

# INEQUALITIES IN GREECE

## HIGH YOUTH UNEMPLOYMENT, TAX EVASION AND THE ONGOING IMPACTS OF THE ECONOMIC CRISIS ON VULNERABLE PEOPLE HOLD BACK GREECE'S PROGRESSIVE LEGISLATION TO TACKLE INEQUALITIES

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### Income and employment

Greece is recovering from its deep recession,<sup>1</sup> with rising employment and reforms which have returned national accounts to surplus. But this is progress from a very low base and all social indicators show that there is still a long way to go. In 2018 unemployment was 20.8% (down from 28% in 2013 – one of the fastest rates of unemployment reduction in the EU) but unemployment among young people, at 40%, remains distressingly high.<sup>2</sup> Wages are low: the rate of in-work poverty in Greece is 14.1%,<sup>3</sup> the second highest in the European Union, and 34.8% of the population are at risk of poverty or social exclusion.<sup>4</sup> Income inequality is fourth highest in the EU with the top 20% of earners receiving more than six times the bottom 20%.<sup>5</sup> High rates of taxation and high levels of tax evasion create inequalities and are obstacles for growth. Labour market reforms have boosted employment, but at the expense of fair wages and productivity. Workers are trapped in low-skill and low-wage jobs which do not match their skills. Lack of opportunity drives young people to emigrate, accelerating the brain drain.<sup>6,7</sup>

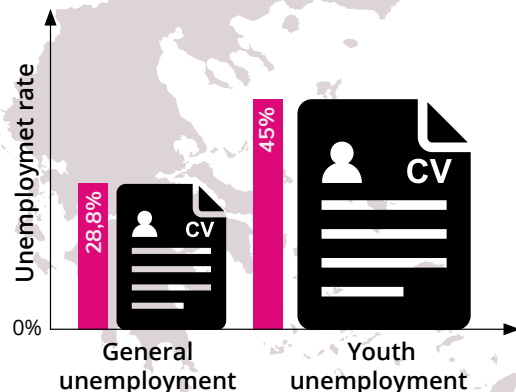
### Gender

The employment rate of women is 49%, markedly below the EU average (67.4%), while that of men is 70.1%.<sup>8</sup> One in four managers are women, the second lowest proportion in Europe (average - one in three). In all occupations women are paid less than men, but the gender pay gap is 12.5%, which is below the EU average (16%).<sup>9</sup> On the other hand, Greece has the widest household and childcare gaps in the EU: 95% of women, compared with 53% of men, take care of their children on a daily basis and the gap is even larger for cooking and housework - 85% of women compared with 16% of men.<sup>10</sup>

### Social protection

The economic crisis, together with an ineffective social protection system has driven up poverty levels, especially among families with children, the young and the unemployed. The high in-work poverty rate prompted the government to raise the minimum wage in early 2019 to €650 euros a month and to abolish the sub-minimum wage (a lower wage paid those under 25 years of age).<sup>11</sup> Two million households benefit from social security allowances and policies,<sup>12</sup> but there are gaps in coverage and delays caused by the complexities of the system. There is a simpler system for disability benefits which are provided at regular intervals and without delays.

### YOUTH UNEMPLOYMENT IN GREECE



Source: Taxheaven Newsroom  
<https://www.taxheaven.gr/news/news/view/id/40162>

## Legislation

In the past four years the government has taken steps to reduce inequalities. It has passed legislation to support asylum seekers;<sup>13</sup> to recognize the rights of LGBTQI+ persons with civil-partnerships<sup>14</sup> and gender identity;<sup>15</sup> to ratify the Istanbul Convention on Preventing and Combating Violence against Women and Domestic Violence;<sup>16</sup> to provide health services to people excluded from the welfare system;<sup>17</sup> to increase access to medicines;<sup>18</sup> and to support people using psychoactive substances provided they are under supervision.<sup>19</sup> Additionally, laws have been passed to set up and support cooperative enterprises assisting vulnerable people into employment.<sup>20</sup>

## Conclusions

Greater progress on SDG10, in particular, targets 10.1, 10.2, 10.3 and 10.4, is needed to tackle the causes of inequalities and to support populations affected by economic crisis, discrimination and inequalities. Civil society should monitor SDG10 implementation to see who is being left behind, and why. In July 2018, Greece published its Voluntary National Review on SDG progress,<sup>21</sup> but a national Strategy and National Action Plan for the Agenda 2030 has yet to be agreed.

The Hellenic Network to Combat Poverty and Social Exclusion<sup>22</sup> and the Basic Income Initiative<sup>23</sup> are assessing inequalities, good practices and proposals for better implementation of SDG 10 in Greece. We are looking at the impact on vulnerable groups of the various legislative initiatives described, always with a gender lens, and considering what still needs to be done to make a difference. We are looking in particular at asylum seekers, LGBTI people and people who use psychoactive substances.

## Recommendations

- Formulate a legal definition of, and establish the right to, an 'adequate standard of living', taking into account the work being done within the European campaign to establish a minimum guaranteed income.
- Ensure the right to temporary or permanent accommodation for the homeless.
- Restructure the taxation system so that it is redistributive.
- Launch pilot projects of Universal Basic Income across Greece, governed by principles of universality, unconditionality and adequacy. It will be important to use the pilots to assess the impact of Basic Income on both recipients and on the community in which they live.
- Continue to support vulnerable populations with monthly benefits until there is national coverage of the Basic Income Grant.

To read the full national report and the comprehensive Europe-wide report with all references, please visit: [www.sdgwatcheurope.org/SDG10](http://www.sdgwatcheurope.org/SDG10)



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World without Wars  
and Violence  
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FACES OF  
INEQUALITY



Global  
Call to Action  
Against Poverty



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- <sup>1</sup> <https://www.oecd.org/eco/surveys/Greece-2018-OECD-economic-survey-overview.pdf>
- <sup>2</sup> 2018 figures. OECD. Youth unemployment rate. <https://data.oecd.org/unemp/youth-unemployment-rate.htm#indicator-chart>  
The youth unemployment rate is the number of unemployed 15-24 year-olds expressed as a percentage of the youth labour force. Unemployed people are those who report that they are without work, that they are available for work and that they have taken active steps to find work in the last four weeks.
- <sup>3</sup> 2017 figures. Eurostat. In-work poverty in the EU. <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20180316-1>
- <sup>4</sup> 2017 figures. Eurostat. People at risk of poverty or social exclusion (people with an income below 60% of the national median income). [https://ec.europa.eu/eurostat/statistics-explained/index.php/People\\_at\\_risk\\_of\\_poverty\\_or\\_social\\_exclusion](https://ec.europa.eu/eurostat/statistics-explained/index.php/People_at_risk_of_poverty_or_social_exclusion)
- <sup>5</sup> 2016 figures. Eurostat. Income inequality in the EU. <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/EDN-20180426-1>
- <sup>6</sup> [https://www.researchgate.net/publication/272095361\\_The\\_Brain\\_Drain\\_Phenomenon\\_in\\_Greece\\_Young\\_Greek\\_scientists\\_on\\_their\\_Way\\_to\\_Immigration\\_in\\_an\\_era\\_of\\_crisis\\_Attitudes\\_Opinions\\_and\\_Beliefs\\_towards\\_the\\_Prospect\\_of\\_Migration](https://www.researchgate.net/publication/272095361_The_Brain_Drain_Phenomenon_in_Greece_Young_Greek_scientists_on_their_Way_to_Immigration_in_an_era_of_crisis_Attitudes_Opinions_and_Beliefs_towards_the_Prospect_of_Migration)
- <sup>7</sup> The average unemployment rate in the euro area is 8.5%, while in the EU28 it is 7.1%.
- <sup>8</sup> 2018 figures, Eurostat. Employment rate by sex. <https://ec.europa.eu/eurostat/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tesem010&language=en>
- <sup>9</sup> 2017 figures. Eurostat. Gender pay gap statistics. [https://ec.europa.eu/eurostat/statistics-explained/index.php/Gender\\_pay\\_gap\\_statistics](https://ec.europa.eu/eurostat/statistics-explained/index.php/Gender_pay_gap_statistics)
- <sup>10</sup> 2016 figures. Eurostat. Childcare and housework. <https://ec.europa.eu/eurostat/cache/infographs/womenmen/bloc-3d.html?lang=en>
- <sup>11</sup> This decision came into effect on 1<sup>st</sup> February 2019. <https://www.e-nomothesia.gr/kat-ergasia-koinonike-asphalise/upourgike-apophase-oik-4241-127-2019.html>
- <sup>12</sup> <https://opeka.gr/>
- <sup>13</sup> <https://www.lawspot.gr/nomikes-plirofories/nomothesia/n-4375-2016/arthro-71-nomos-4375-2016-ergasia-kai-apasholisi>
- <sup>14</sup> <http://www.ministryofjustice.gr/site/Portals/0/4356-2015.pdf>
- <sup>15</sup> <https://www.e-nomothesia.gr/kat-nomothesia-genikou-endiapherontos/nomos-4491-2017-fek-152a-13-10-2017.html>
- <sup>16</sup> <https://www.e-nomothesia.gr/law-news/demosieutheke-phek-nomos-4531-2018.html>
- <sup>17</sup> <http://www.moh.gov.gr/articles/health/anapytksh-monadwn-ygeias/3999-prosbash-twn-anasfalistwn-sto-dhmosio-systh-ma-ygeias>
- <sup>18</sup> <https://www.e-nomothesia.gr/kat-ygeia/farmakeia/upourgike-apophase-d3a-46628-2018.html>
- <sup>19</sup> <https://www.e-nomothesia.gr/kat-ygeia/nomos-4600-2019-phek-43a-9-3-2019.html>
- <sup>20</sup> Panhellenic Official Center for the Support of Social and Solidarity Economy  
<http://www.ggk.gov.gr/wp-content/uploads/2018/06/VNR-Greece-2018.pdf>
- <sup>22</sup> <http://socialpolicy.gr/2012/03/%cf%80%cf%81%ce%bf%cf%84%ce%ac%cf%83%ce%b5%ce%b9%cf%82-%cf%84%ce%bf%cf%85-%ce%b5%ce%bb%ce%bb%ce%b7%ce%bd%ce%b9%ce%ba%ce%bf%cf%8d-%ce%b4%ce%b9%ce%ba%cf%84%cf%8d%ce%bf%cf%85-%ce%ba%ce%b1%cf%84%ce%b1.html>
- <sup>23</sup> <https://www.basicincome.gr/portal/question/%cf%80%cf%89%cf%82-%ce%bf%cf%81%ce%af%ce%b6%ce%b5%cf%84%ce%b1%ce%b9-%cf%84%ce%bf-%ce%b2%ce%b1%cf%83%ce%b9%ce%ba%cf%8c-%ce%b5%ce%b9%cf%83-%cf%8c%ce%b4%ce%b7%ce%bc%ce%b1/>