HELLENIC REPUBLIC

MINISTRY OF ECONOMY AND FINANCE

**GENERAL SECRETARIAT OF
THE NATIONAL STATISTICAL SERVICE**

GENERAL DIRECTORATE OF STATISTICAL SURVEYS
DIVISION OF POPULATION AND LABOUR MARKET STATISTICS
HOUSEHOLDS' SURVEYS SECTION

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P R E S S   R E L E A S E

STATISTICS ON INCOME AND LIVING CONDITIONS
2005

The General Secretariat of National Statistical Service of Greece announces the results on Statistics on Income and Living Conditions in households of year 2005 with reference income year the previous calendar year (2004). The survey has been conducted in a final sample of 5.568 private households and in 12.381 their members, throughout the country, aged 16 years and over. The average of members per household is estimated 2,67 .

A. 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.

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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.

In this survey specific socio-economic magnitudes affecting population's living conditions are examined. Using the collected information our country calculates the structural indicators for social cohesion and produces systematic statistics on income inequalities, inequalities on households' living conditions, poverty and social exclusion.

More specifically by this survey 12 indicators, out of the 18 social cohesion indicators of Laeken, are calculated, concerning poverty and social inequality. These indicators, among other things, contribute in the configuration and practice of social policy in our country

B. Methodology for measuring poverty

The poverty line is calculated within its relative concept (poor in relation with others) and it is defined at 60% of the median total equivalized disposable income of the household, using the modified OECD[1] equivalised scale, diversifies from the concept of absolute poverty (being poor when depriving of basic means for survival). 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.

C. Main results

1. The risk of poverty threshold is 5.649,78 euro, per person

 The threshold of risk of poverty is risen in 5.649,78 euro per peson yearly and in 11.864,54 euro per households with two adult and two dependent children.

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(1) The modified OECD scale attributes a weight of 1 to the first adult, 0.5 to each subsequent adult and 0.3
to each child aged less than 14

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In 2004 the 19,6% of total population of Greece was residing in households with low income, while in 2003 this percentage was risen in 19,9%. It is noted that this indicator, calculated with the same methodology, indicates relative stability during the last 11 years, where we have available data for the measurement of poverty, ranges between 20% και 23% (rounded percentages).

**1.Population at risk of poverty: 1994-2004**
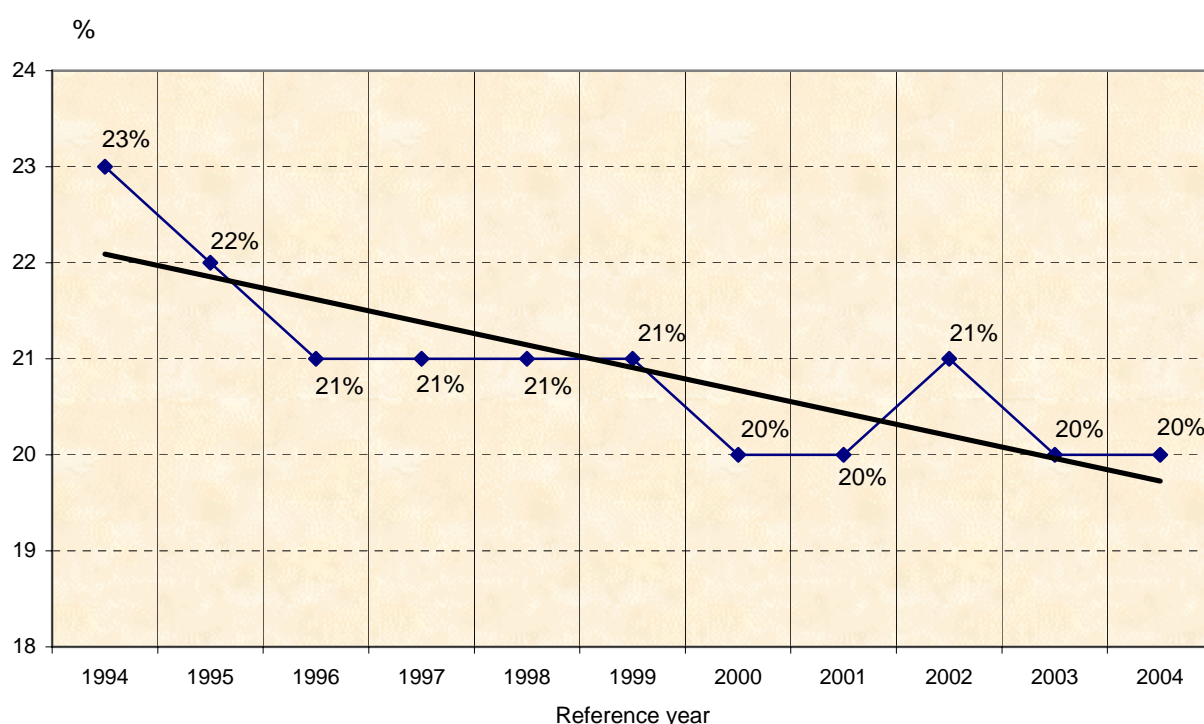
- The households, which are at risk of poverty, are estimated in 832.456 and their members in 2.088.701.

- The risk of poverty before all social transfers, (not including social benefits[2]and pensions[3] in total disposable household income) is risen in 39,2%, while in case that includes only the pensions and not the social benefits in 22,5%.

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[2] 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-standings 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.

- 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 7,3%, 12,6% and 25,9%, respectively (graph 2).

**2.Dispersion around at risk poverty threshold**

Risk of poverty (% of median income)
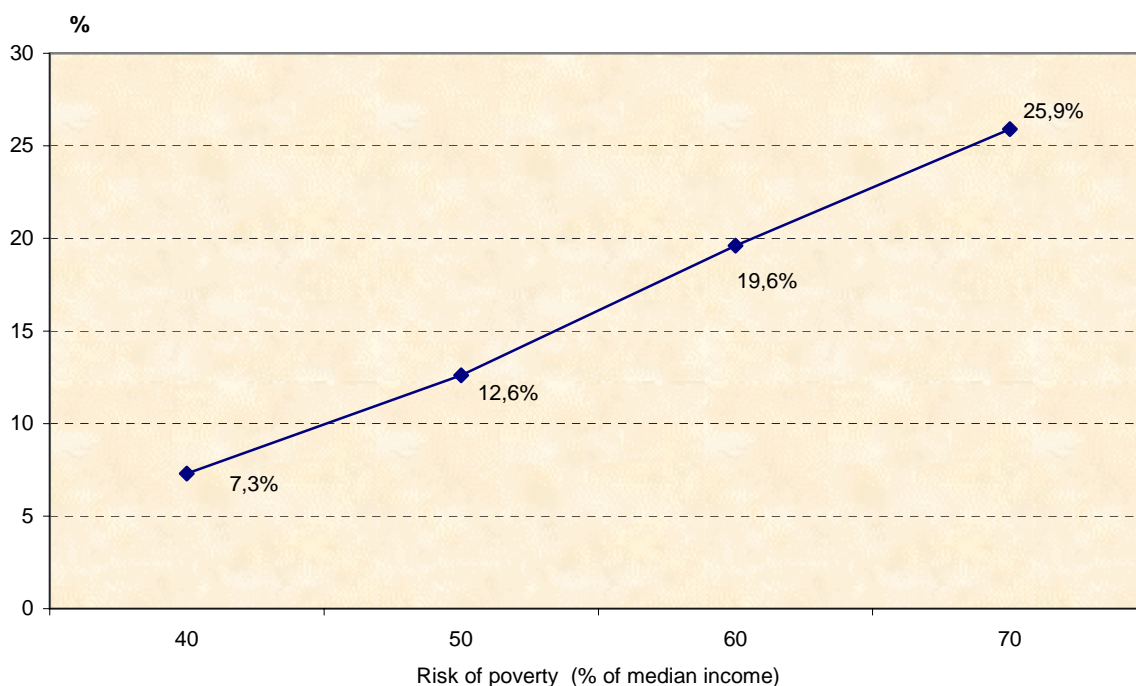
3. Decrease of income inequality

- 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 5,8 instead of 5,9 that was in 2004. In graphs 3 and 4, the indicator of income inequality is figured per quintiles and deciles of 2005 compared to corresponding indicator of 2004. From the results we can conclude that the 20% of persons with the lowest income (lowest quintile) of population possesses the 7% of total disposable income, while the 20% of persons with the highest income (top quintile) of population possesses the 40,4% (graph 3) and that the 10% of persons with the lowest income (lowest decile) of population possesses the 2,5% of total disposable income, while the the 10% of persons with the highest income (top decile) of population the 25,1% (graph 4).

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[3] Pensions include the old age pensions and the survivor's pension and benefits

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- The Gini[(4)] coiffictent was calculated in 33,3 instead of 32,9 in 2004.

3. Income inequality per quintiles

□ EU-SILC 2004**
□ EU-SILC 2005*
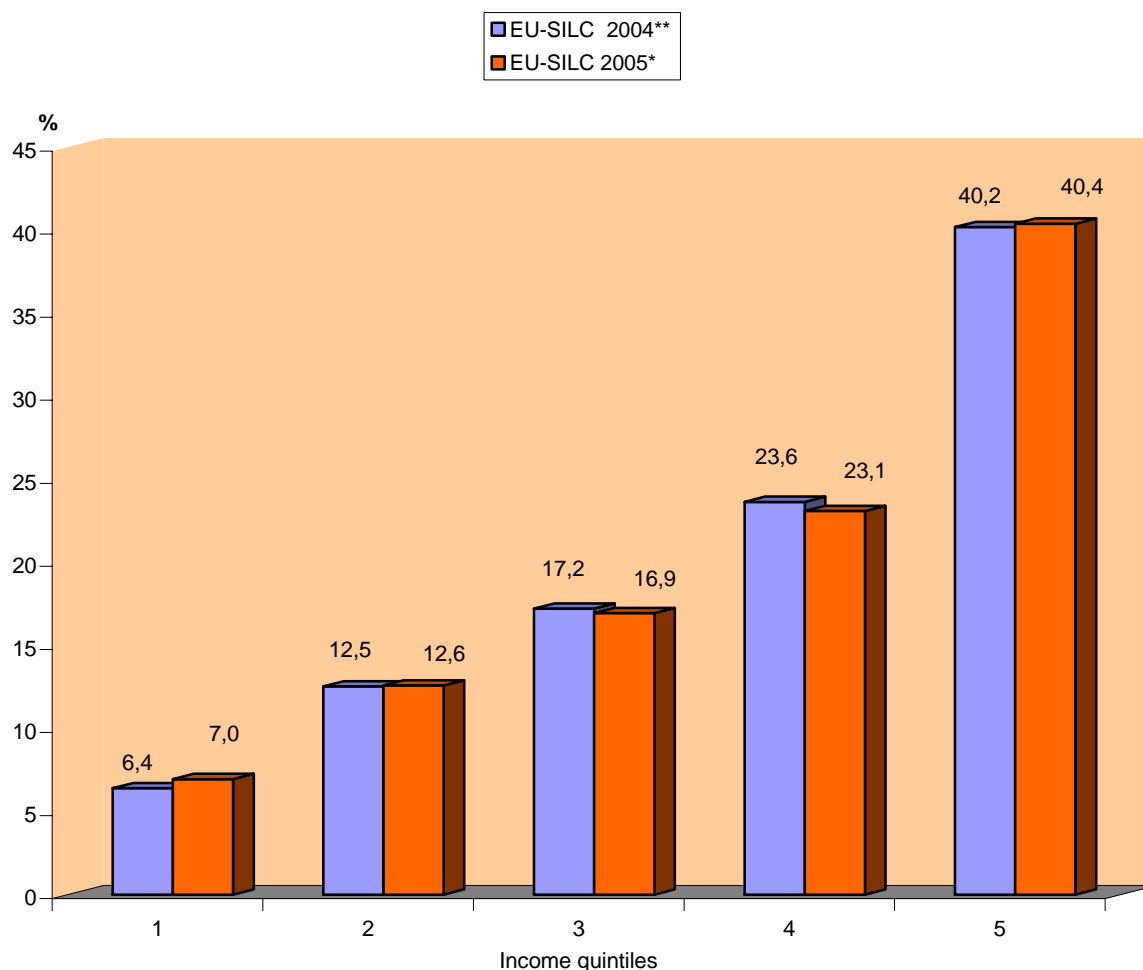
[(4)] This is the relationship between cumulative shares of the population arranged according to the level of income and the cumulative share of total income received by them. If there was perfect equality (i.e. each person receives the same income) the Gini coefficient would be 0%. A Gini coefficient 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 Coiffictent 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.

4. Income inequality per income deciles
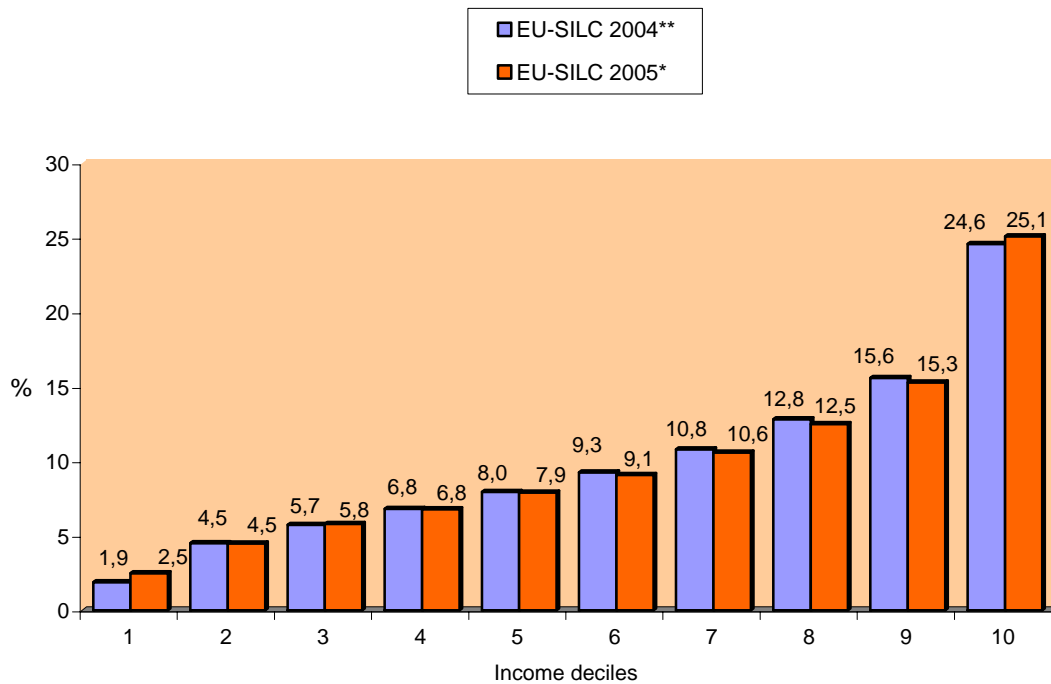
* *EU SILC 2005: Income reference period is the calendar year of 2004*
** *EU SILC 2004: Income reference period is the calendar year of 2003*

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4. Differentiation of poverty rate according to gender, age group, activity, household type and tenure status

- The risk of poverty rate is higher in females (20,9%) in relation to males (18,3%).
- The risk of poverty rate for children aged 0-15 years (poverty child) is risen in 19,4% of this specific population.
- The risk of poverty rate for persons aged 65 year and over is calculated in 27,9%, while for persons aged 16 to 24 years in 22,7%.
- 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 12,9%, economically active in 25,9% and persons in unemployment in 32,8%.
- The households that reside in owned dwelling are at risk of poverty by 20,0%, while these who reside in rented dwelling by 17,9%. This is explicated from the fact that the households they reside in rural areas, while they have very high percentage of owened dwelling (97%), are at risk of poverty two times and more than the other areas of country. It is noted that in these regions, live persons with low income and also low educational level than the rest regions.
- The risk of poverty rate of households with dependent children and without members in employment is figured in 53,9% of total number of households of these category, while the corresponding indicator for households without children and without persons in employment is in 27,6%.
- 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%.

5. Decrease 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 24,1% and this means that the 50% of poor enjoy higher income from 75,9% of poverty threshold, that is to say more than 4.288,18 euro, yearly, per person. The corresponding indicator was 24,6% in 2004.

6. Population that resides in thinly-populated area[5] and it is at risk of poverty

- 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 risen in 27,6%, 8,6% και 64,4% for densely, intermediate, thinly areas, respectively.

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[5] **a**. **Densely populated area**: This is a contiguous set of local areas, each of which has a density superior to 500 inhabitants per square kilometre, where the total population for the set is at least 50,000 inhabitants.
b. **Intermediate area**: This is a contiguous set of local areas, not belonging to a densely-populated area, each of which has a density superior to 100 inhabitants per square kilometre and either with total population for the set of at least 50,000 inhabitants or adjacent to a densely-populated area.
c. **Thinly-populated area**: This is a contiguous set of local areas belonging neither to a densely-populated nor to an intermediate area.

**5. Poor households distribution per degree of urbanization
EU-SILC 2004- EU-SILC 2005**
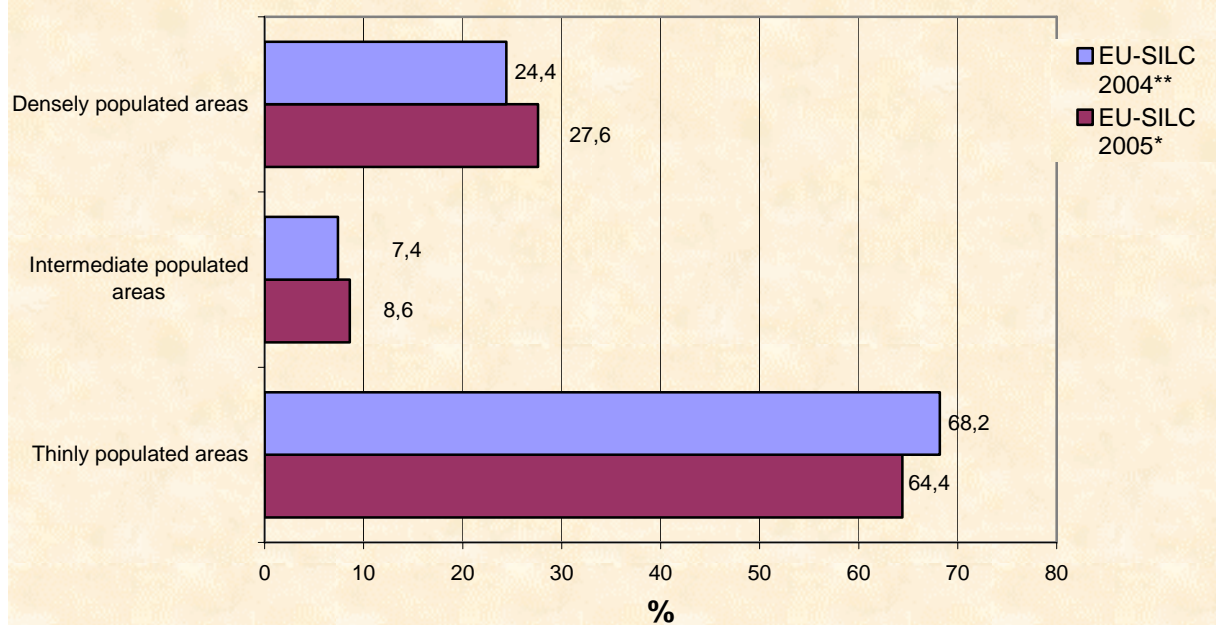
7. Significant difference of risk of poverty according to household type

The single parent with at least one (1) dependent child households face risk of poverty in 40,7% of the households belonging in this specific category, while the corresponding indicator for households with 2 adults with one (1) dependent child is 14,3%.

In the following tables (tables 1-4) it is figured poverty rates according to household type, as well as the poor population distribution, for the years 2004 and 2005.

Table 1. Risk-of-poverty rate by household type
%

Household type	2005*	2004**
Total no dependent children	*18,9*	*19,7*
1 person (total)	27,9	28,9
2 adults both < 65 years	15,3	14,3
2 adults at least one 65+ years	27,4	28,6
Other no dependent children	13,1	14,3
Total dependent children	*20,4*	*20,0*
Single parent at least 1 dependent child	40,7	37,6
2 adults 1 dependent child	14,3	15,3
2 adults 2 dependent children	18,2	18,4
2 adults 3+ dependent children	31,8	31,5
Other households with dependent children	28,2	26,1

* *EU SILC 2005: Income reference period is the calendar year of 2004*

** *EU SILC 2004: Income reference period is the calendar year of 2003*

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Table 2. Risk-of-poverty rate by household type

　　　　Distribution of poor population

%

Household type	2005*	2004**
Total no dependent children	*48,5*	*49,8*
1 person (total)	10,6	10,8
2 adults. both < 65 years	7,0	6,3
2 adults. at least one 65+ years	16,0	16,6
Other no dependent children	14,8	16,1
Total dependent children	*51,5*	*50,2*
Single parent at least 1 dependent child	3,5	3,2
2 adults. 1 dependent child	8,2	8,7
2 adults. 2 dependent children	23,9	24,7
2 adults. 3+ dependent children	2,9	1,9
Other households with dependent children	13,1	11,7

Table 2a. Risk-of-poverty rate by household type

　　　　Single households

Year	Total	Females	Males	< 65	65+
2005*	100,0	32,2	18,7	19,2	35,1
2004**	100,0	34.2	18.8	19.7	36.6

Table 2b. Poor population distribution in households with one member

　　　　(single households), according to gender and age

Year	Total	Females	Males	<65	65+
2005*	100,0	78,7	21,3	31,0	69,0
2004**	100,0	77.7	22.3	31.1	68.9

*　EU SILC 2005: Income reference period is the calendar year of 2004*

*** EU SILC 2004: Income reference period is the calendar year of 2003*

8. Tension of social exclusion

In the following tables, is presented the social exclusion of total population for years 2004 and 2005, divided in categories of poor and non poor population. After indicators study, it is clear that the risk of poverty rate, as itself, does not permit conclusions for the welfare of them that have been qualified as poor. In that case we can say that it is not in exclusion only the poor persons, but non poor persons as well. The non poor persons, also, lack basic goods and services in relation to fulfilment of basic needs, as housing conditions, quality of life, health status and unmet need for medical examination or treatment for household members aged 16 and over, education, financial burden of the repayment of debts from hire purchases or loans, financial burden of the total housing cost, arrears on utility bills etc. So we can conclude that a part of non poor can be in social exclusion.

- The households cannot afford to fulfill some basic needs :

%

Fulfillment of basic needs	Population					
	Total		Poor		Non poor	
	2005	2004	2005	2004	2005	2004
Facing unexpected financial expenses	41,2	38,5	61,2	59,4	36,0	32,9
Paying for one annual holiday away from home	48,0	49,9	79,4	82,2	44,8	41,2
Having a meal with meat, chicken, fish (or vegetarian equivalent) every second day	7,1	10,2	18,7	24,0	4,0	6,5

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- Concerning housing conditions, the households declare as problems:

%

Housing Conditions	Population					
	Total		Poor		Non poor	
	2005	2004	2005	2004	2005	2004
Leaking roof, damp walls/ floors/ foundation or rot in window frames or floor	21,4	20,7	30,2	31,4	19,1	17,8
Problems with the dwelling: too dark, not enough light	6,9	7,7	8,8	8,9	6,4	7,3
Noise from neighbours or from the street	29,8	18,6	15,1	14,5	22,3	19,7
Pollution, grime, or other environmental problems	18,5	15,1	12,4	10,6	20,1	16,3
Crime violence or vandalism in the area	8,6	8,0	5,7	5,5	9,4	8,7
Lack of bath or shower in the dwelling	2,1	2,9	6,2	7,9	1,0	1,6
Lack of indoor flushing toilet for sole use of households	4,1	4,5	11,3	12,0	2,3	2,4
Number of individuals per room	1,4	1,4	1,5	1,5	1,4	1,4
Ability to keep home adequately warm	17,7	19,4	33,4	35,4	13,5	15,1

- The households declare that the financial burden of the repayment of debts from hire purchases or loans has the following ranking:

%

Financial burden of the repayment of debts from hire purchases or loans	Population					
	Total		Poor		Non poor	
	2005	2004	2005	2004	2005	2004
Repayment is a heavy burden	7,1	6,3	6,3	5,3	7,3	6,6
Repayment is somewhat of a burden	19,0	17,1	11,6	8,8	20,9	19,3
Repayment is not a burden at all	3,8	3,6	1,0	1,5	4,5	4,2

- The financial burden of the total housing cost has the following ranking:

%

Financial burden of the total housing cost	Population					
	Total		Poor		Non Poor	
	2005	2004	2005	2004	2005	2004
A heavy burden	24,1	20,7	33,4	29,7	21,6	18,3
Somewhat a burden	68,8	71,1	62,7	63,4	70,4	73,1
Not a burden at all	7,2	8,2	3,9	6,8	8,0	8,6

- Concerning the quality of life, the households cannot afford:

%

Quality of life	Population					
	Total		Poor		Non Poor	
	2005	2004	2005	2004	2005	2004
Color TV	0,5	0,8	1,9	2,5	0,1	0,4
Telephone (including mobile phone)	0,6	1,1	2,2	3,1	0,1	0,5
Computer	16,2	17,9	17,4	19,8	15,9	17,5
Washing machine	3,3	3,8	9,2	8,9	1,8	2,4
Car	11,5	13,5	18,6	19,9	9,6	11,8

- With the household's total monthly or weekly income, the household make ends meet:

%

Ability to make ends meet	Population					
	Total		Poor		Non Poor	
	2005	2004	2005	2004	2005	2004
With great difficulty	18,1	15,1	36,4	32,2	13,2	10,5
With difficulty	33,2	31,1	38,6	39,6	31,8	28,8
With some difficulty	27,2	25,1	18,1	19,0	29,6	26,7
Fairly easily	14,9	15,9	4,9	7,8	17,5	18,0
Easily	5,7	11,0	1,8	1,3	6,7	13,6
Very easily	0,9	1,9	0,2	0,1	1,1	2,4

- The lowest net monthly income to have in order to make ends meet is:

	Population					
	Total		Poor		Non poor	
Lowest monthly income to make ends meet	**2005**	**2004**	**2005**	**2004**	**2005**	**2004**
	1.941	1.862	1.339	1.240	2.099	2.030

- The household declare arrears on utility bills:

%

	Population					
Arrears on utility bills	Total		Poor		Non Poor	
	2005	**2004**	**2005**	**2004**	**2005**	**2004**
Rent or mortgage Repayment	7,1	9,0	9,4	11,6	6,5	8,3
Utility bills (electricity, water, gas, etc.)	27,3	25,5	46,1	40,8	22,3	21,3
Credit cards payment, or loan repayments for household items, holidays, etc.	12,3	10,6	10,2	10,0	12,9	10,8

- General health for household members aged 16 and over is:

%

General health for household members aged 16 and over	Population					
	Total		Poor		Non Poor	
	2005	2004	2005	2004	2005	2004
Very good	52,0	56,9	42,1	46,5	54,4	59,5
Good	25,5	20,9	25,6	21,2	25,5	20,8
Fair	13,6	13,4	18,0	18,1	12,5	12,3
Bad	6,3	6,3	10,3	10,5	5,3	5,2
Very bad	2,6	2,5	3,9	3,6	2,2	2,3

- Unmet need for medical examination or treatment for household members aged 16 and over for different reasons (as Could not afford to (too expensive), Length of waiting list, Too far to travel, no means of transportation etc.)

%

Unmet need for medical examination or treatment for household members aged 16 and over	Population					
	Total		Poor		Non Poor	
	2005	2004	2005	2004	2005	2004
Doctors of any specialization	6,4	5,3	10,3	9,0	5,4	4,3
Dentists	7,0	5,8	11,0	8,1	6,0	5,3

- Highest ISCED level attained for household members aged 16 and over

%

Highest ISCED level attained for household members aged 16 and over	Population					
	Total		Poor		Non Poor	
	2005	2004	2005	2004	2005	2004
Pre-primary education	2,8	2,9	6,1	6,6	1,9	2,0
Primary education	35,0	36,0	51,9	52,5	30,8	31,9
Lower secondary education	12,3	12,5	13,2	13,9	12,1	12,1
Upper secondary education	29,1	28,6	21,1	20,3	31,1	30,6
Post secondary non tertiary education	4,4	4,3	2,9	2,8	4,7	4,7
First stage of tertiary education (not leading directly advanced research qualification)	16,0	15,3	4,6	4,0	18,8	18,1
Second Stage of tertiary education (leading to an advanced research qualification)	0,4	0,4	0,1	0,0	0,5	0,5

D. Some comments on the results – conclusions

The methodology of measuring poverty with the relative concept, having been adopted by the European Union, classifies the members of a community to poor and non poor, in a relative way, with comparison measure the mean equivalized disposable income in the country in a specific time. As advantage of this method is mentioned its capability to record the variation of poverty limit in relation to the level of the economic growth of the country. A disadvantage of the specific methodology is, except for the case where all persons have equal income, always the existence of poor, independently of their income.

It is, hence, necessary to handle data carefully, given that income flows, like ownership-occupancy, benefits in kind and own production, being quite increased in our country, are not included. The pre-mentioned components can influence significantly the results and decrease relative risk-of-poverty for more than 2 percentages. Income components like imputed rent from ownership-occupancy, indirect social transfers, income in kind and interest from loans will be included in the survey from the year 2007, onwards.

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.

The development of a poverty indicator, which will be calculated simultaneously both from monetary and quality criteria (educational level, health, housing situation, etc.) is considered meaningful, given the indications that non monetary poor are socially excluded and vice versa.

In any case, the concept of relative poverty (being poor in relation to others) diversifies from the concept of absolute poverty (being poor when depriving of basic means for survival).

More information about the survey and methodological note in http://www.statistics.gr (Category: statistical data / social statistics/ income and living conditions).

For further information on data:
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