



HELLENIC REPUBLIC

MINISTRY OF ECONOMY AND FINANCE



**GENERAL SECRETARIAT OF  
THE NATIONAL STATISTICAL SERVICE  
OF GREECE**

Piraeus, 16.4.2009

## ***P R E S S   R E L E A S E***

### **STATISTICS ON INCOME AND LIVING CONDITIONS 2007**

The General Secretariat of National Service of Greece announces the results on Statistics on Income and Living Conditions in households of year 2007 with reference income year the previous calendar year (2006).

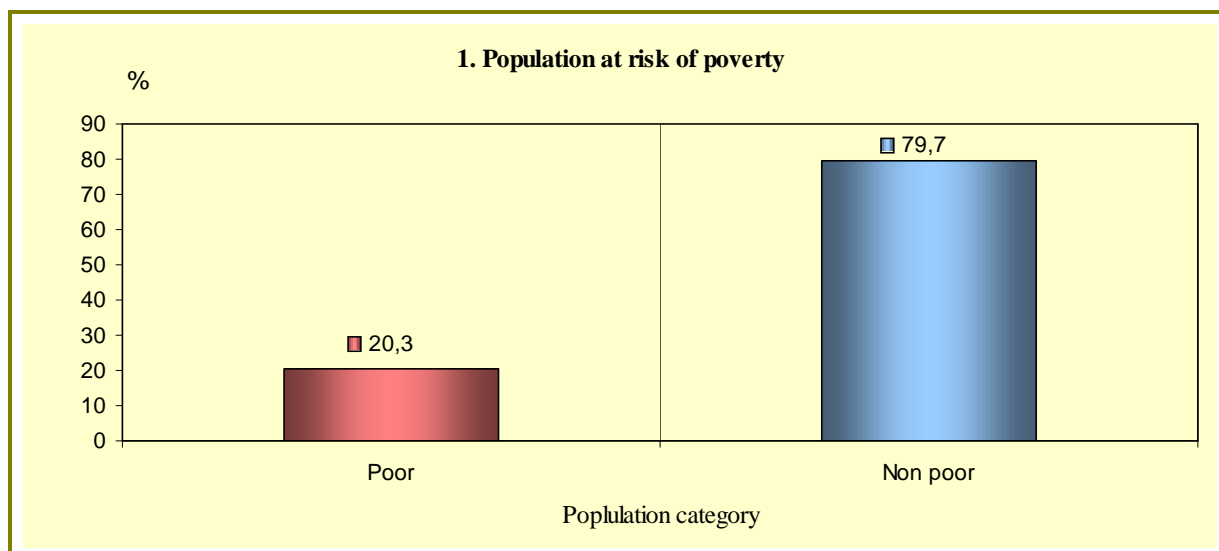
#### **A. At risk-of-poverty rate and poverty threshold**

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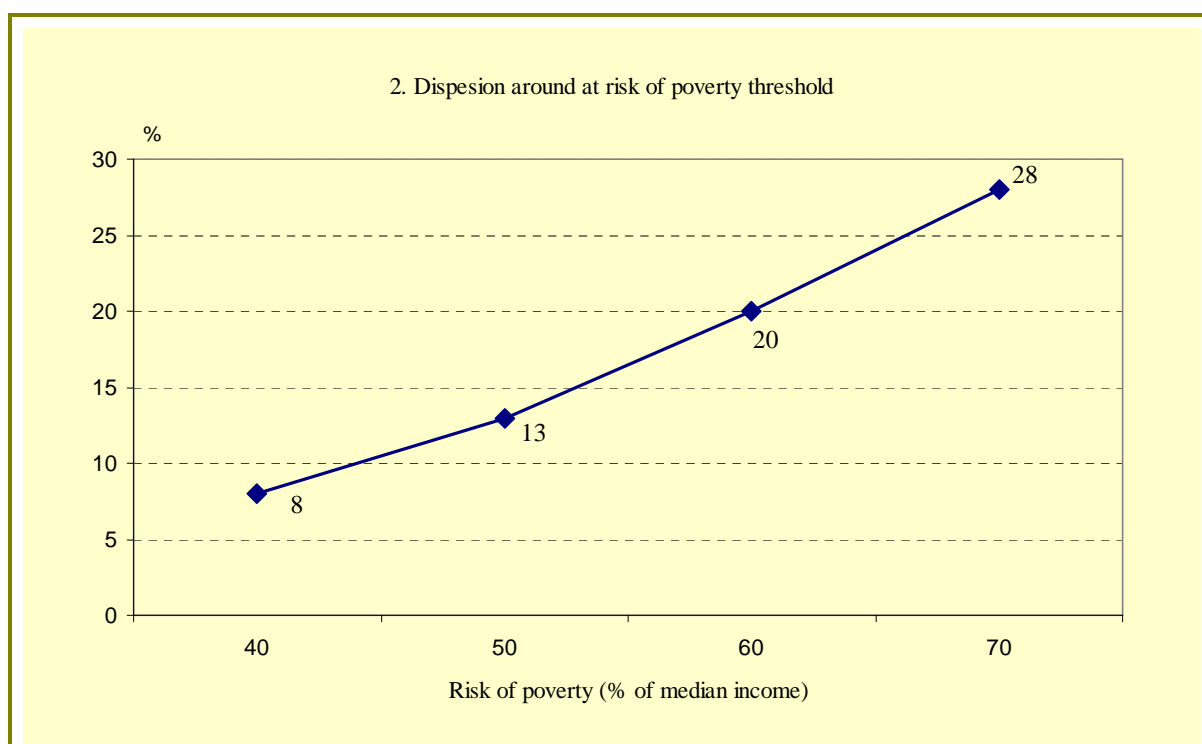
<b>At risk-of-poverty rate</b>	<b>20%</b>
Poverty threshold of one person household	6.120,00 euro
Poverty threshold of Household with 2 adults and 2 dependent children	12.852,00 »
Mean equivalized income	12.130,28 »
Mean equivalized disposable income	21.140,37 euro

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- In 2006, the 20,3% of total population of Greece was residing in households with low income. It is noted that this indicator calculated with the same methodology indicates relative stability the last 12 years where we have available data, ranges between 20% and 23% (rounded data).
- The threshold of risk of-poverty is risen in 6.120,00 euro per person yearly and in 12.852,00 euro per households with two adult and two dependent children
- The mean equivalized income is risen in 12.130,28 euros per person and the mean total equivalized disposable income of the household in 21.140,37 euro.
- The households which are at risk of poverty, are estimated in 838.910 and their members in 2.190.933

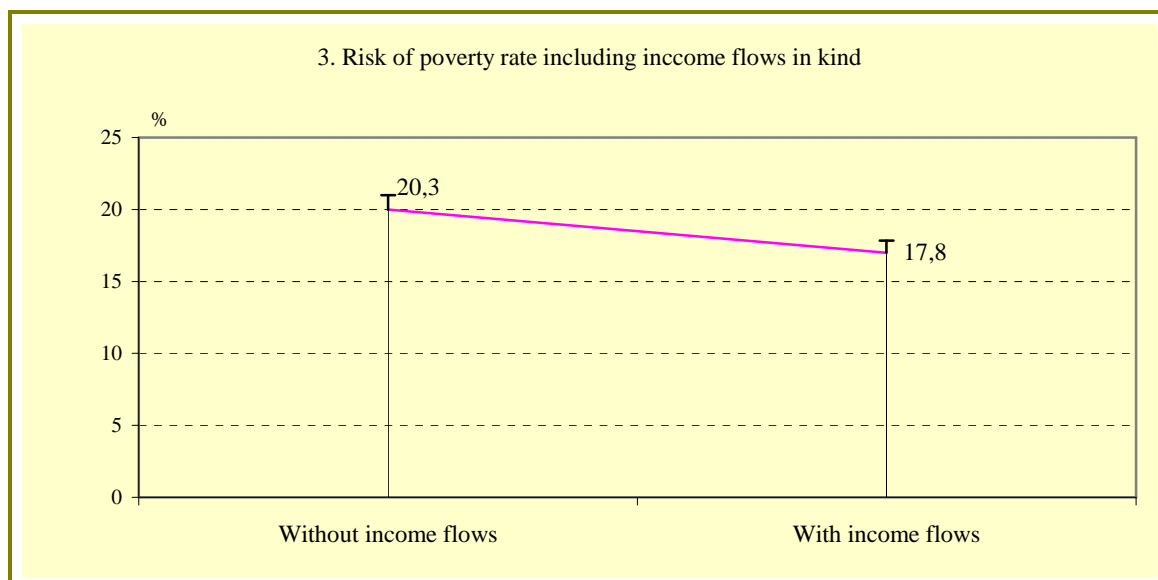


- The risk of poverty, calculated with dispersion around the risk of poverty threshold in 40%, 50% and 70% of total equivalised disposable household income, is risen in 8%, 13% and 28%, respectively (graph 2).



## B. Population at risk of poverty (including income flows in kind)

- The risk of poverty rate after including in disposable income flows income as like ownership-occupancy, benefits in kind and own production, is decreased, approximately 2,5 percentage units (graph 3).
- The major decrease calculated in age group 65 years old and over, where the risk of poverty estimated in 17% from 23% and in age group 75 years old and over in 25% from 31%, so we have decrease of 6 percentage units (table 2c).

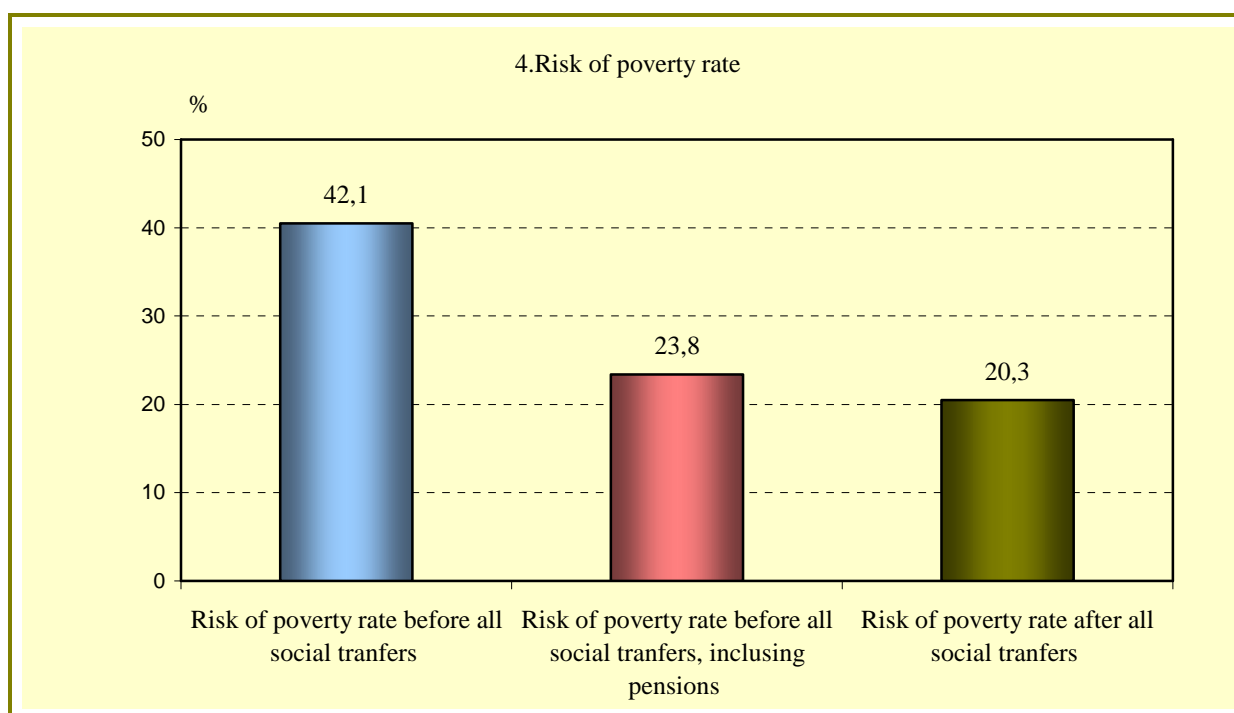


## C. Social transfers decreases risk of poverty rate approximately to the half.

- The risk of poverty before all social transfers (not including social benefits<sup>1</sup> and pensions<sup>2</sup> in total disposable household income) is risen in 42,1%, while in case that includes only the pensions and not the social benefits in 23,8% (graph 4).
- The risk of poverty before all social transfers (not including social benefits and pensions in total disposable household income) is estimated at 82% for persons 65 years and over, indicated the great effect of social transfers and especially pensions.

<sup>1</sup> Social benefits include the social assistance (the allowance of social solidarity for pensioners –EKAS, a lump sum amount for assistance to poor households in mountainous and disadvantageous areas, allowances to children under 16 years old who live in poor households, allowances to repatriations, refugees, released from prison, drug-addicts, alcoholics, allowances to long-standing unemployed aged 45-65, benefits to households that faced an earthquake, flood etc.) family, unemployment, sickness, disability/invalidity benefits /allowances as well as the education allowances.

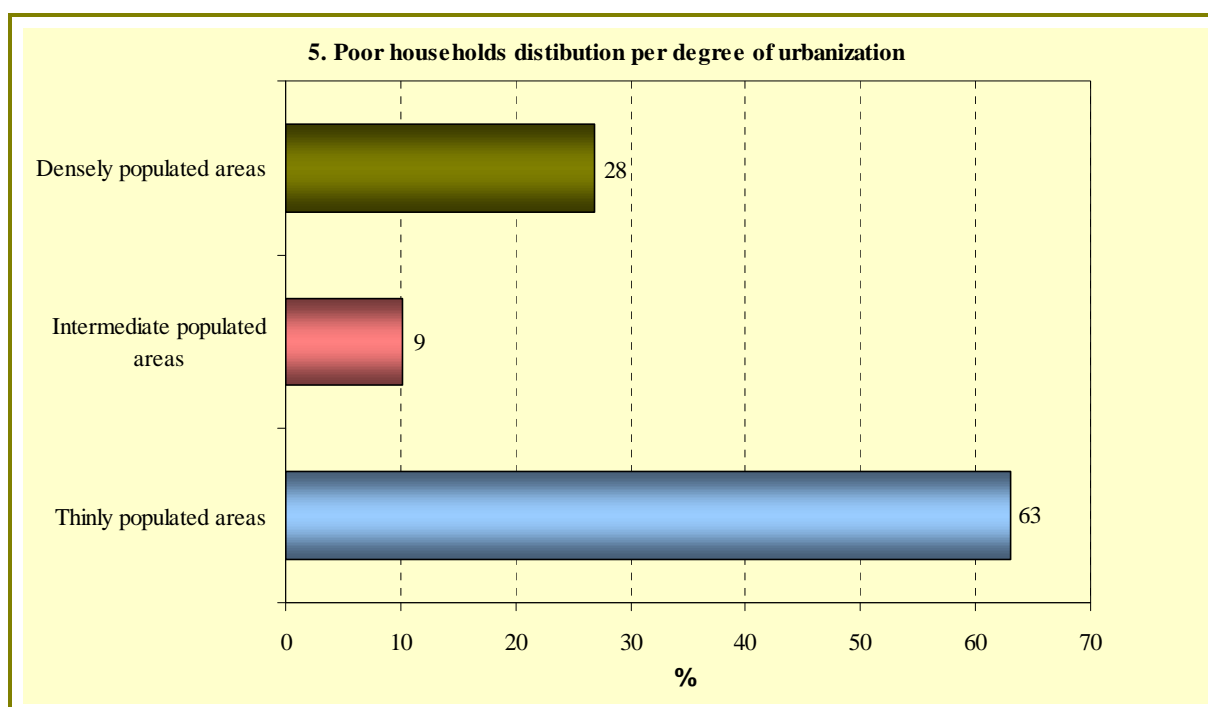
<sup>2</sup> Pensions include the old age pensions and the survivor's pension and benefits



- The social benefits decrease the risk of poverty at 3,5 percentage units.
- The pensions decrease the risk of poverty at 18,3 percentage units.
- Social transfers decrease the risk of poverty at 21,8 percentage units.
- Social transfers limit considerably the risk of poverty for persons age 65 year and over. The risk of poverty rate for this age group is estimated in 82%, while after social transfers is estimated in 28% of the above population, that is to say there is a reduction of 54 percentage units.
- The effect of social transfers in the reduction of risk of poverty is smaller in the population of age group 18-64 years. The risk of poverty rate before social transfers for this age group is estimated in 34% (table b), while after the social transfers is estimated in 22% of the above population, that is to say there is a reduction of 12 percentage units. (Tables 8 a and b).
- The social transfers (including pensions) constitute the 27,2% of available income of households of country.
  - The pensions present a significant share of disposable income after they constitute the 24,1%.
  - The social benefits constitute the 3,1% of disposable income
- The social transfers of (including pensions) constitute the 65% of disposable income of population, which is classified in the minimum decile, while the corresponding percentage in the maximum decile is estimated in 15%.
- The social transfers (not including pensions) constitute the 9% of disposable income of population which is classified in the minimum defile, while the corresponding percentage in the maximum decile is estimated in 0,8%.

#### **D. Characteristics of population at risk-of-poverty**

- The risk of poverty rate is higher in females 21% in relation to males 20% (table 2a). The single females threatened by risk of poverty in percentage 29%, while single males in percentage 25% (table 4).
- The risk of poverty rate for children aged 0-17 years (poverty child) is risen in 23,0 (table 2a).
- The risk of poverty rate for persons aged 65 year and over is calculated in 23%, while for persons aged 18 to 24 years in 24% (table 2a).
- Persons in employment risk from poverty less than persons in unemployment and economically inactive (pensioners, persons fulfilling domestic tasks and care responsibilities etc). The risk of poverty rate of persons in employment is risen in 14% (male 15% and female 12%), economically inactive in 25% and persons in unemployment in 35% (table 3a).
- In-work at-risk-of-poverty rate by full time is risen in 13%, while In-work at-risk-of-poverty rate by part time is risen in 27% (table 3b)
- The households that reside in owned dwelling are at risk of poverty by 20% while these who reside in rented dwelling by 23% (table 5a). The risk of poverty of elderly people aged 75 years and over by tenure status is raised in 33% for owners and 13% for those who rent a house (table 5b).
- The risk of poverty rate of households with dependent children and without members in employment is risen in 47% of total number of households of these category, while the corresponding indicator for households without children and without persons in employment is in 25% (table 6).
- The single parent with at least one (1) dependent child households face risk of poverty in 34% of the households belonging in this specific category, while the corresponding indicator for households with 2 adults with one (1) dependent child is 20% (table 4).
- The difference between men's and women's average gross hourly earnings as a percentage of men's average gross hourly earnings (gender pay gap) is calculated in 9% (table 13).
- Households who reside in thinly populated areas are at risk of poverty more than these which reside in densely populated and intermediate areas. The risk of poverty rate per degree of urbanization is raised in 28%, 9% and 63% for densely, intermediate, thinly areas, respectively. (graph 5)



### E. Relative at-risk-of-poverty gap

- The relative at-risk-of-poverty gap is the difference between the median equivalised income of persons below the at-risk-of-poverty threshold and the at-risk-of-poverty threshold, expressed as a percentage of the at-risk-of-poverty threshold. This indicator is risen in 26% and this means that the 50% of poor enjoy higher income from 74% of poverty threshold (6,120,00 euro), that is to say more than 4.534,92 euro, yearly, per person (table 9a).
- The major relative at risk of poverty gap (29%) is estimated for persons aged 0-17 years (table 9a).

### E. Income inequality distribution

- Inequality of income distribution (S80/S20 quintile share ratio), the ratio of total equivalised disposable income received by the 20% of persons with the highest income (top quintile) to that received by the 20% of persons with the lowest income (lowest quintile) is risen in 6. This means that the share of the income of the wealthiest 20% of the population is 6 times higher than the income of the poorest 20% of the population (table 10).
- The same indicator for persons aged 0-64 years old is estimated at 6,3, while for persons 65 years old and over at 4,8 (table 10a).
- The Gini<sup>3</sup> coefficient was calculated in 34,3. The bigger inequality (37,8) is observed in females aged 16-24 years (table 11a).

<sup>(3)</sup> This is the relationship between cumulative shares of the population arranged according to the level of income and the cumulative share of total income received by them. If there was perfect equality (i.e. each person receives the same income) the Gini coefficient would be 0%. A Gini coefficient of 100% would indicate there was total inequality and the entire national income was in the hands of one person. As for example, if Gini Coefficient has been calculated equal to 30% this means that if we randomly choose 2 persons, then it is expected that their income to differ by 30% from the mean income.

## **F. Pensions Indicators**

### **Ratio of median equivalent disposable income of persons 65 + to the corresponding income of persons 45 to 54 years old.**

- **Relative median ratio of income** concerns in how much the income of persons aged 65+ are higher or lower than the corresponding income of persons aged 45-54, that is, ratio of equivalent disposable income of persons aged 65+ to the corresponding income of persons aged 45-54, which is estimated in 0,80. This means that the incomes of persons aged 65+ comes up to the 80% of incomes of population of persons aged 45-54 (table 14a).
- **Relative median ratio of income** concerns in how much the income of persons aged 60+ are higher or lower than the corresponding income of persons aged 45-54, that is, ratio of equivalent disposable income of persons aged 60+ to the corresponding income of persons aged 45-54, which is estimated in 0,84. (table 14b).

## **G. Health status and risk-of-poverty.**

- The members of households in risk-of- poverty, aged 16 +, declare that the status of their health is very good or good in percentage 68,9, while in non poor the corresponding percentage comes up to 78,6% (table 15).
- The 27,9% of members of households in risk-of- poverty, aged 16 +, declare that they have a longstanding health problem, while the corresponding percentage of members of non poor population comes up to 20%. So the poor population has a longstanding problem at 35% more from the non poor population (table 16).

## **H. Educational level and Risk-of-poverty**

- The role of education is particularly important for the decrease of poverty. The 66,9% of poor have accomplished at superior level of education the obligatory education (that is to say they have accomplished certain grades of primary or lower secondary education), while the corresponding percentage for non poor is estimated in 44,8% (table 17).
- The 40% of those who have never been in school or they have not accomplished primary education is at risk-of-poverty. The corresponding percentage for persons who have accomplished the first stage of tertiary education is decreased in 8% (table 18).

## **I. Risk-of-poverty of economic immigrants**

- Risk of poverty before social transfers of economic immigrants is estimated (from data of the survey) in 34,3%.
- Indicator S80/S20, which is the ratio of total income received by the 20% of the country's population with the highest income (top quintile) to that received by the 20% of the country's population with the lowest income (lowest quintile) is estimated in 5,0, that is to say the total income received by the 20% of the country's population with the highest income (top quintile) is 5,0 times higher than the 20% of the country's population with the lowest income (lowest quintile).

## Conclusions

At risk-of-poverty population:

- Households with dependent children and with at least one working member (51%)
- Households with dependent children and without working members (47%)
- Males in unemployment (41%)
- Single parent with dependent children (34%)
- Households with one adult aged 65 and over (33%)
- Households with one elderly (33%)
- Households with 2 adults with 3 or more dependent children (30%)
- Persons aged 16-24 years (25%)

Poor population consists of:

- Households member with low educational level (69%)
- Not working (66%), working members (34%)
- Households member who reside in thinly populated areas (63%)
- Households with dependent children (54%)
- Households without dependent children (46%)
- Households with dependent children and with at least one working member (33%)

## Some comments on the results

It should also be noted that population groups, being by inference poor, like homeless, persons living in institutions, gypsies, etc., are not included in the survey.

Given that indicators are influenced considerably by various sub-categories of the population (age groups, household types etc.) it pointed out that those aren't representative of the total population of the country in the sample. A big category that influences the poverty indicator is the economic immigrants, a category that is also not included.



## TABLES ANNEXES

### a. Common cross-sectional EU indicators based on the cross-sectional component of EU-SILC

**Table 1.** At-risk-of-poverty threshold (illustrative values)

Type of household	Euro
One person household	6,120.00
Household with 2 adults and 2 dependent children (younger than 14 years)	12,852.00

**Table 2.** At-risk-of-poverty rate after social transfers (by age and gender)

%			
Age	Total	Female	Male
<b>Total</b>	<b>20,3</b>	<b>21</b>	<b>20</b>
0-64	20	20	19
0-17	23	-	-
18-24	24	26	22
25-49	18	18	17
50-64	18	18	18
65+	23	25	21

**Table 2b.** At-risk – of poverty rate of older people , after social transfers (by age and gender)

%			
Age	Total	Female	Male
<b>Total</b>	<b>20</b>	<b>21</b>	<b>20</b>
0-59	20	20	19
0-74	19	20	19
60+	22	23	20
75+	31	32	31

**Table 2c.** *At-risk-of-poverty rate after social transfers by age, including income in kind, imputed rent and own production*

Age	Total
<b>Σύνολο</b>	<b>17,8</b>
0-64	18
0-17	22
18-24	24
25-49	16
50-64	15
65+	17
0-59	18
0-74	17
60+	24
75+	25

**Table 2d** *At-risk-of-poverty rate of pensioners after social transfers by gender*

Total	Female	Male
22	25	19

**Table 3a.** *At-risk-of-poverty rate, by most frequent activity status and by gender*

Activity status	Total	Female	Male
At work	14	12	15
Not at work: total	25	25	27
Not at work: Unemployed	25	26	23
Not at work: Retired	22	25	19
Not at work: Other inactive	35	31	41

**Table 3b.** In-work at-risk-of-poverty rate (by full time/part time work)

Type of work	%
Full time	13
Part time	27

**Table 4.** At-risk-of-poverty rate, by household type

Household type	%
Total	20
Households with no dependent children	23
One adult younger than 64 years	22
One adult older than 65 years	33
Single female	29
Single male	25
Two adults, at least one aged 65 years and ov	15
Two adults younger than 65 years	21
Three or more adults	15
Households with dependent children	23
Single parent with dependent children	34
Two adults with one dependent child	20
Two adults with two dependent children	22
Two adults with three or more dependent children	30
Three or more adults with dependent children	23

**Table 5a** At-risk-of-poverty rate, by accommodation tenure status and by gender and selected age groups

Age	Owner			Rent		
	Total	Female	Male	Total	Female	Male
<b>Σύνολο</b>	<b>20</b>	<b>20</b>	<b>19</b>	<b>23</b>	<b>23</b>	<b>23</b>
0-17	22	-	-	28	-	-
18-64	18	18	17	23	24	22
65+	24	26	21	14	13	26

**Table 5b.** At-risk-of-poverty rate of older people, by accommodation tenure status and by gender and selected age groups

Age	Owner	Rent
60+	23	14
65+	24	14
75+	33	13

**Table 6.** At-risk-of-poverty rate, by work intensity of the household by gender and selected age

Household type by work intensity	%
Household without dependent children W=1	9
Household with dependent children W=0	47
Household with dependent children $0.5 < W < 1$	26
Household with dependent children $0 < W < 0.5$	51
Household with dependent children W=1	12
Household without dependent children W=0	25
Household without dependent children $0 < W < 1$	16

**Table 7a.** Dispersion around at-risk-poverty-threshold

%				
Threshold	Age	Total	Female	Male
40% of median equivalised disposable income	<b>Total</b>	<b>8</b>	<b>8</b>	<b>7</b>
	0-17	10	-	-
	18-64	7	8	7
	65+	7	7	6
50% of median equivalised disposable income	<b>Total</b>	<b>13</b>	<b>14</b>	<b>13</b>
	0-17	15	-	-
	18-64	12	13	12
	65+	15	16	13
70% of median equivalised disposable income	<b>Total</b>	<b>28</b>	<b>29</b>	<b>27</b>
	0-17	32	-	-
	18-64	25	26	25
	65+	34	36	31

**Table 7b.** Dispersion around at-risk-poverty-threshold of older people

%		
Threshold	Age	Older people
50% of median equivalised disposable income	60+	15
	65+	15
	75+	22
70% of median equivalised disposable income	60+	32
	65+	34
	75+	42

**Table 8a.** At-risk-of-poverty rate before social transfers, by gender and selected age groups (except pensions )

%			
Age group	Total	Female	Male
<b>Total</b>	<b>24</b>	<b>25</b>	<b>23</b>
0-17	27	-	-
18-64	22	22	21
65+	28	31	24

**Table 8b.** At-risk-of-poverty rate before all social transfers, by gender and selected age

%			
Age group	Total	Female	Male
<b>Total</b>	<b>42</b>	<b>44</b>	<b>40</b>
0-17	30	-	-
18-64	34	36	32
65+	82	84	79

**Table 9a.** Relative median at-risk-of-poverty gap after social transfers (by age and gender).

%			
Age group	Total	Female	Male
<b>Total</b>	<b>26</b>	<b>26</b>	<b>26</b>
0-17	29	-	-
18-64	26	26	25
65+	24	24	24

**Table 9b.** Relative median risk-of-poverty gap by age and gender of older people.

%			
Age group	Total	Female	Male
65+	24	24	24
75+	26	28	25

**Πίνακας 10.** Inequality of income distribution S80/S20 income quintile share ratio

	%
Inequality of income distribution S80/S20 income quintile share ratio	Total
	<b>6</b>

**Πίνακας 10α.** Inequality of income distribution S80/S20 income quintile share ratio of older people

	%
Age group	Total
<b>0-64</b>	6.3
<b>65+</b>	4.8

**Πίνακας 11.** Gini coefficient

	%
Gini coefficient	Total
	<b>34,3</b>

**Πίνακας 11α.** Gini coefficient by age group and gender

Age group	Total	Female	Male
<b>Total</b>	<b>34,3</b>	<b>34,5</b>	<b>34,0</b>
0-15	35,3	34,6	35,9
0-64	34,6	34,9	34,3
16-24	36,2	37,8	34,4
16-64	34,4	34,9	33,9
16+	34,1	34,4	33,7
25-49	33,0	33,7	32,3
50-64	35,8	35,2	36,3
65+	30,6	31,3	29,7

**Table 12** Mean equivalized income

	In euro
Mean equivalized income	12.130,28

**Table 13.** The unadjusted gender pay gap

	%
The unadjusted gender pay gap	9

**Table 14a.** Relative median income ratio of elderly people (65+)

Relative median income ratio of elderly people (65+)	0,80
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**Table 14b.** Relative median income ratio of elderly people (60+)

Relative median income ratio of elderly people (60+)	0,84
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**Table 15.** General health for household members aged 16 and over. %

General health for household members aged 16 and over	Total population	Population in risk-of-poverty	Population not in risk-of-poverty
Very good	53,5	47,1	55,1
Good	23,1	21,8	23,5
Fair	14,6	17,9	13,8
Bad	6,0	9,8	5,1
Very bad	2,7	3,5	2,6

**Table 16.** Longstanding health problem by population category

Longstanding health problem	%		
	Population		
	Total population	Population in risk-of-poverty	Population not in risk-of-poverty
	21,6	27,9	20,0



**Table 17.** Highest ISCED level attained for household members aged 16 and over

Highest ISCED level attained	Total population	Population in risk-of-poverty	Population not in risk-of-poverty
Pre-primary education	2,9	5,9	2,2
Primary education	33,5	44,8	30,7
Lower secondary education	12,5	16,2	11,5
Upper secondary education	30,0	23,7	31,5
Post secondary non tertiary education	4,0	2,8	4,3
First stage of tertiary education (not leading directly to an advanced research qualification)	16,8	6,4	19,4
Second Stage of tertiary education (leading to an advanced research qualification)	0,4	0,1	0,4

**Table 18.** Poor and non poor population aged 16 + to the total population by ISCED level.

Highest ISCED level attained	%	
	Population	
	Poor population in relation to total.	Non poor population in relation to total.
<b>Total</b>	<b>20</b>	<b>80</b>
Pre-primary education	40	60
Primary education	27	73
Lower secondary education	26	74
Upper secondary education	16	84
Post secondary non tertiary education	14	86
First stage of tertiary education (not leading directly to an advanced research qualification)	8	92
Second Stage of tertiary education (leading to an advanced research qualification)	5	95

## **b. Distribution of population in-risk-of poverty**

**Table 19.** At-risk-of-poverty rate after social transfers, by gender and age.

%

Age group	Total	Female	Male
<b>Total</b>	<b>100</b>	<b>54</b>	<b>46</b>
0-15	17	16	18
0-64	79	77	82
16-24	13	12	13
16-64	62	60	64
16+	83	84	82
25-49	33	33	34
50-64	16	16	17
65+	21	24	18

**Table 20.** Risk-of-poverty rate by most frequent activity and gender

%

Activity	Total	Female	Male
At work	34	22	49
Other inactive	32	46	17
Not at work: total	66	78	51
Retired	24	23	25
Unemployed	10	9	10

**Table 21** Risk-of-poverty rate by household type. %

Household type	Total
Other households without dependent children	17
Three or more adults with dependent children	16
Single person	10
Single parent, with at least 1 dependent child	3
1 adult, 65 years and over	6
1 adult younger than 65 years	4
Single female	7
Single male	3
2 adults, 1 dependent child	10
2 adults, 2 dependent children	25
2 adults, no dependent children, both under 65	17
2 adults, no dependent children, at least one adult 65 years and over	12
Households with dependent children	54
Households without dependent children	46

**Table 22.** Risk-of-poverty rate by tenure status.

		%	
Total	Owner or rent-free		Tenant
100,0	83,3	16,7	

**Table 23.** Risk-of-poverty rate by work intensity.

	%
Household type by work intensity.	
Household without dependent children W=1	7,6
Household with dependent children W=0	6,5
Household with dependent children $0.5 < W < 1$	17,1
Household with dependent children $0 < W < 0.5$	33,9
Household with dependent children W=1	14,8
Household without dependent children W=0	10,1
Household without dependent children $0 < W < 1$	9,9

**Table 24a.** Risk-of-poverty rate by age and gender before transfers (including pensions).  
%

Age group	Total	Females	Males
0-15	15,7	14,6	17,1
16+	84,3	85,4	82,9
16-64	60,6	58,7	62,8
65+	23,7	26,7	20,2

**Table 24b.** Risk-of-poverty rate by age and gender before all transfers.  
%

Age group	Total	Females	Males
0-15	9,9	9,3	10,7
16+	90,1	90,7	89,3
16-64	52,6	51,5	53,8
65+	37,5	39,3	35,5

## **Survey Methodology**

### **History and aim of the survey**

The Survey on Income and Living Conditions (EU-SILC) consists part of a European Statistical System, to which all Member States participate and replaced, for the year 2003, the European Household Panel Survey, in order to succeed quality improvement of statistical data concerning poverty and social exclusion. Basic aim of the survey is the study, both at national and European level, of households' living conditions mainly in relation to their income. This survey is the basic source for comparable statistics on income distribution and social exclusion at European level. The comparability of data is obtained by using commonly accepted questionnaires and primary target variables.

### **Legal basis**

The survey is being conducted upon the decision of the Ministry of Economy and Finance, and according to the contract having been signed among Commission and the National Statistical Service of Greece, in the framework of Regulation (EC) No 1177/2003 of the European Parliament and of the Council concerning Community Statistics on Income and Living Conditions (EU-SILC).

### **Income reference period used**

The income reference period is a fixed twelve-month period, namely the previous calendar year. In this case the income reference period used is 1/1/2005 – 31/12/2005.

### **Sample size**

The survey is conducted in a final sample of 5.700 households and 15.151 members of those households, 12.190 of them are 16 years and over. The average is calculated in 2,66 members per household.

### **Planning of the survey**

The survey is a *simple rotational design* survey, that was selected as most suitable for single synchronical and longitudinal survey. The final sampling unit is the household. The sampling units are the households and their members.

The sample for any year consists of 4 replications, which have been in the survey for 1-4 years. With the exception of the first three years of survey, any particular replication remains in the survey for 4 years, each year, one of the 4 replications from the previous year is dropped and a new one is added. In order to exist complete sample the first year of survey, the four panels began simultaneously. For the longitudinal component of EU-SILC, people who selected initially are interviewed for a period of four years equal with the duration of each panel.

EU-SILC survey is based on in two stage stratified sampling of households from frame of sampling, that has been created with base the elements of population census of the year 2001 and covers completely the reference population.

There are two levels of area stratification in the sampling design.

i) The first level is the geographical stratification based on the partition of the total country area into thirteen (13) standard administrative regions corresponding to the European NUTS II level. The two major city agglomerations of Greater Athens and Greater Thessalonica constitute separate major geographical strata.

ii) The second level of stratification entails grouping municipalities and communes within each NUTS II administrative region by degree of urbanization, i.e., according to their population size. The scaling of urbanization was finally designed in four groups:

- $\geq 30.000$  inhabitants
- 5.000-29.999 inhabitants
- 1.000-4.999 inhabitants
- 0-999 inhabitants

### **Sample selection schemes**

i) In this stage, from any ultimate stratum (crossing of Region with the degree of urbanization), say stratum  $h$ ,  $n_h$  primary units were drawn (where the number  $n_h$  of draws was approximately proportional to the population size  $X_h$  of the stratum (number of households according to the last population census of the year 2001)).

ii) In this stage from each primary sampling unit (selected area) the sample of ultimate units (households) is selected. Actually, in the second stage we draw a sample of dwellings. However, in most cases, there is one to one relation between household and dwelling. If the selected dwelling constitutes of one or more households then all of them are interviewed.

### **Weights**

For the estimation of characteristics of survey, the data of each person and household of the sample were multiplied with a reductive factor. The reductive factor results as product of the following three factors (weights):

- a. The reverse probability of choice of individual, that coincides with the reverse probability of household.
- b. Reverse of percentage of response of households inside the strata.
- c. A corrective factor, which is determined at way what:

i) The estimation of persons by gender and age groups that will result by geographic region to coincide with the corresponding number, which was calculated with projection for the period

of report of survey and was based on the vital statistics of population (census of population 2001 and births, deaths, immigration).

ii) the estimation of households at order of size (1, 2, 3, 4 or 5+ members) and at tenure status to coincide with the year of report that was calculated with projection that was based on the longitudinal tendency of census of population 1991 and 2001.

### **Methodology for measuring poverty**

According to the methodology for measuring poverty, the poverty line is calculated with its relative concept ( poor in relation to others) and it is defined at 60% of the median total equivalized disposable income of the household, using modified OECD equivalised scale.

‘Equivalent size’ refers to the OECD modified scale which gives a weight of 1.0 to the first adult, 0.5 to other persons aged 14 or over who are living in the household and 0.3 to each child aged under 14.

As total equivalized disposable income of the household is considered total net income (that is income after deducting taxes and social contributions) received from all household members.

More specifically the income components included in the survey are:

- Income from work
- Income from property
- Social transfers and pensions
- Monetary transfers from other households and
- Imputed income from the use of company car.

Income components, such as imputed rent from ownership-occupancy, indirect social transfers, income in kind and loan interest are possible to influence significantly the results and is included in the survey from this year (2007), onwards.

### **Equivalent disposable income**

As equivalent available individual income is considered the total available income of household after its division with the equivalent size of household. The equivalent size of household is calculated according to the modified scale of OECD.

It is pointed out that, in the distribution per person it is considered, that each member of household possesses the same income that corresponds in the equivalised disposable income. This means that each member of household enjoys the same level of living. Consequently in distribution per person, the income that is attributed in each person does not represent wages, but an indicator of level of living.

The total available income of household is calculated as the sum of incomes of members of households, (income from salaried services, from self-employment, pensions, benefits of unemployment, income from motionless fortune, familial benefits, regular pecuniary transfers etc) that is to say total of clean acceptances by the all sources of income afterwards the abstraction of by any chance benefits to other households. In this sum it should be added also the tax that potentially was returned and concerned in the liquidation of incomes of previous year.

### **Modified scale**

‘Equivalent size’ refers to the OECD modified scale which gives a weight of 1.0 to the first adult, 0.5 to other persons aged 14 or over who are living in the household and 0.3 to each child aged under 14. Example: The income of household with two adults and two children under 14 years is divided with a weight  $1+0,5+2*0,3= 2,1$ , for household with two adults with 1,5, for household with 2 adults and 2 children of age of 14 years and more with 2,5 etc.

### **Dependent children**

As dependent children are considered the children of age until 16 years and children aged 16-24 that are economic inactive (pupil, students, soldiers etc)

### **Primary indicators**

1. At-risk-of-poverty rate (after social transfers)
  - 1a. At-risk-of-poverty rate by age and gender
  - 1b. At-risk-of-poverty rate by most frequent activity status and gender
  - 1c. At-risk-of-poverty rate by household type
  - 1d. At-risk-of-poverty rate by accommodation tenure status
  - 1e. At-risk-of-poverty rate by work intensity of the household
  - 1f. At-risk-of-poverty threshold (illustrative values)
2. Inequality of income distribution S80/S20 income quintile share ratio
3. At-persistent-risk-of-poverty rate by age and gender (60% median)
4. Relative median at-risk-of-poverty gap, by age and gender

### **Secondary indicators**

5. Dispersion around the at-risk-of-poverty threshold
6. At-risk-of-poverty rate anchored at a moment in time
7. At-risk-of-poverty rate before social transfers by age and gender
8. Inequality of income distribution: Gini coefficient
9. At-persistent-risk-of-poverty rate, by age and gender (50% median)

### **Other indicators**

10. Equivalised disposable income
11. The gender pay gap



## Pensions indicators

12. Ratio of median equivalent disposable income of persons 65 + to the corresponding income of persons under 45-54 years.
13. Ratio of median equivalent disposable income of persons 60 + to the corresponding income of persons under 45-54 years.
14. Ratio of median (non equivalent) income, only from pensions of people 65-74 years to the corresponding income of people 50-59 years.

## Indicators' definition

### *1. At-risk-of-poverty rate after social transfers.*

The 'at-risk-of poverty rate (after social transfers) is calculated as the percentage of persons (over the total population) with an equivalised disposable income below the 'at-risk of-poverty threshold' (i.e. the equivalised disposable income of each person is compared with the at-risk-of-poverty threshold).

### *2. Inequality of income distribution S80/S20 income quintile share ratio*

Ratio of total income received by the 20% of the country's population with the highest income (top quintile) to that received by the 20% of the country's population with the lowest income (lowest quintile).

### *3. At-persistent-risk-of-poverty rate by age and gender (60% median)*

Share of population with an equivalised disposable income consistently below the 'at-risk-of-poverty threshold' for a four-year period. The 'at-risk-of-poverty threshold' defined as 60% of the median-equivalised disposable income. This indicator will be calculated with EU-SILC longitudinal component after 4 years of the panel survey.

### *4. Relative median at-risk-of-poverty gap, by age and gender*

The difference between the median equivalised disposable income of persons below the at risk of poverty threshold and the at-risk of poverty threshold itself, expressed as a percentage of the at-risk-of-poverty threshold. Gender and age breakdown and total.

### *5. Dispersion around the at-risk-of-poverty threshold*

The percentage of persons, over the total population, with an equivalised disposable income below 40%, 50% and 70% of the national median equivalised disposable income.

## *6. At-risk-of-poverty rate anchored at a moment in time*

For a given year 't', the 'at-risk-of-poverty rate anchored at a moment in time' is defined as the percentage of the population whose equivalised total disposable income in that given year is below a risk-of-poverty threshold calculated in the standard way for the earlier year 't-3' and then up-rated for inflation

## *7. At-risk-of-poverty rate before social transfers by age and gender*

### *1 At-risk-of-poverty rate before social transfers by age and gender (except old-age and survivors benefits)*

The 'at-risk-of-poverty rate before social transfers except old-age and survivors' benefits' shows the percentage of persons (over the total population) having an equivalised disposable income before social transfers except old-age and survivors' benefits below the national 'at-risk-of-poverty threshold'

### *2 At-risk-of-poverty rate before social transfers by age and gender (including old-age and survivors benefits)*

The 'at-risk-of-poverty rate before social transfers including old-age and survivors' benefits' shows the percentage of persons (over the total population) having an equivalised disposable income before social transfers including old-age and survivors' benefits below the national 'at-risk-of-poverty threshold'.

Social benefits include the social assistance (the allowance of social solidarity for pensioners – EKAS, a lump sum amount for assistance to poor households in mountainous and disadvantaged areas, allowances to children under 16 years old who live in poor households, allowances to repatriations, refugees, released from prison, drug-addicts, alcoholics, allowances to long-standing unemployed aged 45-65, benefits to households that faced an earthquake, flood etc.) family, unemployment, sickness, disability/invalidity benefits /allowances as well as the education allowances.

## *8. Inequality of income distribution: Gini coefficient*

This is the relationship between cumulative shares of the population arranged according to the level of income and the cumulative share of total income received by them. If there was perfect equality (i.e. each person receives the same income) the Gini coefficient would be 0%.

A Gini coefficient of 100% would indicate there was total inequality and the entire national income was in the hands of one person.

As for example, if Gini Coefficient has been calculated equal to 30% this means that if we randomly choose 2 persons, then it is expected that their income to differ by 30% from the mean income.

## *9. At-persistent-risk-of-poverty rate, by age and gender (50% median)*

Share of population with an equivalised disposable income consistently below the ‘at-risk-of-poverty threshold’ for a four-year period. The ‘at-risk-of-poverty threshold’ defined as 50% of the median-equivalised disposable income. This indicator will be calculated with EU-SILC longitudinal component after 4 years of the panel survey.

#### *10. Mean equivalised disposable income*

The equivalised disposable income is defined as the mean of the equivalised disposable income of each person.

#### *11. The gender pay gap*

The ‘gender pay gap in unadjusted form’ is the difference between men’s and women’s average gross hourly earnings as a percentage of men’s average gross hourly earnings. The population consists of all paid employees aged 16 – 64 that are ‘at work > 15 hours per week’.

#### *12. Relative median ratio*

Ratio of median equivalent disposable income of persons 65 + to the corresponding income of persons 45 to 54 years old.

#### *13. Relative median ratio*

Ratio of median equivalent disposable income of persons 60 + to the corresponding income of persons 45 to 54 years old.

#### *14. Aggregate replacement ratio*

Ratio of median (non equivalent) income, only from pensions of people 65-74 years to the corresponding income of people 50-59 years

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