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# Greece

## National report on the labour market position of vulnerable groups

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## **National report on the labour market position of vulnerable groups in Greece**

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## 1. Introduction

The purpose of this report, which is to be delivered for the WP2, is to record and promote the innovative and sustainable employment policies for Vulnerable Social Groups (EKO) in Greece. In particular, the objective is, on the one hand, to outline the framework of the employment policies for the vulnerable social groups before the crisis for the 2000-2008 period and the impact of the unemployment crisis and, on the other hand, to record of innovative employment policies that were adopted in order to encounter the consequences of the crisis and also to record the existing policies that continued to be implemented. The consequences of these policies are defined both positively as well as negatively concerning the status of these groups in the labour market. Finally, we attempt to represent the status of the Vulnerable Groups in the labour market as it is formulated after the 2008-2013 intervention period. The term "Vulnerable Groups" mainly refers to five different categories of the population: young people aged 15 to 24; older employees from 55 to 64; Persons with Disabilities (Disabled) aged 16 to 64; Immigrants or children of Immigrants who belong to the 25 to 54 age group; and women.

The aim of the research is to explain the evolution of the status of social vulnerable groups in the labour market after the interventions that were adopted to manage the crisis. In particular, the research focuses on the status that the social vulnerable groups before the recession (2000-2008) and how this was affected between 2008 and 2013 through the industrial changes and other factors that occurred. The same thinking sets the scene for the formulation of the following research questions:

- How has the financial crisis affected the labour market and the status of the social vulnerable groups in this market?
- What are the innovative policies that were developed to manage the consequences of the unemployment crisis of social vulnerable groups and what existing and sustainable policies continued to be applied?
- What were the employment policies for the social vulnerable groups before the recession and what is the status of these groups in the labour market?

- What is the final status of the social vulnerable groups in the labour market after the intervention that occurred between 2008 and 2013 or due to influences of broader institutional, socio-economic or demographic factors?

To reach a scientifically verifiable answer, the research is based on the combination of both the quantitative (statistical) and the qualitative method using the tool of a semi-structured interview with a tape recorder.

For the conduct of the qualitative method, an interview guide was established based on five themes of questions relating to: first, the status of the social vulnerable groups in the labour market before the crisis, second, the effects of the economic crisis on employment, third, the employment policies that were developed during the crisis, fourth the effects of policies and all other factors in the place of the social vulnerable groups in the labour market after interventions that lasted for five years (2008-2013).

The sample consisted of 17 qualitative research interviews with experts on issues of employment of a multilevel grid of operators and organizations. The experts that were qualified as respondents were chosen and verified by all participants in the program.

In particular, the types of experts who were interviewed are the following: Representatives of regional and/or national government and other political parties with knowledge of labour policies (Department for Social Inclusion of Vulnerable Groups of the Ministry of Labour, Social Welfare and Social Insurance, and Department for Social Inclusion of Vulnerable Groups of the Manpower Employment Organisation (O.A.E.D.), internationally or nationally recognized academics in the field of labour policies and vulnerable groups, representatives of employer organizations, employee organizations (Hellenic Federation of Enterprises (SEV), Institute of Employment of the General Hellenic co-federation of Workers (INE/ΓΣΕΕ), Institute of Small Businesses of the Hellenic co-federation of Small and Medium-sized Enterprises of Greece (IME/ΓΣΕΒΕΕ)) and national labour unions with an in-depth knowledge of the situation of vulnerable groups or representatives of national associations or NGOs defending the rights of vulnerable groups (disabled people, young people, Immigrants, older workers) (National co-federation of Persons with Disabilities (ΕΣΑΜΕΑ), Forum for Immigrants and Refugees, NGO Praksis, NGO Fifty Plus), as well as interviews with additional experts on issues of employment policies for the vulnerable groups (The Greek Ombudsman (Συνήγορος του Πολίτη),

Researchers in the field of Employment, Department of Labour Inspection (Σώμα Επιθεώρησης Εργασίας)). Because of the complexity of its content, it was necessary for the sample interview guide to undergo certain adjustments in order to correspond to the requirements of each participant. The table below summarizes the type of experts who were interviewed during the investigation.

**Table1: Type of expert interviewed**

Type of expert to be interviewed	sample	representatives
Representatives of regional and/or national government and other political parties with competences in labour policies	4	Υπουργείο Εργασίας Διεύθυνση ΕΚΟ (Βατσή), Υπουργείο Εργασίας Διεύθυνση Απασχόλησης (Διακουμάκου), ΣΕΠΕ (Κουρέντα), ΟΑΕΔ (Μπαξεβάνη)
Internationally or nationally recognized academics in the field of labour policies and vulnerable groups	2	Γ. Κουζής, Σ. Ρομπόλης
Representatives of employer organizations, employee organizations and national labour unions with depth knowledge of the situation of vulnerable groups	2	ΣΕΒ (Μπαρδάνη – Μίχου), ΓΣΕΕ (Γούλας)
Representatives of national associations or NGOs defending the rights of vulnerable groups (disabled people, young people, Immigrants, older workers)	4	Fifty Plus (Μεσθεναίου), Praxis (Βαρδαρομάτη – Kidner), Φόρουμ Μεταναστών (Μοαβία), ΕΣΑΜΕΑ (Γαργάλης)
Additional experts	4	Συνήγορος του Πολίτη (Ιωάννου – Αμοριανού), Δ. Καραντινός (ΕΚΚΕ), Η. Κικίλιας (ΕΚΚΕ-ΟΑΕΔ), ΙΜΕ- ΓΣΕΒΕΕ (Βαρδαρός)
<b>TOTAL INTERVIEWEES</b>	16	

## 2. Statistical overview of Greece

### 2.1. General Population and vulnerable groups

#### Overall view of the status of vulnerable groups, based on Eurostat data period 2000-2013

The following data is presented from the Eurostat's Labour Force Survey in order to allow for the comparability between different countries (participants) to take place and to provide information about the status of vulnerable groups in the Greek labour market from 2000 to 2013. More specifically, the statistics that are reviewed cover the period from 2000 to 2007 and from 2008 to 2013 as these are presented in Tables 1 to 12 and Charts 1 to 5.

**Table 1. Unemployment rates by age and nationality (%), from 2000 to 2007**

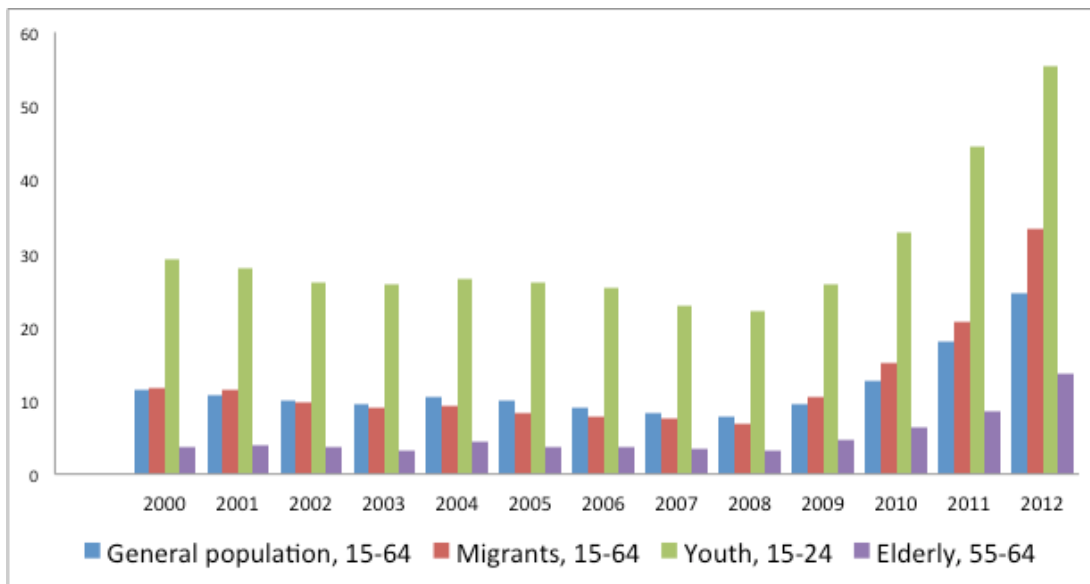
Indicators: Unemployment Rate Time	General population	Immigrants	Youth	Elderly
	Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
2000	11.5	11.6	29.2	3.7
2001	10.6	11.4	28.0	4.0
2002	10.1	9.8	26.1	3.8
2003	9.5	8.9	25.7	3.1
2004	10.4	9.3	26.5	4.3
2005	10.0	8.2	26.0	3.8
2006	9.0	7.9	25.2	3.7
2007	8.4	7.5	22.9	3.4

Source: Eurostat, Labour Force Survey (*lfsa\_unemp*, *lfsa\_urgan*),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)

**Table 2. Unemployment rates by age and nationality (%), from 2008 to 2012**

Time	Indicators: Unemployment Rate	General population	Immigrants	Youth	Elderly
		Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
<b>2008</b>		7.8	6.8	22.1	3.2
<b>2009</b>		9.6	10.5	25.8	4.6
<b>2010</b>		12.7	15.0	32.9	6.3
<b>2011</b>		17.9	20.7	44.4	8.5
<b>2012</b>		24.5	33.3	55.3	13.6

Source: Eurostat, Labour Force Survey (lfsa\_unemp, lfsa\_urgan),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)



**Chart 1. Bar chart showing Unemployment rates by age and nationality (%), from 2000 to 2012**

**Table 3. Employment rates by age (%), from 2000 to 2007**

Time	Indicators: Employment Rate	General population	Immigrants	Youth	Elderly
		Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
<b>2000</b>		56.6	x	27.4	39.4
<b>2001</b>		56.5	x	26.3	38.2
<b>2002</b>		57.7	x	26.8	38.9



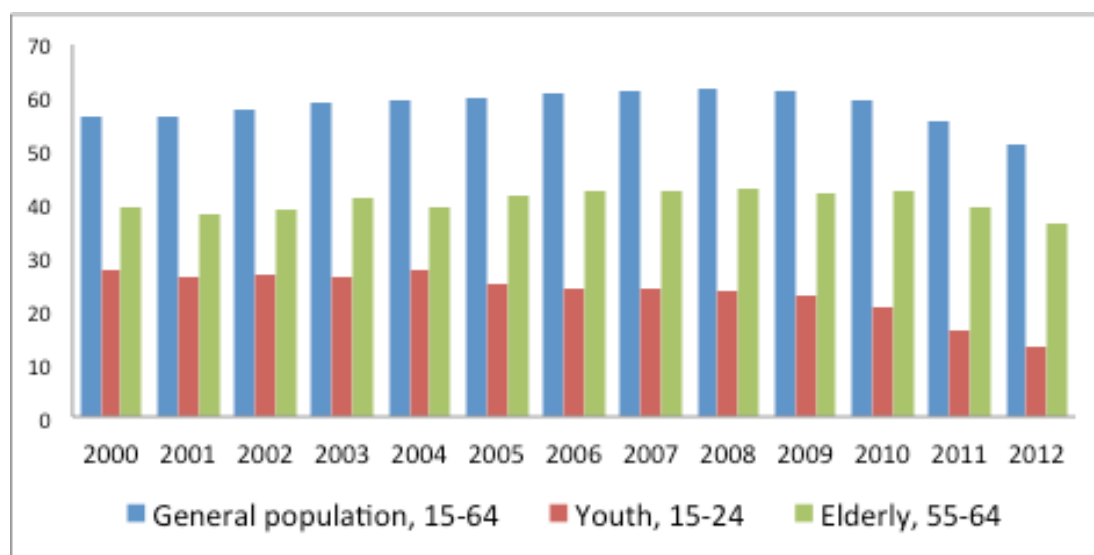
<b>2003</b>	58.9	x	26.2	41.0
<b>2004</b>	59.6	x	27.4	39.4
<b>2005</b>	60.1	x	25.0	41.6
<b>2006</b>	61.0	x	24.2	42.3
<b>2007</b>	61.4	x	24.0	42.4

Source: Eurostat, Labour Force Survey (lfsa\_emprt, lfsa\_ergan),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)

**Table 4. Employment rates by age (%), from 2008 to 2012**

Time	Indicators: Employment Rate	General population	Immigrants	Youth	Elderly
		Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
<b>2008</b>		61.9	x	23.5	42.8
<b>2009</b>		61.2	x	22.9	42.2
<b>2010</b>		59.6	x	20.4	42.3
<b>2011</b>		55.6	x	16.3	39.4
<b>2012</b>		51.3	x	13.1	36.4

Source: Eurostat, Labour Force Survey (lfsa\_emprt, lfsa\_ergan),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)



**Chart 2. Bar chart of Employment rates by age (%), from 2000 to 2012**

**Table 5. Long-term unemployment (12 months or more) as a percentage of total unemployment (%), from 2000 to 2007**

Time	Indicators: Long-term unemployment	General population	Immigrants	Youth	Elderly
		Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
<b>2000</b>		x	x	x	x
<b>2001</b>		x	x	x	x
<b>2002</b>		x	x	x	x
<b>2003</b>		x	x	x	x
<b>2004</b>		x	x	x	x
<b>2005</b>		x	x	x	x
<b>2006</b>		x	x	x	x
<b>2007</b>		34.7 (u)	x	x	x

Source: Eurostat, Labour Force Survey (lfsa\_unemp, lfsa\_upgal),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database),

*u stands for low reliability*

**Table 6. Long-term unemployment (12 months or more) as a percentage of the total unemployment (%), from 2008 to 2012**

Time	Indicators: Long-term unemployment	General population	Immigrants	Youth	Elderly
		Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
<b>2008</b>		25.1 (u)	x	x	x
<b>2009</b>		23.5 (u)	x	x	x
<b>2010</b>		41.3 (u)	x	x	x
<b>2011</b>		30.2 (u)	x	x	x
<b>2012</b>		41.9 (u)	x	x	x

Source: Eurostat, Labour Force Survey (lfsa\_unemp, lfsa\_upgal),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database),

*u stands for low reliability*

**Table 7. Inactive population as a percentage of the total population, by age (%), from 2000 to 2007**

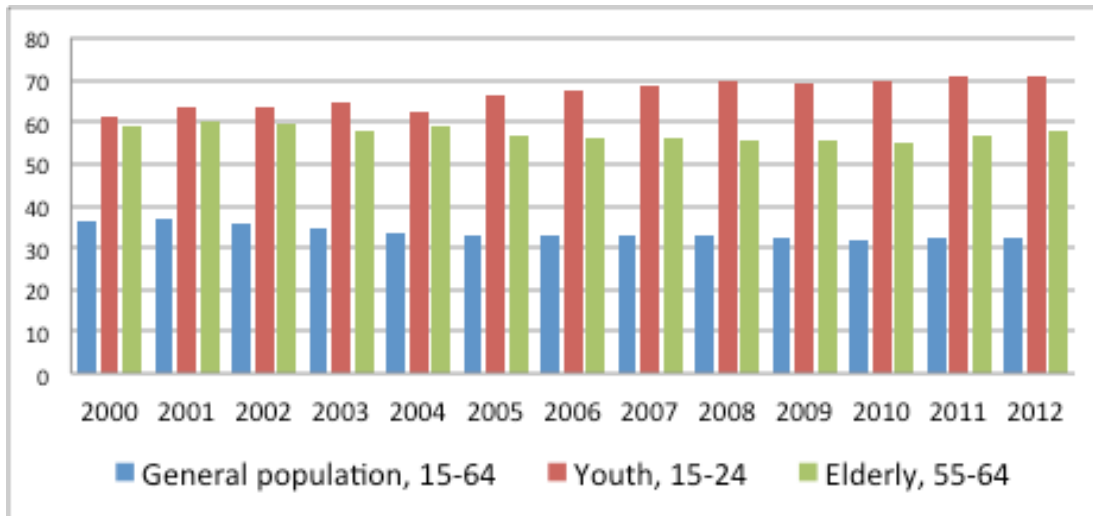
Time	Indicators: Inactivity Rate	General population	Immigrants	Youth	Elderly
		Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
<b>2000</b>		36.1	x	61.3	59.1
<b>2001</b>		36.8	x	63.5	60.2
<b>2002</b>		35.8	x	63.7	59.5
<b>2003</b>		34.9	x	64.8	57.6
<b>2004</b>		33.5	x	62.7	58.8
<b>2005</b>		33.2	x	66.3	56.8
<b>2006</b>		33.0	x	67.6	56.1
<b>2007</b>		33.0	x	68.9	56.1

Source: Eurostat, Labour Force Survey (lfsa\_inac, lfsa\_ipga),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)

**Table 8. Inactive population as a percentage of the total population, by age (%), from 2008 to 2012**

Time	Indicators: Inactivity Rate	General population	Immigrants	Youth	Elderly
		Age: 15-64	Age: 15-64	Age: 15-24	Age: 55-64
<b>2008</b>		32.9	x	69.8	55.8
<b>2009</b>		32.2	x	69.1	55.8
<b>2010</b>		31.8	x	69.7	54.9
<b>2011</b>		32.3	x	70.8	56.9
<b>2012</b>		32.1	x	70.8	57.8

Source: Eurostat, Labour Force Survey (lfsa\_inac, lfsa\_ipga),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)



**Chart 3. Bar chart of Inactive population as a percentage of the total population, by age (%), from 2000 to 2012**

**Table 9. Temporary employees as percentage of the total number of employees, by age and nationality (%), from 2000 to 2007**

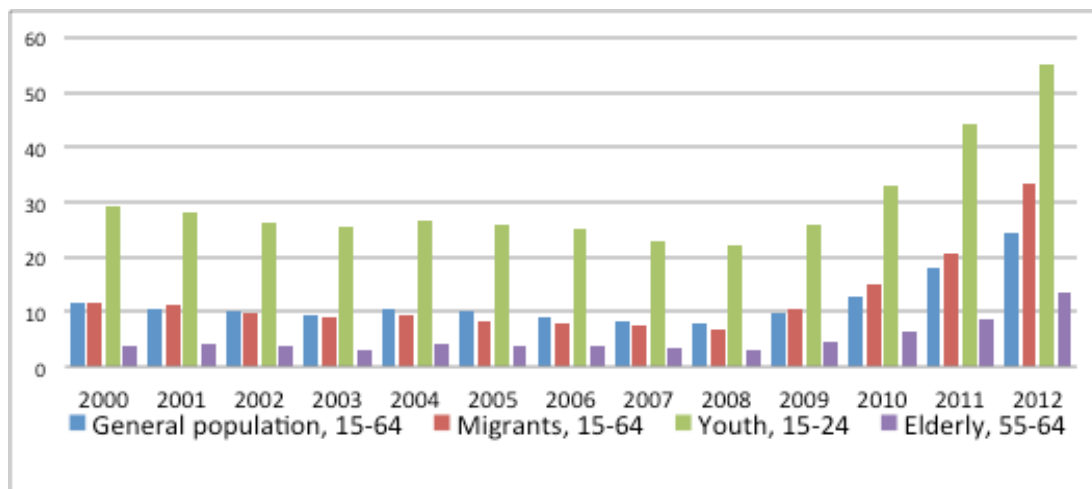
Indicators: Temporary employment Time	General population	Immigrants	Youth	Elderly
	Age: 15-74	Age: 15-64	Age: 15-24	Age: 55-74
<b>2000</b>	13.8	24.7	29.6	8.0
<b>2001</b>	13.5	22.4	29.2	8.9
<b>2002</b>	11.8	18.3	26.4	7.5
<b>2003</b>	11.3	19.9	24.6	7.4
<b>2004</b>	12.4	22.5	26.3	7.4
<b>2005</b>	11.8	19.1	26.5	8.7
<b>2006</b>	10.7	17.3	25.0	7.1
<b>2007</b>	10.9	16.4	27.0	6.2

Source: Eurostat, Labour Force Survey (lfsa\_emptemp, lfsa\_etpga, lfsa\_etpgan), [http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)

**Table 10. Temporary employees as percentage of the total number of employees, by age and nationality (%), from 2008 to 2012**

Indicators: Temporary employment Time	General population	Immigrants	Youth	Elderly
	Age: 15-74	Age: 15-64	Age: 15-24	Age: 55-74
<b>2008</b>	11.5	17.3	29.2	6.3
<b>2009</b>	12.1	20.1	28.4	6.8
<b>2010</b>	12.4	25.2	30.4	7.6
<b>2011</b>	11.6	27.6	30.1	6.7
<b>2012</b>	10.0	20.2	25.9	6.3

Source: Eurostat, Labour Force Survey (lfsa\_emptemp, lfsa\_etpga, lfsa\_etpgan), [http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)



**Chart 4. Bar chart of temporary employees as percentage of the total number of employees by age and nationality (%), from 2000 to 2012**

**Table 11. Part-time employment as a percentage of the total employment, by age and nationality (%), from 2000 to 2007**

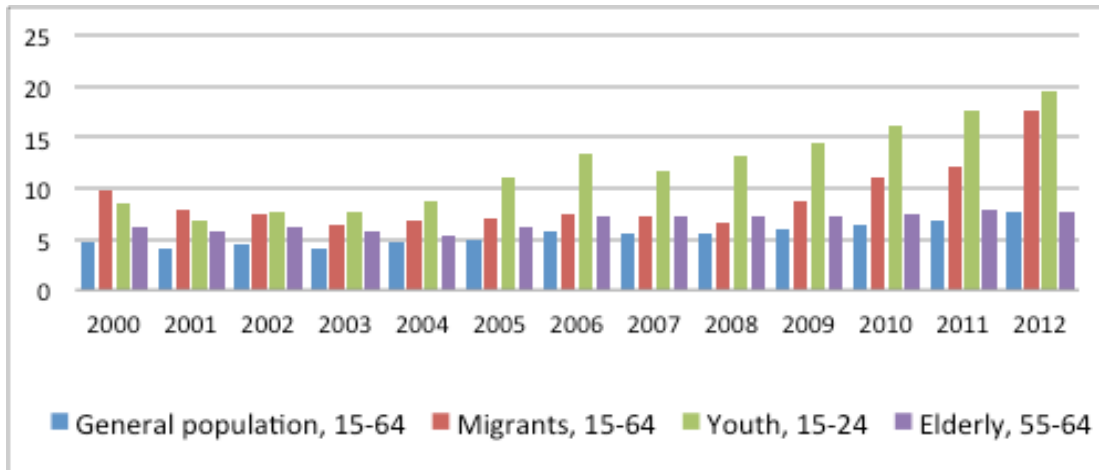
Time	Indicators: Full time and Part time employment	General population	Immigrants	Youth	Elderly
		Age: 15-74	Age: 15-64	Age: 15-24	Age: 55-74
<b>2000</b>		4.6	9.7	8.6	6.2
<b>2001</b>		4.0	7.8	6.9	5.7
<b>2002</b>		4.4	7.4	7.6	6.1
<b>2003</b>		4.1	6.3	7.7	5.8
<b>2004</b>		4.6	6.8	8.8	5.4
<b>2005</b>		4.9	7.1	11.1	6.2
<b>2006</b>		5.7	7.5	13.3	7.2
<b>2007</b>		5.6	7.2	11.6	7.3

Source: Eurostat, Labour Force Survey (*lfsa\_emptemp*, *lfsa\_etpga*, *lfsa\_etpgan*),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)

**Table 12. Part-time employment as a percentage of the total employment, by age and nationality (%), from 2008 to 2012**

Time	Indicators: Full time and Part time employment	General population	Immigrants	Youth	Elderly
		Age: 15-74	Age: 15-64	Age: 15-24	Age: 55-74
<b>2008</b>		5.6	6.5	13.2	7.3
<b>2009</b>		6.0	8.8	14.5	7.3
<b>2010</b>		6.3	11.1	16.2	7.4
<b>2011</b>		6.7	12.1	17.7	7.8
<b>2012</b>		7.7	17.6	19.4	7.7

Source: Eurostat, Labour Force Survey (*lfsa\_emptemp*, *lfsa\_etpga*, *lfsa\_etpgan*),  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_unemployment\\_lfs/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_unemployment_lfs/data/database)



**Chart 5. Bar chart of Part-time employment as a percentage of the total employment, by age and nationality (%), from 2000 to 2012**

## Additional National and International Statistics

In this section, we provide some additional national and international statistics. According to the Labour Force Survey and the Hellenic Statistical Authority, the monthly seasonally adjusted and non-adjusted Unemployment Rate estimates for 15 – 74 age group and for the Jan. 2013-Oct. 2013 estimation period are given in Table 13. Therefore, an approximation for the Unemployment Rate for 2013 would be equal to 27% (mean adjusted Unemployment Rate = 27,28%, mean non-adjusted Unemployment Rate = 27,03%).

**Table 13. Monthly seasonally adjusted and non-adjusted estimates for Unemployment Rate, ages 15-74, Jan. 2013-Oct. 2013**

Months	Adjusted	Non Adjusted
January	26.5	27.6
February	26.6	27.6
March	26.8	27.0
April	27.2	27.6
May	27.5	27.5
June	27.5	26.3
July	27.6	26.4
August	27.6	26.9
September	27.7	26.5
October	27.8	26.9

Source: [http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p\\_param=A0101&r\\_param=SJO02&y\\_param=2013\\_01&mytabs=0](http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p_param=A0101&r_param=SJO02&y_param=2013_01&mytabs=0)

The same survey presents information in Table 8 concerning the monthly seasonally adjusted and non-adjusted estimates for the Unemployment rate for the 15-74 age group for 2007 which can lead us to a comparison between the periods before and during the economic crisis. In the last column of Table 14, we provide the differences in the non-adjusted Unemployment Rate, between 2007 and 2013.

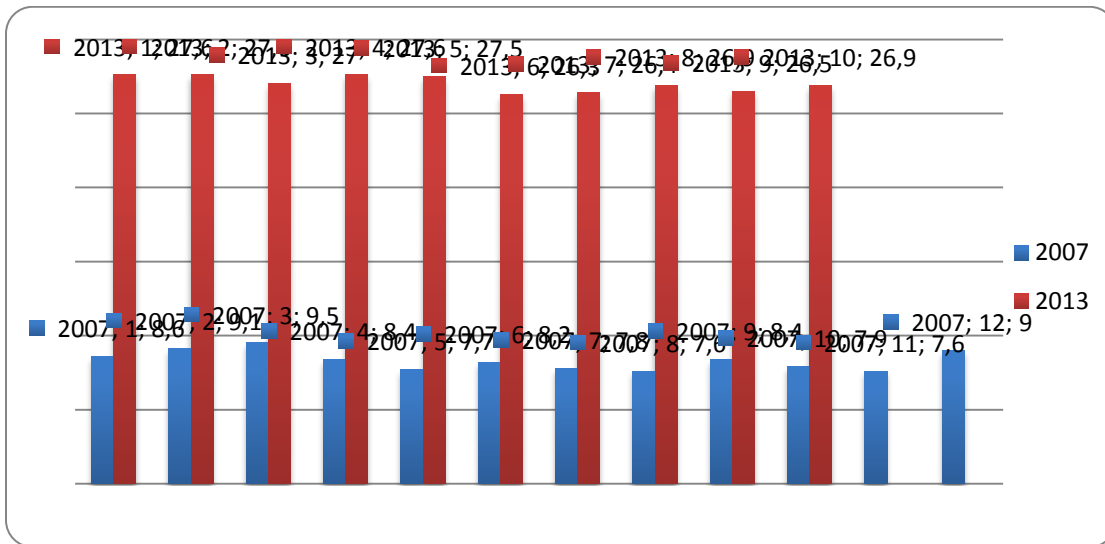


**Table 14. Monthly seasonally adjusted and non-adjusted estimates for the Unemployment Rate in the 15 – 74 age group for the Jan. 2013 – Oct. 2013 and Jan. 2007 – Dec. 2007 periods.**

Months	2013		2007		Difference
	Adjusted	Non Adjusted	Adjusted	Non Adjusted	Non Adjusted
January	26.5	27.6	8.7	8.6	+19.0
February	26.6	27.6	8.7	9.1	+18.5
March	26.8	27.0	8.7	9.5	+17.5
April	27.2	27.6	8.5	8.4	+19.2
May	27.5	27.5	8.3	7.7	+19.8
June	27.5	26.3	8.2	8.2	+18.1
July	27.6	26.4	8.1	7.8	+18.6
August	27.6	26.9	8.1	7.6	+19.3
September	27.7	26.5	8.1	8.4	+18.1
October	27.8	26.9	8.1	7.9	+19.0
November	-	-	7.9	7.6	
December	-	-	8.0	9.0	

Source: [http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p\\_param=A0101&r\\_param=SJO02&y\\_param=2013\\_01&mytabs=0](http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p_param=A0101&r_param=SJO02&y_param=2013_01&mytabs=0)

The following graph (Chart 6) shows in a clustered bar-chart the information provided in Table 8.



**Chart 6. Bar chart of non-adjusted Unemployment Rate for 2007, 2013.**

Moreover, the unemployment rates for the population of 15 years by age and sex for 2013 by quarter are given in Table 15. We observe a very slight decrease in the unemployment rates (total and male population), which is not the case for the female total population.

**Table 15. Unemployment rates for the 15+ age group by age & sex: 2013 by quarter**

	Unemployment rate			
	1st quarter 2013	2nd quarter 2013	3rd quarter 2013	4th quarter 2013
<b>TOTAL</b>	<b>27.4</b>	<b>27.1</b>	<b>27.0</b>	-
15-19	73.4	72.3	70.5	-
20-24	57.9	57.0	54.9	-
25-29	41.2	44.4	43.8	-
30-44	26.1	25.5	25.8	-
45-64	19.7	18.9	18.9	-
65 +	7.5	11.3	8.3	-
<b>MALES</b>	<b>24.7</b>	<b>24.1</b>	<b>23.8</b>	-
15-19	66.9	65.5	64.6	-
20-24	52.9	52.2	50.9	-
25-29	39.2	41.7	41.0	-
30-44	22.9	21.8	21.8	-
45-64	18.4	17.6	17.3	-
65 +	8.6	13.5	9.7	-
<b>FEMALES</b>	<b>31.0</b>	<b>31.1</b>	<b>31.3</b>	-
15-19	83.3	82.3	77.2	-
20-24	64.0	62.6	60.2	-
25-29	43.7	47.6	47.2	-
30-44	30.1	30.3	30.9	-
45-64	21.5	20.7	21.3	-
65 +	5.1	5.5	5.2	-

Source: [http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p\\_param=A0101&r\\_param=SJO01&y\\_param=TS&mytabs=0](http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p_param=A0101&r_param=SJO01&y_param=TS&mytabs=0)

The same information for the year 2007 is revealed in Table 16.

**Table 16. Unemployment rates of population 15+ by age, sex: 2007 by quarter**

Age groups and sex	Unemployment rate			
	1st quarter 2007	2nd quarter 2007	3rd quarter 2007	4th quarter 2007
<b>TOTAL</b>	<b>9.1</b>	<b>8.1</b>	<b>7.9</b>	<b>8.1</b>
15-19	30.8	24.9	23.6	26.7
20-24	24.0	21.5	21.8	21.9
25-29	14.4	14.3	14.0	14.3
30-44	8.3	7.2	6.9	7.2
45-64	4.8	4.1	3.8	4.0
65 +	1.1	1.3	1.0	1.2
<b>MALES</b>	<b>5.7</b>	<b>5.0</b>	<b>4.9</b>	<b>5.2</b>
15-19	23.1	16.2	17.6	20.6
20-24	17.1	13.7	13.6	15.8
25-29	10.5	10.6	10.6	11.0
30-44	4.8	4.0	3.8	4.1
45-64	2.9	2.5	2.4	2.4
65 +	0.9	1.4	1.0	1.2
<b>FEMALES</b>	<b>13.9</b>	<b>12.6</b>	<b>12.2</b>	<b>12.3</b>
15-19	42.5	37.7	33.4	35.8
20-24	32.8	31.2	31.9	29.3
25-29	19.6	19.0	18.6	18.6
30-44	13.0	11.5	11.1	11.3
45-64	7.9	6.7	6.2	6.6

65 +	1.4	1.1	1.0	1.0
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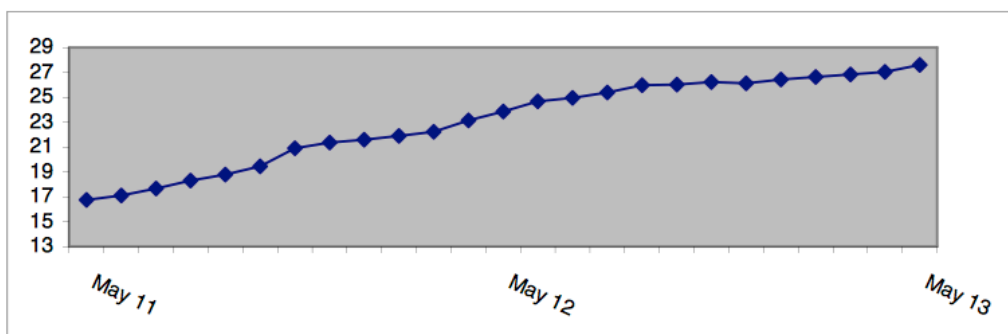
[http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p\\_param=A0101&r\\_param=SJO01&y\\_param=TS&mytabs=0](http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p_param=A0101&r_param=SJO01&y_param=TS&mytabs=0)

Moreover, according to the Hellenic Statistics Authority<sup>1</sup> the unemployment rate in May 2013 was 27.6% compared to 23.8% in May 2012 and 27.0% in April 2013. The number of employed was 3,621,153 persons. The number of unemployed was 1,381,088 while the number of inactive members of the labour force was 3,318,671. The corresponding figures for May 2008 to 2013 are presented in Table 17.

The number of employed decreased by 171,356 persons compared with May 2012 (a decrease of 4.5%) and by 22,815 persons compared with April 2013 (a decrease of 0.6%). Unemployment increased by 193,668 persons (an increase of 16.3%) compared with May 2012 and by 30,558 persons compared with April 2013 (an increase of 2.3%). Inactive persons – that is, persons that neither worked nor looked for a job– decreased by 33,535 persons (a decrease of 1.0%) compared with May 2012 and increased by 20,508 persons compared with April 2013 (an increase of 0.6%).

Chart 7 provides a line-graph of the unemployment rate by month and the estimation period from May 2011 to May 2013.

**Unemployment rate by month (May 2011 – May 2013)**



1

[http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101\\_SJO02\\_DT\\_MM\\_05\\_2013\\_01\\_F\\_EN.pdf](http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101_SJO02_DT_MM_05_2013_01_F_EN.pdf)

## Chart 7. Line-graph of Unemployment Rate by month, May 2011-May 2013.

[http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101\\_SJO02\\_DT\\_MM\\_05\\_2013\\_01\\_F\\_EN.pdf](http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101_SJO02_DT_MM_05_2013_01_F_EN.pdf)

**Table 17. Unemployment rate by age groups: May 2008-2013<sup>1</sup>**

Age Group	May					
	2008	2009	2010	2011	2012	2013
15-24 years old	19.6	25.1	31.9	41.7	55.1	64.9
25-34 »	10.2	11.6	16.1	23.2	32.7	37.7
35-44 »	5.8	7.5	10.1	13.7	20.2	24.7
45-54 »	4.0	5.9	8.2	11.6	17.6	20.9
55-64 »	3.0	4.3	6.1	8.1	12.8	16.2
65-74 »	0.8	0.9	1.2	2.3	4.9	9.6
<b>Total</b>	<b>7.3</b>	<b>9.1</b>	<b>12.1</b>	<b>16.7</b>	<b>23.8</b>	<b>27.6</b>

[http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101\\_SJO02\\_DT\\_MM\\_05\\_2013\\_01\\_F\\_EN.pdf](http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101_SJO02_DT_MM_05_2013_01_F_EN.pdf)

<sup>1</sup> Estimates of "rare" characteristics, that is estimates of characteristics that refer to 10.000 persons or less, are accompanied by large sampling errors, as for example in the case of unemployment rate in the age group of 65 – 74 years old

According to the Hellenic Statistical Authority and the [Employment of disabled people \(Ad hoc 2002\)](#) survey, 18.2% of the total population of Greece is facing health problems or some kind of disability and more than half of them are 65 or older. The unemployment rate for this group is less than the total unemployment rate (8.9% and 9.6% respectively). Moreover, 84% of this group is inactive compared to the respective percentage for the total population is 58%.<sup>2</sup> More information is presented in Table 18.

<sup>2</sup>[http://www.statistics.gr/portal/page/portal/ver-1/ESYE/BUCKET/A0102/PressReleases/A0102\\_SJO12\\_DT\\_AH\\_00\\_2002\\_01\\_F\\_GR.pdf](http://www.statistics.gr/portal/page/portal/ver-1/ESYE/BUCKET/A0102/PressReleases/A0102_SJO12_DT_AH_00_2002_01_F_GR.pdf)

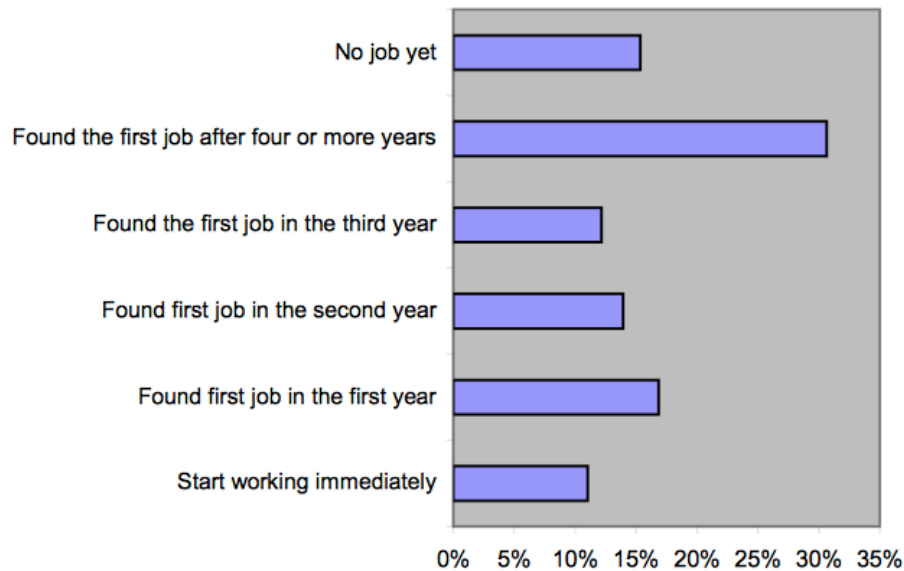
**Table 18. Existence of health problem or disability, by gender, age group and employment status**

	With a health problem		Without a health problem	
	Number	%	Number	%
Males	738,846	17.0	3,617,556	83.0
Females	922,928	20.1	3,678,321	79.9
15-19 years old	14,739	2.2	643,749	97.8
20-24 years old	20,750	2.9	695,196	97.1
25-29 years old	24,604	3.1	772,342	96.9
30-44 years old	138,259	5.8	2,237,178	94.2
45-64 years old	473,684	18.5	2,088,952	81.5
65+ years old	989,737	53.6	858,461	46.4
Employed	275,898	6.6	3,914,277	93.4
Unemployed	29,133	6.3	432,919	93.7
Inactive	1,356,743	31.5	2,948,682	68.5
<b>Total</b>	<b>1,661,774</b>	<b>18.6</b>	<b>7,295,878</b>	<b>81.4</b>

Source: [http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p\\_param=A0102&r\\_param=SJO12&y\\_param=2002\\_00&mytabs=0](http://www.statistics.gr/portal/page/portal/ESYE/PAGE-themes?p_param=A0102&r_param=SJO12&y_param=2002_00&mytabs=0)

Based on the Entry of Young People into the Labour Market survey (Ad hoc, 2009), the age when young people enter the labour market is placed relatively late: 22. The percentage of persons at this age or younger who had prior work experience does not exceed 50%. Even at the age of 25, 20% of the respondents had no work experience. According to the survey results, the first job that most young people find is as employees. For the majority, the first job is a temporary full-

time job (40.5%), while a considerable percentage (11.4%) found a part-time job – either permanent or temporary. 27.9% of the respondents found a job one year after the completion of their studies. A significant percentage of respondents (30.7%) reported that they found a job four or more years after they had stopped their formal education.<sup>3</sup> The time they took to find their first job is presented in Chart 8.



**Chart 8. The time that elapses before candidates find their first job**

Source:

[http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0102/PressReleases/A0102\\_SJO19\\_DT\\_AH\\_00\\_2009\\_01\\_F\\_EN.pdf](http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0102/PressReleases/A0102_SJO19_DT_AH_00_2009_01_F_EN.pdf)

Table 19 shows long-term unemployment (12 months and over) as estimated by the OECD report (2013), "Long-term unemployment (12 months and over)", *Employment and Labour Markets: Key Tables from OECD*, No. 3. (doi: [10.1787/unemp-lt-table-2013-1-en](https://doi.org/10.1787/unemp-lt-table-2013-1-en)).

<sup>3</sup>[http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0102/PressReleases/A0102\\_SJO19\\_DT\\_AH\\_00\\_2009\\_01\\_F\\_EN.pdf](http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0102/PressReleases/A0102_SJO19_DT_AH_00_2009_01_F_EN.pdf)



**Table 19. Long-term unemployment (12 months and over) as a % of total unemployment**

2005	52.1
2006	54.3
2007	50.0
2008	47.5
2009	40.8
2010	45.0
2011	49.6
2012	59.3

Source: [Labour market statistics: Unemployment by duration: incidence, OECD Employment and Labour Market Statistics \(database\) http://www.oecd-ilibrary.org/employment/long-term-unemployment-12-months-and-over\\_20752342-table3](http://www.oecd-ilibrary.org/employment/long-term-unemployment-12-months-and-over_20752342-table3)

Table 20 shows long-term unemployment (12 months and over) as estimated in the OECD Factbook 2009, Economic, Environmental and Social Statistics.<sup>4</sup>

**Table 20. Long term unemployment (12 months and over) as a % of total unemployment**

2000	56.4
2001	52.8
2002	52.7
2003	56.3
2004	54.8

Source: OECD Factbook 2009, Economic, Environmental and Social Statistics, <http://dx.doi.org/10.1787/543025087648>

In addition, Table 21 includes data concerning the long-term unemployment rate from the Labour Force Survey and the lfsa\_upgan&lang=en dataset. There is an evident difference in the years 2010 and 2012 between the percentages presented in Tables 13 and 15.

**Table 21. Long term unemployment (12 months and over) as a % of total unemployment**

2007	34.7(u)
2008	25.1(u)
2009	23.5(u)
2010	41.4
2011	31.7(u)
2012	42.3

<sup>4</sup> <http://dx.doi.org/10.1787/factbook-2009-en>

Source: [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsa\\_upgan&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsa_upgan&lang=en)

We should also note that according to the Hellenic Statistical Authority<sup>5</sup> Labour Force Survey for the third quarter of 2013, the percentage of the “long-term” unemployed, that is the percentage of persons that have been looking for a job for one year or more, is 71.0%.

According to the INE GSEE<sup>6</sup>, the long-term unemployed in 2013 corresponded to approximately two-thirds of all unemployed (65.6%), whereas the respective percentage for 2012 was 56.5%. Moreover, according to the same study, the unemployment rate for 2014 is expected to reach 31.5%.

Moreover, the information provided by the [Survey of the Labour Market Status of Immigrants and their Descendants](#) (Ad Hoc, 2008) conducted by the Hellenic Statistical Authority is presented in Table 22.

**Table 22. Individuals of foreign nationality by employment status**

	Greek Nationals				Non-nationals		No answer	
	With one at least parents born in Greece		With both parents born in Greece		Count	%	Count	%
Employment Status	Count	%	Count	%				
Employed	4.092.951	54.3	55.121	48.0	367.215	68.0	56.674	40.6
Unemployed	319.317	4.2	9.148	8.0	24.806	4.6	3.872	2.8
Unemployment rate		7.2		14.2		6.3		6.4
Inactives	3.120.579	41.4	50.469	44.0	148.323	27.4	79.107	56.6
Total		90.5		1.4	540.345	6.5	139.653	1.7

Source: ESYE, [Survey on Labour Market Situation of Immigrants and their Descendants](#), (Ad Hoc 2008), [http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0102/PressReleases/A0102\\_SJO13\\_DT\\_AH\\_00\\_2008\\_01\\_F\\_EN.pdf](http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0102/PressReleases/A0102_SJO13_DT_AH_00_2008_01_F_EN.pdf)

**Table 23. Immigration in Greece by main citizenship group, 2010**

EU-27	Total	Nationals	Non-Nationals

<sup>5</sup> [http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101\\_SJO01\\_DT\\_QQ\\_03\\_2013\\_01\\_F\\_EN.pdf](http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0101/PressReleases/A0101_SJO01_DT_QQ_03_2013_01_F_EN.pdf).

<sup>6</sup> <http://www.inegsee.gr/sitefiles/files/ekthesh-15email.pdf>

	Immigrants (1000)	(1000)	(%)	Total		Citizens of other EU member states		Citizens of non- member states	
				(1000)	(%)	(1000)	(%)	(1000)	(%)
Greece	119.1	64.1	53.9	54.9	46.1	18.7	15.7	36.2	30.4

Source:

[http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Migration\\_and\\_migrant\\_population\\_statistics/el](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Migration_and_migrant_population_statistics/el)

**Table 24. Immigration in Greece, 2010**

Total Immigrants in Greece	1,132,800
Immigrants in Greece as a percentage of the total population	10.1%
Women Immigrants as a percentage of the total immigrant population	44.6

Source: [http://emmedia.pspa.uoa.gr/resources/Publications/Metanastefsis\\_Epikaira/ME\\_2011\\_1.pdf](http://emmedia.pspa.uoa.gr/resources/Publications/Metanastefsis_Epikaira/ME_2011_1.pdf)

**Table 25. Immigration in Greece, 2010, 2011, 2012**

Greece	Total Immigrants
2010	119,070
2011	110,823
2012	110,139

Source: Eurostat, International migration flow (migr\_imm1),

[http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=migr\\_imm1ctz&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=migr_imm1ctz&lang=en)

### **3. The Pre-Recession Labour Market status of vulnerable groups (2000-2008).**

#### **The Qualitative study**

##### **3.1. Introduction and Policies for General Population**

The results that were concluded from the application of the research plan that was established initially and the processing of the data obtained from the interviews can be classified under the following categories:

- The context of the labour market and the types of initiatives relating to the Pre-Recession employment policies (2000-2008)
- The impact of the recession on the labour market and on the formulation of employment policies
- The types of innovative policies that were implemented to encounter the effects that the recession had on the labour market as well as the strong recommendation of strict and sustainable policies.
- The final outcome of the status that the vulnerable groups (EKO) have in the labour market after the recession (2008-2013) and interventions to be addressed for encountering the recession as expressed by the respondent bodies.

The labour market in Greece was already showing inherent peculiarities long before the recession which were interpreted as a consequence of the "historical path" that the structure of the Greek economy was following at the time. Salient features of this structure constituted, on the one hand, the existence of many small businesses that achieved their survival in the market mainly through services offered by family members or by employing few paid employees (usually less than five) who often work in non-standard employment and undeclared economic activities (**Katsios S.**, 2006 **IOBE**, 2012).

In this way, the prevalence of self-employment and the weak presence of large firms are evident. Also, along with this phenomenon, there is the co-existence of high rates of non-standard/undeclared work because of the particular ways in which these small enterprises function (**Kouzis, J. et al.** 2012). These elements formed the Greek labour market with specificities that were based on the peculiar production structure of the Greek economy. On the other hand, unemployment effects were smoothed out largely by the employment in the public sector. This phenomenon was usually evident during election periods and was associated with the so-called client voting. In other words, it was a labour market with strong dualistic elements in which there were cases of overprotected workers in the public sector and of layered unprotected workers in the private sector (**Petmesidou, M.; Guillén, A.** 2008, **Matsaganis, M.** 2012, **Schwander, H. Häusermann, S.** 2013).

The employment framework during the 2000-2008 period is characterized by attempts to move towards active employment policies. It is projected that it was implemented under the strong influence of the “Europeanization” of Greek social policy. In particular, in the field of employment this occurs in accordance with the Treaty of Amsterdam (1997), which sets as priority the flexibility of the labour market and the employability of workers. This trend coexists with the aforementioned pathologies of the Greek employment structure. In this context, the interventions during this period occurred mostly under the guidance of the European Union, through funds raised by the Community Support Frameworks (CSFs) for the economic support of these operations.

Active labour market policies were set up in Greece with the supervision and financial assistance of European Structural Funds in 1984 but they are not well financed as they absorb less than 0.2% of annual GDP while unemployment benefits represent less than 0.7% (**OECD,** 2013). The main active employment policies to be adopted during this period may be divided into three major categories:

#### A. Promoting Employment through New Jobs Initiatives

These programs aim to subsidize new jobs in the private sector by offering incentives to employers for hiring unemployed workers. The main content of the intervention of these programs was related to business grants for hiring unemployed workers for a period of two years with the commitment to remain with the company without a subsidy for another year.

## B. Initiatives for Freelancers

The programs concerning freelancers were aimed at providing financial assistance and counselling on the entrepreneurship of the unemployed. According to this thinking, unemployed persons who were preparing a business plan were receiving financial aid in two annual instalments to start their own business.

## C. Subsidized Training Programs

The training programs were aimed at providing new skills to the unemployed in order to maximize their chances of finding a job. These programs constituted the main aspect of active employment policies. Their content was designed to offer subsidized training on new technologies or a specific professional skill for a specified period of time.

From 1985 to 2008, the beneficiaries of active labour market policies were nearly 35.000 unemployed per year representing about 10-12% of the total unemployment rate. According to most evaluation studies on active labour market policies in Greece, it is estimated that 25-30% of these beneficiaries retained their employment after the end of the subsidized period (Dimoulas and Michalopoulou, 2008). This means that their net effect in the total employment is less than 0.3% although it is applied in the context of high annual economic growth.

Furthermore, active labour market measures are operating as mediators to client voting financially those who are “better-off” (Dimoulas and Michalopoulou, 2008). Usually, the beneficiaries of active labour market policies in Greece are not the most vulnerable and disadvantaged unemployed but the better-off who had connections with political party leaders (Dimoulas and Michalopoulou, 2008).

## 3.2. Information on the Status of Vulnerable Groups on the Labour Market

During the 2000-2008 period, it is difficult to distinguish targeted policies for the employment of vulnerable groups. Any interventions for specific population groups are specializations of three

horizontal ALMP as mentioned previously. In the context of these three categories, a special support program is included usually for unemployed young people, women and people with disabilities to help them enter the labour market. Listed below are the main types of interventions for vulnerable social groups that are included in employment policies:

### 3.3. The Status of Youth on in the Labour Market

**Youth:** Youth unemployment in Greece was at high rates before the crisis outbreak. The main characteristic of youth unemployment is that it is stable at levels three times higher than the general unemployment levels. Also, over 60% of young people are inactive because of their participation in education, while their major participation in temporary and part-time employment does not serve by any conventional standard as a countermeasure to the high unemployment rates.

To manage this problem, the development of active forms of employment occurs mainly through training programs for youth, grant programs of new jobs initiatives in the private sector for unemployed young people, youth entrepreneurship programs for freelancers, as well as initiatives related to work experience acquisition which are relatively short-term programs and cover a very small proportion of young unemployed workers. The latter was applied in the form of “stages” and was related to temporary internships in the public sector with no provision of insurance coverage and with no technical developments in the employment opportunities of the young people in the labour market.

### 3.4. The Status of Elderly Workers in the Labour Market

**Older workers:** The supranational recommendations on the issue of older workers during that period mainly concern the problems and the directions of employed aged workers. In contrast, in Greece there are measures which seek to assist in the completion of the required stamps for early retirement, mainly through LAEK (Account for Confronting Unemployment and Vocational

Training), voluntary retirements or business grant programs for hiring older workers until they retire. Moreover, the unemployment rates of older workers are lower than those of all other vulnerable groups (Tab.1). In spite of their small contribution to employment, those unemployed who are older than 50 years are involved only in a small scale in temporary and part-time employment and when they work, they are normally hold in full-time status.

Active employment policies for this target age group have not been the subject of an independent plan but they are part of a matrix of policies aiming to promote employment and reintegration of the unemployed in general. In particular, older unemployed are subject to structures and measures that are taken by the State to address the phenomenon of unemployment, without any methodical involvement with the peculiarities of this group of unemployed. The only exception are perhaps the early retirement schemes implemented extensively from 2000 until the beginning of the recession and the more favourable conditions for the payment of unemployment benefits (N 1892 /90) .

Most programs on employed aged workers were fragmented and are not integrated into a broader strategy for the employment of older people. With few exceptions, they are designed and implemented as a response to employment problems of immediate priority, without taking the necessary time to plan and process these interventions. It is usually a combination of subsidy programs for employment and enhancing the employability of older unemployed workers, but with inconclusive results as data on the beneficiaries of these programs are not systematically recorded and actions for assessing the effects on employment after the completion of the implementation cycle are not applied (Dimoulas et. al. 2008).

Also, the retention of older workers in employment through measures aiming to improve working conditions, the ergonomic arrangement of workplaces, the time flexibility in starting and leaving work, gradual or partial retirement were not treated as interventions of utmost importance, since other stronger incentives prevail regarding the retention of older people in employment such as the granting of low pensions (Dimoulas et. al. 2008).



### 3.5. The Status of the Disabled in the Labour Market

There is no comprehensive employment policy for disabled persons in Greece. It is mostly the family who is responsible for their care and only a very small percentage of them are employed.

Law N. 2643/1998 requires every firm with more than 50 persons to include disabled persons in its workforce up to a percentage of 4% if they are private firms and a ratio of 5% if they are public firms. These persons must range from 18 to 45 years of age when they are hired as permanent employees. According to the Institute for the study of SMEs in Greece (<http://www.imegsevee.gr/tekmiriws/statistics>) there are only 2,600 firms employing more than 50 persons. Most of those firms do not abide by the law and do not employ any disabled persons.

Additionally, firms that employ disabled persons can ask the employment authorities to subsidize the cost for the arrangement of their work area so that it is appropriate for the disabled employees. This particular initiative started at 1998 but the subsidies stopped in 2008 because of the recession.

### 3.6. The Status of Women in the Labour Market

**Women:** Women are identified as a target group before the crisis mainly due to transnational pressures. As part of the main employment programs, training programs and initiatives for women's entrepreneurship are being developed. A special feature here is the systematic attempt to provide incentives for the self-employment of women in rural areas through the creation of cooperatives. Additionally, indirect interventions to assist the employment of women are identified, such as the EU funding for the creation of day care centres or the “day school” initiative. Particular priority to these interventions is given to the single-parent families and working mothers.

### 3.7. The Status of Immigrants in the Labour Market

#### **Immigrants:**

The period between 2000 and 2008 is characterized by the continuous increase of the participation in the labour market and the employment rates of the indigenous population, while in the case of the foreign population, a weak or marginal decline is presented respectively. (Bagavos, 2008). During the same period the unemployment rate among immigrants is shown to be at the same level as the rate of the general population (Tab.1). However, the Immigrants appear to be working in temporary and part-time jobs in a much greater proportion.

The easy and efficient access of immigrants in the labour market works as an offset to the difficult and demanding legalization of the immigrants. The three legislative efforts to legalize the immigrants that took place after the year 2000 along with the partial revision of the latest legislation, Law N. 3536/2007, did not produce the expected results because there were too many gaps and contradictions in the law (Papadopoulou, 2008). The typical incorporation of the EU directions for the integration of immigrants was achieved through Law N. 3386/2005 but, basically, the opportunities that are provided by both community texts remain inactive as of today since a grid of formal and substantial preconditions do not allow for their effect to take place according to the legislation provided by any of the two community texts, except in exceptional cases. The issue of political integration of immigrants residing in Greece does not seem to have been solved yet.

As to their participation in official programs for their integration in the labour market by the Ministry of Labour, their representation here is also not satisfactory. These programs focus on learning the Greek language while leaving out the entire range of vocational integration of immigrants in certain fields of the primary and secondary sector of the Greek economy where their representation is of utmost importance. Also, the conditions for them participating in programs of free enterprise are extremely burdensome for the immigrants. These interventions are governed primarily by the logic of exerting control rather than the promotion of employment. At the same time, it is assumed that the absorption of immigrants into the labour market took

place in terms of non-standard employment rather than formal employment. Regarding the framework of employment itself, a limited range of interventions can be identified, as part of the aforementioned active employment policies. Finally, programs that are run by community funding and relate to employment consulting or information on the rights of immigrants at work or the conduct of tutorials for learning the Greek language, they all hold a marginal role.

### 3.8. Additional Information on the Vulnerable Groups in the Labour Market

These reports outline the employment policies over the 2000-2008 period. It should be noted that, apart from the general programs, in a few cases there are limited interventions that are undertaken at the regional level. These interventions are mainly concerned with the regions of Northern Greece, such as Epirus and Western Macedonia, where the Integrated Regional Programs focus on the unemployed caused by large factory units that relocated to Balkan countries. The content of these interventions is the same as the content of those of the general categories. For instance, it includes training sessions, it offers incentives to businesses that hire workers, entrepreneurship programs and incentives for the early retirement of older employees.

## **4. The Crisis, Policies in the Crisis and the Effect of the Crisis on the Vulnerable Groups**

### **4.1. Introduction and Policies for the General Population**

The debt burden compels the Greek government to spend a lot of money on amortizations and it unavoidably disables Greece from borrowing in the financial market causing greatly the cut back of most social provisions. The recession reached a 20% between 2010 and 2013. Disposable income was reduced by 30%, private consumption by 23% and the investment rate by 51% (Bank of Greece 2014). During the crisis, the unemployment rate escalated above the level of 24% in 2012 affecting mainly younger workers (55.3%) and immigrants (33.3%) while the unemployment rate of elderly workers quadrupled (See Table 2). Furthermore, the employment structure nearly collapsed as the employment rate of the working age population was reduced to 51.3% losing more than 10 percentage points since 2008. The youth employment rate was affected much more than the general population rate and the policies for the increase of their participation in the labour market proved to be insufficient as their employment rate fell at 13.1% (see Table 4). In the context of the huge and persisting unemployment rate, the social security system is incapable of providing sufficient benefits even to those who are secured. The recipients of unemployment allowances are less than 16% of the unemployed persons (OAED, 2013).

The outbreak of the recession is affecting rapidly and violently the Greek labour market. An image of collapse emerges from all the interviews. The interviews of experts showed a more dramatic illustration than the above. According to the views expressed, there are dramatic effects on employment in the private sector. These effects relate to both quantitative and qualitative characteristics of the employment. All the previously mentioned social pathologies are enhanced. In particular, the aforementioned distortions in the structure of the Greek employment reveal the seriousness of the consequences that are brought about by this crisis with a major effect on job losses and the abolition of fundamental labour rights.

The strongest impact of the crisis affects the small and medium-sized enterprises (SMEs) as these held the second highest employment rate of workers after the public sector. Nevertheless, scale surveys do not seem to record redundancies in small businesses, but only shortly before

they are forced to close down. These unprecedented levels of unemployment also lead to serious repercussions on the qualitative dimension of the labour market.

In 2011, after consulting with small entrepreneurs and self-employed, the required unemployment insurance for self-employed and small entrepreneurs was established. Each self-employed person is required to pay unemployment insurance contributions based on their annual income. From 2011 to 2013 they were paying 10.00 euros per month. As far as the provisions for former small entrepreneurs are concerned, a minimum number of unemployed self-employed persons (more or less 7,000 persons) receives a flat-rate and conditional unemployment benefit for a maximum period of 5 months.

However, a more reliable representation of the situation emerges when taking into consideration the following general observations:

The very large number of unemployed persons generates dramatic conditions in the field of industrial relations. It draws an analogy between one for every two unemployed workers which “subsidizes” the bargaining power of the employers against the workers. The crisis and the threat of dismissals have resulted in the 'normalization' of informal aspects of employment. An intensity of non-standard forms of employment and undeclared employment in the private sector is observed. The vast majority of small businesses change the working hours and days of work or wage costs of employment or all together in a downgrading scale. The prime example here is the case of immigrants in which, according to testimonies, those who had managed to flee the “grey zone” of non-standard forms of employment, in the best case, they return back there, and in the worst case, they seem to be unable to meet the conditions of legal residence and return to unauthorized residence. At the same time, this whole situation deprives the Persons with Disabilities of any integration prospects in the employment sector. Yet, women are represented in a negative proportion in the participation rates in comparison with the representation of men. This occurs because the latter nearly reach the unemployment rates of women, instead of women reaching the employment rates of men. The negative combination of all of these dimensions of the crisis has created the necessity to institutionalize innovative employment policies for managing these extraordinary circumstances.

The most substantial measures undertaken by the three successive Greek governments under the strict supervision of “troika” (the European Commission, the IMF and the European Central Bank) were those who intended to increase the availability of work by reducing the cost of hiring and dismissing people. These measures included<sup>7</sup>:

- the official reduction of a minimum wage by approximately 22% for adults and nearly - 32% for new entrants who are under the age of 25.
- increasing implementation of rotational employment and fixed-term contracts; the reduction of levels of compensation for redundancy by 50%
- increase in levels of collective dismissals permitted to each firm, from 2% to 5% of the workforce per month
- prohibition of any increase in wages until the unemployment rate decreases to below the threshold of 10%
- a rise in out-of-pocket costs for health and social services.

For the general population, the results of the research show that the measures that were taken to manage the consequences of the crisis in the employment sector can be sub-divided into two periods of time.

The first period extends from 2010 to 2012. During this period, the policies that were implemented were seeking to curb redundancy measures which led to the flexibility of the labour market and the labour relations.

Yet, from the period of 2012 until the end of '13, there are management programs focusing on short-term forms of training, internships and community service. At the same time, with all these new elements, the pre-crisis applied ALMP still persist under the form of entrepreneurship and training programs that emerge as resilient policies in the context of a non-resilient labour market. These measures continue to be horizontal, while from 2012 onwards, there are also some targeted interventions for the management of youth unemployment.

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<sup>7</sup> Laws 4093/2012, 4046/2012 and Legislative Action of the National Council of Ministers Number 6 of 20-6-2012.

Over the 2010-2012 period, a series of new measures in the labour market were implemented, with the stated objective of increasing the competitiveness of employment to avoid redundancies. The main measures introduced were relating to the following areas:

- **Changes in the labour legislation based on competitiveness:** These measures cover a number of changes in the labour legislation in order to make the labour market more flexible. In addition to the measures outlined above, this includes settings such as the reduction in social security contributions, the reduction of time for the employee's notifications and the cost of compensation while extending the instalments paid by the employers, the extension in the period of hiring workers, the abolition of the principle of favourable regulation and the prolongation of collective bargaining agreement, abolition of the role of the Organization for Mediation & Arbitration (O.ME.D.), the opening hours of shops to be extended on Sundays .
- **Measures for Maintaining Employment:** In order to retain the redundancies in parallel with the changes in the employment legislation, a series of measures was developed aiming at providing incentives for sustaining the status. The most widely used measure of these interventions was the job retention program implemented by the Manpower Employment Organization (O.A.E.D). This was a program which was aimed at businesses in the private sector in order to subsidize the workers' social security contributions, while obliging the companies to refrain from redundancies throughout the program.

The public subsidization of the employers' social security contributions ranges from 25 per cent to 100 per cent for each employee for a period of two to four years, depending on the employee's target group.<sup>8</sup> The main criteria for this subsidy are that the firm occupies a maximum of 30 employees. To comply with this measure, employers are obliged to retain their workforce for an

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<sup>8</sup> For young people the subsidies are 100 percent covered by the employers' social contributions during the first two years, and a 25 percent of the cost for the following two years, covering 25,000 unemployed young people. For seasonal employees in the tourist sector the subsidies are 70 percent covered by the employers' contributions for a maximum of two months, covering 70,000 employees. For workers facing the risk of redundancies, the employer is entitled to a subsidy of 75 per cent of social security contributions for a period of 12 months.

additional period of nine months. Under this scheme, it is estimated that more than 200,000 jobs (mainly seasonal and those that benefit younger people) will be partly funded and a further total of 400,000 jobs in small and medium sized enterprises (SMEs) will be maintained.

These initiatives proved ineffective in terms of employment as they did not manage to curb the explosion of unemployment while the rise in the number of fixed-term and part-time contracts, and rotational working arrangements increased being incapable of counterbalancing the reduction in full-time employment (see tables 9,10,11 and 12).

The failure of these measures to preserve jobs led to a sharp increase in unemployment. The need for the easing off of this serious social problem led to the implementation of measures focusing on enhancing the employability through training sessions and community service funded by the NSRF. This phenomenon emerges intensely from 2012 onwards focusing on young people and the long-term unemployed.

- **TOPSA:** The Local Action Plans for Employment aimed at creating jobs for the unemployed, with the activation and mobilization of the local authorities. The initiative includes activities such as vocational training and education, educational internships in private companies, development of a business plan, specialized evaluation services and research to create new businesses. On the other hand, the TOPEKO initiative addresses exclusively
- **Voucher Initiatives for entering the labour market:** The voucher initiatives were referring to one month theoretical training of and five months of internship in companies for young unemployed up to 29 years. At the same time, placement initiatives for vocational training with coupons and vouchers also appear in the tourism sector.

**The government as the "Employer of Last Resort":** The measure refers to the supply of fixed-term employment by the state or the local government for long-term unemployed who have no job prospects in the private sector. The program has a community service status of a period of five months and its main objective is to maintain employability and to combat the long-term unemployment. This specific program (which is operating nowadays) is co-financed from the



European Social Fund. Most temporary employees who participate in this program work under the supervision of the Local Authorities. At the same time, it is prohibited for the Local Authorities to hire any employee officially because of the austerity measures, and so there is a very high probability for the substitution to occur if not the displacement effect which are common side-effects on subsidized employment (Schmid, et. al., 1996)

Aside from the innovative standard policies, there are also some targeted employment policies for social vulnerable groups that should be mentioned. The recipients of these policies could be considered to be mainly young people, who appear to be the group that is most affected by the recession. But it must be pointed out that beyond the minimum political interference that is described immediately below, there are no targeted policies for the vulnerable social groups of the disabled and elderly workers. It should also be noted that new emerging groups such as the homeless has not been addressed systematically by targeted policies to date.

- **TOPEKO:** The Local Actions for the Integration of Vulnerable Social Groups aim at motivating and mobilizing local stakeholders to ensure the creation of new jobs for unemployed vulnerable social groups as a result of detecting specialized local needs and promoting development opportunities in specific geographical areas.

#### 4.2. The Status of Youth in the Labour Market

- **Programs for young people:** The first intervention for the problem of the youth unemployment is the aforementioned requirement of entry into the labour market through the coupons voucher. The second policy that is expected to be applied is the institution of apprenticeship. There is an evident shift towards technical education and the return of the institution of apprenticeship. This is pursued through the implementation of the "Youth Guarantee" initiative which aims to combat the youth exclusion from education and the labour market. The third intervention is planned and expected to be implemented by the NSRF 2 and refers to the closer networking of liaison offices with the employment sector. It will put even more emphasis on the institution of internships at universities and particularly in the Schools of Technical Professions. It will also provide more resources

in the coming years for mentoring and counselling offices in the labour market. Finally, establishment of the National Qualifications Framework will seek the professional classification of all the professional qualifications in the field of education, from the lower level of compulsory education up to the higher educational level of doctorate. The objective of this intervention is the even greater mobility of workers within the EU. Also in the same context, the initiative of the new Erasmus plus is putting greater emphasis on practical placement status that addresses wider groups of young people and not just students.

#### 4.3. The Status of Immigrants in the Labour Market

- **Interventions for Immigrants:** Especially for the group of immigrants an intervention could be considered the establishment of the “labour ticket” (ergosimo). Another measure is aimed at reducing the required number of stamps for the renewal of residence permits. A third imminent intervention concerns the simplification of the procedures for the five-year residence permits to facilitate the legal movement from Greece to other EU countries, while the two-year residence permits are expected to be extended to three years. At the same time, a significant emigration from Greece to countries of origin or to Europe is more than evident. Finally, the unemployment of immigrants, mainly for those coming from Asia, pushes them towards the creation of very small businesses such as barber shops, clothing repairs, etc.
- Among the new institutions that were established for immigrants and their participation in the local community, there are the Councils for the Integration of Immigrants (SEM). However, according to researchers and the first assessments, the institution does not seem to operate effectively in most cases in which municipal authorities were invited to implement the measure. The reasons behind this inertia of the application of the institution are either the lack of political will and allocation of resources for the functioning of the institution, or the negative assessment of the local authorities that the

institution is discriminatory and exacerbates the problem of immigrants regarding their participation in local community. (Αγγελάκη, 2014 , p. 151 -164 ).

### **The status of disabled persons in the labour market**

According to the Ministry of Labour and Social Security in 2011 there were nearly 325,000 disabled pensioners and 38 different allowances were provided to more or less 600,000 disabled persons but many of them by cheating the social security system. The government established a new organization in 2012 responsible for the accreditation of disabled persons with the aim to reduce the beneficiaries of disability pensioners to less than 80,000 by 2015.

Because of the financial constraints only a limited number of disabled persons are supported to find employment through activation measures. Currently, a very limited proportion of the private firms that will occupy subsidized disabled person will be subsidized by 90% of the cost (2500 euros maximum) in order to rearrange ergonomically the working place for the occupation of 50 disabled beneficiaries.

Furthermore, those firms that will hire disabled persons (a maximum of 19 individuals) are fully subsidized for the cost of social contributions for a maximum of 3 years with the commitment to occupy the subsidized disabled persons for at least 48 months in total.

### **The status of elderly in the labour market**

During the recession, the unemployment rate of older workers doubled but has not reach the level of youth and migrant unemployment rates, not even that of the general population. Early retirement schemes were abandoned, the average retirement age increased by law to five years and the official retirement age was defined at least by the completion of the 67th year.

Furthermore, the gradual increase in the minimum full-time working years has been agreed to constitute the precondition to get full-time pension. From 2015, the pension level will be defined according to the sum of all contributions instead of the average of the better 5 years it had been taken into account before (Law 3863/2010). Furthermore, the annual accrued rate does not exceed 1.2% on average (**Matsaganis** 2012).

Other measures to support the employment of elderly persons include the subsidized employment of aged unemployed who need less than 1,500 days (or 5 years) of contributions in

order to be eligible for retirement. The aim of the program is to subsidize the active employment for a maximum of 5 years of 2,500 aged unemployed who are unable to become eligible retirees because they lack the minimum requirements in contributions. Furthermore, since 2011, local authorities are subsidized when they employ unemployed who are more than 55 years old (maximum subsidies for 5,000 persons)

## **5. Factors Affecting the Status of Vulnerable Groups-Conclusions**

As a general observation on the status of the vulnerable groups as well as the general population in the crisis, we may note that due to the content of the interventions, a generalized vulnerability of the entire workforce could be detected towards the entire working force. There is a sharp transition from a distorted and unevenly protected labour market into a fully flexible one with pervasive features of labour precariousness and the threat of unemployment. The labour model based on full and stable employment is fully challenged with the activation of a variety of flexible formulations, such as the enhancement of temporary employment, part-time or subcontracting employment, or the hiring of labour. The starting point of these measures is placed before the crisis and they are intensified during the crisis. The flexibility of the working time is reinforced and a general downgrading harmonization of the employment conditions is implemented.

Under these circumstances, each worker potentially belongs to a vulnerable social group. The result of this evolution is the deterioration of the status of those groups that were considered to be vulnerable in the previous period. That is, those most affected were already experiencing social problems and exclusion from the labour market. The recession and the lack of jobs lead to the exacerbation of the pre-existing youth unemployment. The removal of the protective grid of the labour market leaves the elder workers, who are threatened by unemployment, exposed to the social risks. The absence of targeted measures eliminates any prospect for people with disabilities of entering the labour market. The flexibility in the working and the unemployment sector increases the numbers of the undeclared employment of immigrants and it leads back into the grey zone even those who had managed to avoid from it in previous years. Unemployment leads to negative equation of the employment levels between men and women. All these

developments have a negative impact on the employment compensation of the pre-existing vulnerable groups and lead to the emergence of new forms of vulnerability and, therefore of social exclusion in the Greek society.

The crisis does not bring new trends; rather it accelerates the developments and the orientations that are presented in the last period of time. The chronic problems of the Greek labour market are enhanced, such as the systematic exclusion of young people and of people with disabilities and the inability to reintegrate older workers who lose their jobs. It exacerbates the problems of the informal employment of immigrants and it sets the problems into a general context which affect the entire productive working population. It leads to a negative equation of the employment levels between men and women. A fundamental result of all these changes and interventions that followed is not the inclusion of vulnerable groups in the employment sector, but a widespread vulnerability to the entire working population. The crisis dissipates and conveys the job insecurity in the total labour force while it dismantles the labour rights and the social gains of several decades.

There is a sharp transition from an unequal and disproportionately protected "dualistic" labour market into an out of control flexible, with no safety net labour market. On the other hand, the interventions that take place in the last two years, in reality, seem to result in the substitution of employment. The spirit of the active employment policies that appeared in times of growth seem to persist, at a time, when a strong need emerges for interventionist policies to fight the recession. The new policies are on the same track as the previous ones putting far greater emphasis on forms of training, such as internships and apprenticeships, and on forms of promote the employability of the unemployed, such as community work. These policies are not associated with any overall design which leads to work inclusion. Instead, it appears to constitute an end in itself of managing a new employment reality.

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