) and long-term (LT) unemployment and unemployment comepensation beneficiaries as % of the unemployed*



## Activation policies

A slight increase in the rate of expenditure on active labour market policies (ALMP) as a percentage of the total expenditure on labour market policies can be observed during the past few years (Table 3). This however can be attributed to the effects of policy attempts to decrease of the total expenditure and to “shift” the balance between the expenditure on “passive” measures and “active” measures, rather than an increase in the overall level of

expenditure on ALMP. This “shift“ was accompanied by a series of activation measures initiated by the Law 2434/1996. The most important of these measures were:

- the introduction of a system of "employment cards" which operates in conjunction with a system of vouchers. The objective of this system is to transform unemployment benefits into training and employment subsidies via a series of financial incentives to use the vouchers as a means to take up training or participate in subsidised employment programmes. The latter however are restricted to public sector projects only. In addition, eligibility for “employment cards” has been extended to groups such as the first time job-seekers and long-term unemployed, who previously were not covered by the unemployment insurance system. The employment cards will also operate as a “passport” to receive unemployment benefit as well as a record of the skills and qualifications obtained by the unemployed from the training programmes
- the introduction of new subsidised training programmes which will be oriented towards particular groups of the unemployed and will run in partnership with private firms (9 month wage-subsidy up to 100 per cent of the minimum wage accompanied by a commitment from the employer to continue the employment of the subsidised employee for at least three months)
- the modernisation of the OAED’s (Greek Labour Power Organisation) system of labour market data collection
- non-wage subsidies for firms who employ young people and first-time job-seekers
- financial incentives for the unemployed to set themselves up as self-employed.

Overall, active labour market programmes take the form of either job subsidisation - like the programme ‘Young People in Active Life’ or more often, they are vocational training programmes offered to those who lost their entitlement and especially to groups particularly hit by unemployment, like women and young people. In this context, they fulfil a dual role of both compensation and investment in human resources through vocational training. Particular programmes can be divided according to the group of unemployed they are aimed at.

Thus, active labour market measures for **young people** include the programme ‘Young People in Active Life’ is the main set of measures designed for young unemployed. It was established in 1999 and consists of two sub-programmes:

- the employment subsidisation programme ‘New Jobs’
- the self-employment promotion programme ‘Young Professionals’ (NEE)

In general, the programme ‘Young People in Active Life’ provides more favourable terms and encourages the participation of women, people with disabilities or those who became unemployed due to mass dismissals, especially in areas and regions with high unemployment. During the year 2000 the programme for promoting self-employment among young people was run in collaboration with the Hellenic Organisation of Small and Medium Sized Enterprises and Handicraft (EOMMEH) and included, apart from basic training, support and advice during the starting phase of self-employment,

Further, young unemployed can take part in the programme Stage, a programme for gaining work experience, which is run in collaboration with enterprises. They also attend a continuous training courses organised by the KPAs often in collaboration with OAED’s Centres for

Vocational Technical Training (KETEK), apprenticeship courses or lessons at the Institutes for Vocational Training (IEK) for high school graduates. In 1999, three special programmes were introduced: the 'pre-training programmes in the services sector' – programmes of temporary employment for 10 months for 5000 high school graduates, and two programmes for unemployed people affected by the earthquake of September 7, 1999 in the Attica region. The first was the providing employment subsidisation to enterprises to hire unemployed people affected by the earthquake while the second was the subsidisation of young self-employed.

Active labour market programmes for the **long-term unemployed** include the 1999 OAED's 'Back to Work' programme which as with young people includes two sub-programmes; the 'New Jobs' subsidisation programme and the programme promoting self-employment 'Young Professionals' (NEE). A number of jobs in both sub-programmes concern employment position in the cultural sector. OAED also implements training programmes for mature unemployed people at the Centres for Vocational Technical Training (KETEK). According to data from the Greek NAP 2000, "25% of 'adult' unemployed persons taking part in 1999 in OAED's training programmes had not completed twelve months of u employment" while "a small percentage of 'adult' unemployed people also participate in the Stage programme for work experience".

Further, in 2001 the programme for unemployed persons as school guards, designed in 1999 was implemented. According to the the Greek NAP 2000, "the programme is a very good practice as it provides employment for 'adult' u employed persons and at the same time meets a important social need". Still, the fact that participants will effectively work for a year as security guards in schools without been formally employed (and thus without the rights of a formally employed person) but rather as "trainees", it makes this programme look like a long-term work-fare programme. The compulsion element here is the absence of unemployment compensation for those long-term unemployed who do not take part in the programme.

Finally, for older unemployed persons, OAED provides a programme subsidising the employment of unemployed persons approaching retirement which is financed by the Employment and Vocational Training Fu d (LAEK). Insurance cover will be provided to long-term unemployed persons over the age of 60 (or over 55 for women), until they will reach retirement age. An additional measure is the payment of a monthly subsidy (paid by OAED) for providing community services such as part-time employment in municipalities, public welfare agencies, school guarding etc. (NEP 2000).

### **Evaluation of Effectiveness of Active Labour Market programmes**

It is very early to evaluate the effectiveness of the **active labour market** measures especially since some of them have not yet been through the stage of implementation and no data are available for others. Although some emphasis is given to job subsidisation the main emphasis is given to vocational training and the utilisation of ESF funding. However, it is widely accepted that their effectiveness is directly related to the availability of resources, qualified personnel etc. which is precisely were problems have been identified and were efforts are now concentrated. It appears that previous activation measures had negligible results (OECD, 1996, Kottis, 1997) and the most recent data does not indicate any change in this pattern. By 1999, total employment in Greece increased by a marginal 0,1% compared to 1998 - equivalent to 5000 jobs. At the same period official unemployment has risen by 0.6 per cent. Further, co-ordination of activation policies is clearly part of the agenda and is mentioned as both an objective and a parameter of policy making in consecutive Greek NAPs. However, in

reality it remains a predominantly top-down approach taking place more at the macro-institutional rather than the local level.

## **Coordination of active labour market programmes**

The co-ordination of active labour market programmes remains a predominantly top-down activity. In terms of its **vertical dimension** and at the **policy level**, the Ministry of Labour and Social Security (MLSS) works closely with the Ministry of the National Economy on issues of labour market policy formulation. In addition, some co-ordination and collaboration takes place with other ministries on issues surrounding labour market policy implementation on a national or regional level. This is especially the case with the planning of vocational training programmes where MLSS collaborates with the Ministry of National Education as well as a number of public and private organisations which offer training programmes.

According to the Greek NAP (2000), the government encourages social partners to "conclude as soon as possible agreements with a view to increasing the possibilities for training, work experience, traineeships or other measures likely to promote employability of the young and adult unemployed" and reinforces their role as participants in the planing, financing, implementation and evaluation of labour market policies. Indicative example of co-ordination at this level is the establishment of the Employment and Vocational Training Fund (LAEK) with regional and prefectural units, which was set up and is supervised by the social partners and is funded by contributions from employers and employees.

In terms of co-ordination at **the service and individual level**, the creation of a large number of Employment Promotion Centres (KPAs) across the country - one of the main aims of which is to provide individually tailored support to the unemployed by special advisors - is promoted as a serious attempt to co-ordinate action at the local level and develop pathways out of unemployment based on the characteristics of individual unemployed. Further, the National Employment Observatory (EPA) is responsible for the co-ordination of monitoring methods aiming at the collection of more reliable statistics regarding labour market policy implementation and evaluation.

In terms of the **horizontal dimension** of co-ordination, the relationship between local authorities or NGOs and OAED at the local level is very limited. Some elements of horizontal co-ordination can be noticed between OAED and enterprises under the Stage programme of job subsidies, where the wage is paid by OAED while the applicants' profiles and the job offers are supplied by the enterprises (Greek NAP, 2000).

## **Policy initiatives and recent developments**

In terms of **recent policy developments**, consecutive National Employment Plans emphasised the need for a change in the administrative structures of labour market policy monitoring and implementation in Greece. Thus, the Organisation for the Employment of the Labour Force (OAED), the institution with the main responsibility for implementing labour market policies, is undergoing a period of major restructuring both administratively and in terms of IT infrastructure. The creation of a large number of Employment Promotion Centres (KPAs) across the country is part of this ongoing process. Indicative developments following the same trajectory are: the establishment of the Employment and Vocational Training Fund (LAEK); the reorganisation of the collection of statistical data undertaken by the National Employment Observatory (EPA); the implementation of MLSS' Operational Programme

'Combating exclusion from the labour market' and the creation of the National Centre for Certification (EKEPIS) and a series of changes regarding accreditation regulations aiming at improving the quality of vocational programmes. Essentially most of these measures aim at creating new administrative structures partly to facilitate a better statistical/knowledge base for labour market policy monitoring (required by the NAPs) and partly to support active labour market policies understood as vocational training co-funded by ESF. In addition, the debate for providing a form of guaranteed minimum income intensified especially during the (unsuccessful) attempt of a PASOK MP to pass a relevant law through the parliament. At the beginning 2001, the prime minister initiated discussions on the implementation of the programme Network for Social protection. In March 2001 the basic features of this programme were revealed:

- benefits in kind, such as domiciliary health and social care services for the elderly and disabled, in co-ordination /collaboration with municipal social services; restructuring of existing welfare services and establishment of new welfare units; the latter aim at providing welfare support to social groups which are marginalised either geographically or socially.
- cash benefits in cases of "extreme poverty"; these will be means-tested and their level will depend in the number of potential beneficiaries and the amount available from the budget.

No clear commitment to a form of guaranteed minimum income or an equivalent 'safety net' measure was recorded.

## **Conclusion**

Unemployment compensation benefits are not enough to guarantee a socially acceptable standard of living for the unemployed. Further, it appears that the political will to tackle the basic inadequacies of the unemployment compensation system - especially the absence of a 'safety net' for the long-term unemployed - has not matured yet. As a result only a fraction of the unemployed receive any benefit in Greece. Thus, it can be argued that the unemployment compensation system operates de facto as part of an activation policy.

The effectiveness of the newly established active labour market measures are hard to evaluate especially since some of them they have not yet been through the stage of implementation and no data are available for others. Although some emphasis is given to job subsidisation the main emphasis is given to vocational training and the utilisation of ESF funding. However, it is widely accepted that their effectiveness is directly related to the availability of resources, qualified personnel etc. which is precisely were problems have been identified and were efforts are now concentrated. Further, co-ordination of activation policies is clearly part of the agenda and is mentioned as both an objective and a parameter of policy making in consecutive Greek NAPs. However, in reality it remains a predominantly top-down approach taking place more at the macro-institutional rather than the local level.

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## Appendix 1: Aims and Objectives of the Greek National Action Plan for Employment, 2000

The NAP 2000 strategy was drawn up according to three basic ideas:

- **Growth:** in this connection the application of structural policies which strengthen competitiveness has been introduced and enhanced, but always according to the example of a new model in which growth and social cohesion will coexist, thereby linking competitiveness to the welfare state. With the aim of combating unemployment, particularly in the interest of the more vulnerable groups within our society but also with a view to overcoming regional inequality in unemployment, we strive to maintain the growth rates that create jobs, and implement policies that promote flexibility and adaptation to the new demands of the labour market, thereby emphasizing improved quality of living and ensuring a safe and secure environment for our citizens.
- **Prevention of unemployment:** we continue to consistently work for the modernization of structures which support an individualized approach to unemployment in order to complete the transition from passive to active employment policies. We also strive to promote a society of knowledge, with the goal of preparing a work force able to keep up with developments of Greek and international labour markets.
- **Support:** the realization of this idea leads us to opportunities for access to the labour market for those groups within our society that are threatened most by exclusion by promoting equal opportunities for men and women, active support for older workers and unemployed persons, resolving issues which have to do with the employment of immigrants in Greece and implementing measures that favour other particularly vulnerable groups in our population. We also wish to emphasize the significance of restructuring our social security and public health care system in order to ensure social solidarity.

Specifically for the year 2000:

- We aim to create 75,000 new jobs, with the ultimate goal of creating a total of 300,000 new jobs during the four-year period from 2000-2004. In addition, in the year 2000, 75,000 new training positions will be created, and we will be giving workers more opportunities for in-house training.
- We support modernization and restructuring activities within public employment services and OAED as a whole, while also applying restructuring policies to public health insurance systems in order to enhance the quality of services provided to citizens by these organizations.
- Accreditation regulations will be extended, so as to ensure that properly qualified teachers teach an appropriate training curriculum.
- Wherever it makes sense, we try to intervene on the labour market, targeting issues such as working hours or other sensitive parameters aiming to increase the number of jobs available and simultaneously enhance competitiveness of production.



- We seek to make use of new possibilities for employment arising from new areas such as new technologies or additional extra-agricultural activities in the countryside.
- We intend to use ESF funds in a way that will substantially support the efficiency of our policy towards employment.
- We actively strive to achieve the greatest possible social consensus via the continually increasing presence of the social partners in planning and implementing our programmes, but also by having them take initiatives.

## Appendix 2: Tables of Indicators

Table 8: *Unemployed receiving unemployment compensation (% all unemployed), 1990-99*

		1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Austria	Total	n.a.	n.a.	n.a.	n.a.	n.a.	63.1	68.9	65.9	69.7	74.2
	Women	n.a.	n.a.	n.a.	n.a.	n.a.	53.4	59.1	55.6	62.5	63.9
Belgium	Total	81.5	77.4	83.8	83.3	84.5	81.1	82.6	80.3	77.9	66.3
	Women	82.5	80.5	82.9	84.2	86.1	82.1	82.2	81.1	77.8	64.4
Denmark	Total	82.3	82.6	79.9	82.6	64.2	65.4	55.1	59.0	61.9	62.6
	Women	82.1	82.2	80.5	81.4	64.3	64.7	54.2	59.5	61.7	62.7
France	Total	38.8	41.9	45.0	45.0	46.5	43.6	43.6	44.2	43.6	42.4
	Women	34.3	38.6	40.7	40.9	42.0	41.6	40.1	41.3	41.3	39.9
Finland	Total	n.a.	n.a.	n.a.	n.a.	n.a.	67.6	60.4	55.7	53.3	51.6
	Women	n.a.	n.a.	n.a.	n.a.	n.a.	60.5	57.9	52.5	49.7	49.4
Germany	Total	58.7	67.4	69.5	68.4	69.9	67.1	73.1	73.0	73.5	74.2
	Women	50.5	63.2	67.7	63.9	65.0	61.5	67.1	66.9	67.1	68.6
Greece	Total	5.3	8.7	7.1	6.7	7.1	8.1	5.8	6.4	8.0	n.a.
	Women	4.1	6.7	4.9	5.1	5.0	6.5	4.4	5.2	6.5	n.a.
Ireland	Total	58.1	60.5	63.2	61.5	61.8	61.5	64.3	63.7	n.a.	n.a.
	Women	30.2	34.1	37.5	38.9	36.7	37.6	41.0	41.1	n.a.	n.a.
Italy	Total	16.9	17.6	4.6	6.0	7.0	5.8	5.1	5.7	5.1	n.a.
	Women	17.1	17.4	4.1	5.5	6.1	4.8	4.7	5.0	4.6	n.a.
Luxembourg	Total	22.7	23.6	30.8	21.0	36.0	37.9	36.5	27.2	25.9	29.3
	Women	20.1	21.2	22.7	14.5	27.3	27.7	32.2	24.4	25.0	28.2
Netherlands	Total	37.6	37.3	36.9	41.3	45.0	40.8	42.2	38.4	32.4	31.2
	Women	25.0	24.7	23.7	27.1	30.7	27.7	32.1	28.9	23.1	23.6
Portugal	Total	10.1	16.0	18.7	25.9	25.3	27.9	25.5	25.3	21.8	28.4
	Women	8.6	14.5	17.9	25.1	23.8	25.7	21.7	21.0	21.0	25.8
Spain	Total	25.2	28.7	29.7	31.3	28.1	23.5	20.4	19.1	17.4	16.6
	Women	17.5	21.5	21.7	21.3	18.9	15.6	12.9	12.1	11.4	11.8
Sweden	Total	n.a.	n.a.	n.a.	n.a.	n.a.	70.3	68.7	66.0	63.6	55.4
	Women	n.a.	n.a.	n.a.	n.a.	n.a.	68.9	68.0	63.9	59.1	53.8
UK	Total	48.2	55.6	62.3	62.5	59.9	56.4	55.6	48.9	38.9	40.6
	Women	27.5	32.8	38.2	40.0	37.7	33.1	33.5	28.0	19.7	21.5

Source: *Guy Standing (2000) Unemployment and Income Security, Geneva: International Labour Organization*

Table 9: Greece - Labour market indicators

<b>GREECE</b>	1977	1985	1990	1991	1994	1996	1997	1998	1999
Activity-rate-(%-working-age-population)	58.6	61.2	60	58.4	61	61.6	61.6	63.1	64.4
Self-employed-(%-total-employment)	37.7	36	34.8	35.2	34.4	33.7	33.3	32.5	32
Employed-part-time-(%-total-employment)	na	5.2	4.1	3.8	4.8	5.3	4.6	6	6.1
Share-of-employment-in-agriculture-(%)	33.2	28.9	23.9	22.2	20.8	20.3	19.8	17.7	17
Share-of-employment-in-industry-(%)	29.2	25.7	25.9	25.7	23.6	22.9	22.5	23	22.9
Share-of-employment-in-services-(%)	37.5	45.4	50.2	52.1	55.6	56.9	57.7	59.2	60.1
<b>Total unemployed (000)</b>	67	269	255	276	370	411	421	483	521
<b>Unemployment rate (%)</b>	2.1	7	6.4	7	8.9	9.6	9.8	10.9	11.7
<b>Youth unemployed (%population 15-24)</b>	na	8.8	8.3	8.7	10.2	11.4	11.2	11.8	12.4
<b>Long-term unemployment rate (%labour force))</b>	na	3	3.2	3.3	4.5	5.4	5.5	6	6.5
<b>Men</b>									
Activity-rate-(%-working-age-population)	85.2	82.5	78.4	77.6	79.2	78.5	78.2	78.2	77
Total-unemployed-(000)	35	125	99	111	157	159	166	190	201
Unemployment rate (men)	1.5	5	3.9	4.4	6	6.1	6.4	7.1	7.5
Youth-unemployed-(%-population-15-24)	na	7.7	6.4	6.9	8.2	8.6	8.8	9.3	9.2
Long-term-unemployment-rate-(%-labour-force)	na	1.6	1.5	1.6	2.5	2.9	2.9	3.2	3.6
<b>Women</b>									
Activity-rate-(%-working-age-population)	34.2	41.5	42.8	40.4	44	45.9	46.4	48.8	48.9
Total-unemployed-(000)	32	144	156	166	213	252	254	293	320
Unemployment-rate-women	3,3	10.6	10.8	11.8	13.7	15.2	15.2	16.7	17.8
Youth-unemployed-(%-population-15-24)	na	9.7	10.2	10.3	12	13.8	13.5	14.3	14.3
Long-term-unemployment-rate-(%-labour-force)	na	5.6	6	6.3	7.9	9.5	9.5	10.3	10.6
	1990	1991	1992	1993	1994	1995	1996	1997	1998
% of all Unemployed on UI or A Benefits	5.3	8.7	7.1	6.7	7.1	8.1	5.8	6.4	8
% of all women Unemployed on UI or A Benefits	4.1	6.7	4.9	5.1	5	6.5	4.4	5.2	6.5
	1977	1985	1990	1991	1994	1996	1997	1998	1999
Unemployment rate (%)	2.1	7	6.4	7	8.9	9.6	9.8	10.9	11.7
Unemployment rate (men)	1.5	5	3.9	4.4	6	6.1	6.4	7.1	7.5
Unemployment-rate (women)	3.3	10.6	10.8	11.8	13.7	15.2	15.2	16.7	17.8

	1985	1990	1991	1994	1996	1997	1998	1999
Unemployment rate (%)	7	6.4	7	8.9	9.6	9.8	10.9	11.7
Long-term unemployment rate (%labour force)	3	3.2	3.3	4.5	5.4	5.5	6	6.5
Short-term unemployed (% labour force)	4	3.2	3.7	4.4	4.2	4.3	4.9	5.2
	1990	1991	1994	1996	1997	1998		
LT unemployed (% unemployed)	50	47	51	56	56	55		
ST unemployed (% unemployed)	50	53	49	44	44	45		
Beneficiaries (% of unemployed)	5.3	8.7	7.1	5.8	6.4	8		

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