



HELLENIC REPUBLIC



MINISTRY OF ECONOMY AND FINANCE



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

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

**STATISTICS ON INCOME AND LIVING CONDITIONS (EU-SILC)**

**BASIC CONCEPTS AND DEFINITIONS AND INCOME COMPONENTS'  
DEFINITION**

**PIRAEUS, MARCH 2007**

## **Introduction**

Basic concepts and definitions and income definitions of EU-Statistics on Income and Living Conditions have been used, according to Commission Regulation No1980/2003, 21.10.2003.

### **A. Basic concepts and definitions**

#### **Reference population**

The reference population is all citizens officially living at Greek territory (population de facto). The source of our sample is the Census Population. This Census includes all private households and their current members residing in the territory, independently of any socio-economic characteristics they may have. Persons living in collective households and in institutions are excluded from the target population, as well as households having members diplomatic missionaries.

#### **Private household definition**

The definition of household that Eurostat recommends is used. Household is defined as a person living alone or a group of persons living together in the same dwelling, sharing expenditure and having the joint provision of the essentials of living.

#### **Household membership**

All household members aged 16 year and older at the time of the interview, are selected for a personal interview.

Subject to the further and specific conditions shown below, the following persons must if they share household expenses, be regarded as household members:

1. Persons usually resident, related to other members
2. Persons usually resident, not related to other members
3. Resident boarders, lodgers, tenants
4. Visitors
5. Line-in domestic servants, au-pairs
6. Persons usually resident, but temporarily absent from the dwelling (for reasons of holiday travel, work, education or similar)
7. Children of the household being educated away from home

8. Persons absent for long periods, but having household ties : persons working away from home
9. Persons temporarily absent but having household ties: persons in hospital, homes or other institutions

Further conditions for inclusion as household members are as follows:

- (a) Categories 3, 4 and 5:

Such persons must currently have no private address elsewhere; or their actual or intended duration of stay must be six months or more.

- (b) Category 6:

Such persons must currently have no private address elsewhere and their actual or intended duration of absence from the household must be less than six months.

Category 7 and 8:

Irrespective of the actual or intended duration of absence, such persons must currently have no private address elsewhere, must be the partner or child of a household member and must continue to retain close ties with the household and must consider this address to be his/her main residence.

- (c) Category 9:

Such person must have clear financial ties to the household and must be actually or prospectively absent from the household for less than six months.

- ***Shares in household expenses***

Share in household expenses include benefiting from expenses (e.g. children, persons with no income) as well as contributing to expenses. If expenses are not shared, then the person constitutes separate household at the same address.

- ***Usually resident***

A person shall be considered as a usually resident member of the household if he/she spends most of his/her daily rest there, evaluated over the past six months. Persons forming new households or joining existing households shall normally be considered as members at their new location; similarly, those leaving to live elsewhere shall no longer be considered as members of the original

household. The abovementioned ‘past six month’ criteria shall be replaced by the intention to stay for a period of six months or more at the new place of residence.

- ***Intention to stay for a period of six months or more***

Account has to be taken of what may be considered as ‘permanent’ movements in or out of households. Thus a person who has moved into a household for an indefinite period or with their intention to stay for a period of six months or more shall be considered as a household member, even though the person has not yet stayed in the household for six months, and has in fact spent a majority of that time at some other place of residence. Similarly, a person who has moved out of the household to some other place of residence with the intention of staying away for six months or more, shall no longer be considered as a member of the previous household.

- ***Temporarily absent in private accommodation***

If the person who is temporarily absent is in private accommodation, then whether he/she is a member of this (or other) household depends on the length of the absence. Exceptionally, certain categories of persons with very close ties to the household may be included as members irrespective of the length of absence, provided they are not considered members of another private household.

In the application of these criteria, the intention is to minimize the risk that individuals who have two private addresses at which they might potentially be enumerated are not double-counted in the sampling frame. Similarly, the intention is to minimize the risk of some persons being excluded from membership of any household, even though in reality they belong to the private household sector.

### **Income reference period used**

The income reference period is a fixed twelve-month period, namely the previous calendar year. For SILC 2003 the income reference period is year 2002 and for SILC 2004 the income reference period is year 2003.

## **Period for taxes on income and social insurance contributions**

This is also a fixed twelve-month period, namely the previous calendar year.

## **Reference period for taxes on wealth**

The reference period for taxes on wealth is the previous calendar year for each survey.

## **Lag between the income reference period and current variables**

The income reference period is the previous calendar year and the current variables refer to the fieldwork period (March-May). Therefore the lag is at minimum 3 months and at maximum 5 months.

## **B. Income components' definition**

The differences among the national definitions and the standard EU-SILC definitions, the source or procedure used for the collection of income variables, the form in which income variables at component level have been obtained and the data collection method are reported in the intermediate report.

All income components, according to the Commission Regulation No1980/2003, 21.10.2003, have been used in EU-SILC. Regular taxes on wealth refer to taxes that are payable periodically on the ownership or use of land buildings by owners. The regular taxes on wealth provided will be those paid during the income reference period. All income variables were collected by interview.

More detailed:

### **Imputed rent (HY030N)**

The respondent provides the figure and the interviewer checks the answer according to the rents prevailing in the specific area. However, we haven't counted it in the total disposable household income. It will be included from 2007.

### **Property income (HY040N)**

Income from renting property or land refers to income received, during the income reference period, for example, from renting a dwelling –not included in the profit/loss of unincorporated enterprises–, from boarders or lodgers, or from renting land, after deducting costs such as mortgage, interest repayments, minor repairs, maintenance, insurance and other charges.

### **Family/children related allowances (HY050N)**

Family / children related allowance includes:

- Lifelong pension for mothers having more than 3 children
- Allowance for families having 3 children
- Allowance for families having more than 3 children
- Family allowances for public servants
- Incapacitated relatives care benefit
- Pregnancy-puerperal benefit
- Parental leave allowance
- Birth grant
- Marriage benefit (lump-sum)

The family allowance for public servants, the allowance for pregnancy-puerperal and the allowance for parental leave, if registered to the particular question, will not be included to the income of employees.

### **Social exclusion payments not elsewhere classified (HY060N)**

Social benefits in the function ‘social exclusion not elsewhere classified’ include:

- Assistance – lump sum – to poor households in mountainous and disadvantageous areas
- Allowances to children under 16 years old who live in poor households (pre-school and school allowance)
- Allowance to repatriates
- Allowance to refugees

- Allowance to persons released from prison
- Allowance to drug-addicts and alcoholics
- Allowances to long-standing unemployed aged 45-65
- Allowance of social solidarity for pensioners
- Assistance to households having faced earthquake, flood, etc.

### **Housing allowances (HY070N)**

The housing allowances include:

- Benefits paid to bank clerks or public servants working in border areas, or to military servants
- Rent benefit, a means-tested transfer by a public authority to tenants, based on income
- Rent benefit, transfer by a public authority to households having faced an earthquake, flood, etc. independently of income
- Benefit to owner-occupiers: a means-tested transfer by a public authority to owner-occupiers to alleviate their current housing costs: in practice help with paying mortgages and/ or interest and/or rehabilitation subsidy and/or a building subsidy.
- Subsidy of interest rate for loans of first dwelling.

It excludes:

- Social housing policy organized through the fiscal system
- All capital transfers (in particular investment grants).

### **Regular inter – household cash transfers received (HY080N)**

Regular inter-household cash transfers received refer to regular monetary amounts received, during the income reference period, from other households or persons. More specifically, we asked for “alimony –compulsory or voluntary”, “child support, for children residing away from home” and in general for any regular cash support.

### **Interest, dividends, profit from capital investments in incorporated businesses (HY090N)**

Interests, dividends, profits from capital investment in an unincorporated business refer to the amount of interest from assets such as bank accounts, certificates of deposit, bonds, etc, dividends and profits from capital investment in an unincorporated business, in which the person does not work, received during the income reference period less expenses incurred.

### **Interest paid on mortgage (HY0100N)**

Interest paid on mortgage refers to the total gross amount, before deducting any tax credit or tax allowance, of mortgage interest on the main residence of the household during the income reference period.

It does not include:

- any other mortgage payments, either interest or principal, made at the same time, such as mortgage protection insurance or home and contents insurance
- payments on remortgages to obtain money for housing purposes (e.g. repairs, renovations, maintenance, etc.) or for non-housing purposes
- repayments of the principal or capital sum

Interest paid on mortgage is not collected. It will be included from 2007

### **Income received by persons aged under 16 (HY0110N)**

Income received by persons aged under 16 is defined as the gross income received by all household members aged less than sixteen during the income reference period. Income received from other household members for work done in the family business is not included.

### **Regular taxes on wealth (HY0120N)**

Regular taxes on wealth refer to taxes that are payable periodically on the ownership or use of land buildings by owners. The regular taxes on wealth provided will be those paid during the income reference period.

### **Regular inter-household transfers paid (HY0130N)**

Regular inter-household cash transfers paid refer to regular monetary amounts paid, during the income reference period, to other households or persons. More specifically, we asked for “alimony – compulsory or voluntary”, “child support, for children residing away from home” and in general for any regular cash support.

### **Tax on income and social insurance contributions (HY0140N)**

Tax on income refers to taxes on income, profits and capital gains. They are assessed on the actual or presumed income of individuals, households or tax-units. They include taxes assessed on holdings of property, land or real estate, when these holdings are used as a basis for estimating the income of their owners.

Taxes on income include :

- Taxes on individual, household or tax-unit income (income from self-employment, property, entrepreneurship, pensions, etc.) included taxes deducted by employers (pay-as-you earn taxes), other taxes at source and taxes on the income of owners of unincorporated enterprise paid during the income reference period.
- Tax reimbursement received during the income reference period related to tax paid for the income received during the income reference period or for income received in previous year. This value will be taken into account as a reduction of taxes paid.
- Any interest charged on arrears of taxes due and any fines imposed by taxation authorities.

Social insurance contributions refer to employees' and self-employed contributions paid during the income reference period to either mandatory government or employer-based insurance schemes (pension, health, etc.).

### **Repayments/receipts for tax adjustments (HY0145N)**

Repayments/receipts for tax adjustments refer to money paid to/received from Tax Authorities according to the income received.

## **Cash or near-cash employee income (PY010N)**

Employee cash or near cash income refers to the monetary component of the compensation of employees, in cash, payable by an employer.

Included are:

- Wages and salaries paid in cash for time worked or work done in main and any secondary or casual job(s).
- Overtime
- Commission and tips
- Piece rate payments
- Payments for fostering
- Profit sharing and bonuses
- Allowance for working in remote locations, for transport
- Remuneration for time not worked (e.g. holiday payments)
- Additional payments based on productivity
- Supplementary payments (e.g. thirteenth month payment)
- Marriage allowance
- Allowance to the workers in the building constructions

Excluded are:

- Reimbursements made by the employer for work-related expenses (e.g. business travel)
- Severance and termination pay to compensate employees for employment ending before the employee has reached the normal retirement age for that job and redundancy payments
- Allowances for purely work-related expenses such as those for travel and subsistence or for protective clothes
- Lump sum payments at the normal retirement date
- Union strike pay

### **Non-cash employee income (PY020N)**

Gross non-cash employee income includes only the company car and associated costs (e.g. car insurance, taxes and duties), provided for either private use or both private and work use.

Information on the following items has also been collected , but not included, for:

- Free of charge or contribution meals within working hours
- Reduced values for electricity, telephone, water etc
- Produced goods provided free of charge or with reduced price to employees.

However they haven't been counted in the variable "non-cash employee income" except company car.

### **Employers' social insurance contribution (PY 035N)**

Employers' contributions are defined as payments made, during the income reference period, by employers for the benefits of their employees to insurers (social security funds and private funded schemes) covering statutory, conventional or contractual contributions in respect of insurance against social risks.

It includes:

- employers' contributions to private retirement (pension) plans,
- employers' contributions to private health insurance,
- employers' contributions to life insurance,
- employers' contributions to other employer insurance schemes (e.g. disability),
- employers' contributions to government insurance (social security) schemes (including payroll taxes levied for social insurance purposes).

Information on the items has not been collected.

## **Cash profits or losses from self-employment (including royalties) (PY050N)**

It includes:

- Net operating profit or loss accruing to working owners of, or partners in, an unincorporated enterprise, less interest on business loans.
- Royalties earned on writing, inventions, and so on not included in the profit/loss of unincorporated enterprises.
- Rentals from business buildings, vehicles, equipment, etc not included in the profit/loss of unincorporated enterprises, after deduction of related costs such as interest on associated loans, repairs and maintenance and insurance charges.

## **Value of goods produced for own consumption (PY070N)**

The value of goods produced for own consumption refers to the value of food and beverages produced and also consumed within the same household.

The value of goods produced for own consumption are calculated as the market value of goods produced deducting any expenses incurred in the production, not being though counted in total income. The item however has not been included in the data files.

## **Unemployment benefits (PY090N)**

As unemployment benefits included are:

- Full unemployment allowance
- Partial unemployment allowance
- Early retirement for labour market reasons
- Allowance vocational training for unemployed
- Reimbursement due to dismissal from work
- Seasonal unemployment benefit for persons seasonally working (e.g. actresses, musicians, building workers, hotel staff, etc.)
- Allowance for young persons aged 20-29 years
- Allowance of military service
- Placement, resettlement or rehabilitation benefit
- Any other benefit replacing in whole or in part income lost by a worker due to loss of gainful employment.

### **Old-age benefit (PY100N)**

Old age benefit includes:

- Old age pension from public sector
- Supplementary pension from public sector
- Early retirement pension due to resignation
- Care allowance
- Parallel pension from private sector (paid by the employer)
- Lump sum due to retirement
- National resistance pension
- Any other old age benefit providing a replacement income when the aged person retires from the labour market, or guarantee a certain income when a person has reached a prescribed age.

### **Survivors' benefits (PY110N)**

Included are:

- Old age pension from public sector
- Supplementary pension from public sector
- Parallel pension from private sector (paid by the employer)
- Orphans pension
- Pension of war victims

### **Sickness' benefits (PY0120N)**

Included are:

- Paid sick leave
- Benefit for working accidents
- Benefit for spa therapy, airing etc.
- Assistance for movement of sick persons

### **Disability benefits (PY0130N)**

Included are:

- Disability pension
- Benefit for persons with special needs
- Care allowance for incapacitated persons
- Care allowance for incapacitated children
- Nutrition allowance for people suffering kidney's disease
- Any other cash benefit

### **Education-related allowances (PY0140N)**

Included are:

- Benefit received for participation in research programs
- Scholarships

### **Monthly gross employee income (PY0200G)**

Gross employee cash or near cash income refers to the monetary component of the compensation of employees, in cash, payable by an employer on behalf of the employee to social insurance schemes or tax authorities

## **C. Calculation of income**

### **Total household gross income**

$$\text{HY010G} = \text{PY010G} + \text{PY050G} + \text{PY090G} + \text{PY100G} + \text{PY110G} + \text{PY120G} + \text{PY130G} + \text{PY140G} + \text{HY040G} + \text{HY050G} + \text{HY060G} + \text{HY070G} + \text{HY080G} + \text{HY090G} + \text{HY110 G}.$$

The collection of gross income is for approximately 30% of income variables but we didn't calculate total household gross income, so this factor is zero in total disposable household income.

### **Total household net income**

$$\text{HY010N} = \text{PY010N} + \text{PY050N} + \text{PY090N} + \text{PY100N} + \text{PY110N} + \text{PY120N} + \text{PY130N} + \text{PY140N} + \text{HY040N} + \text{HY050N} + \text{HY060N} + \text{HY070N} + \text{HY080N} + \text{HY090N} + \text{HY110 N}.$$

### **Total disposable household income**

$$\text{HY020} = \text{HY010} - \text{HY145} - \text{HY130} - \text{HY120}$$

**Total disposable household income, before social transfers other than old age and survivors' benefit**

$$\text{HY022} = \text{HY020} - \text{PY090N} + \text{PY120N} + \text{PY130N} + \text{PY140N} - \text{HY050N} - \text{HY060N} - \text{HY070N}$$

**Total disposable household income, before social transfers including old age and survivors' benefit**

$$\text{HY023} = \text{HY020} - \text{PY090N} + \text{PY120N} + \text{PY130N} + \text{PY140N} + \text{PY100N} + \text{PY110N} - \text{HY050N} - \text{HY060N} - \text{HY070N}.$$

*For further information*

- COMMISSION REGULATION (EC) No 1980/2003 of 21 October 2003 implementing Regulation (EC) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions (EU-SILC) as regards definitions and updated definitions

## **References**

- COMMISSION REGULATION (EC) No 1980/2003 of 21 October 2003 implementing Regulation (EC) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions (EU-SILC) as regards definitions and updated definitions