

## **GREECE Country Summary**

### **Introduction and Overview**

Protection of the family and marriage, care for large families, responsibility for children and youth, care for widows and orphans of war, are all part of the early Greek constitution established in the 1920s. The post-civil war constitution established in 1975 added to the above governmental responsibilities: maternity protection, child protection, protection of the aged, the handicapped, the poor -- and health care for all. A new family law was enacted in 1983 that stressed the equality of the sexes, the protection of children and the family, as well as the secularization of marriage. Population policy has been --and continues to be --a major component of family policy and in recent years the reconciliation of work and family life plays a more important role than it has in the past but Greece continues to lag behind other industrialized countries in this area.

Over time, Greek family policy has come to include measures that provide economic aid to families with children (allowances, subsidies, tax exemptions, and services). However, the main characteristics of Greek family policy are its fragmentary and categorical nature and its stress on selective policies, on targeting policies on the poor and disadvantaged. A combination of far more extensive higher education for women, significantly higher rates of labor force participation by women, the growing vulnerability of single-earner families (with only a slight increase in single-parent families since out-of-wedlock births and divorce rates are still very low) and urbanization, have been correlated with much lower fertility rates (1.3 in 2000) -- and together have led to some growth in family policy responses.

Greek social and family policy scholars stress that "familism" has always been a core component of Greek family policy, as it has been in the other Mediterranean countries (Italy, Spain, Portugal). As one expert states: "Greek social policy has always relied on the family for welfare services to its members."(Aliprani, forthcoming) Traditional family roles and structure continues to dominate in Greece and both nuclear family and kin network are key elements in the society. But changes are occurring both within the family and in the welfare state.

### **Government Agencies**

The Ministry of Social Assistance is the government agency with primary responsibility for the most vulnerable: orphans, handicapped, and war refugees. The Ministry of Health and Welfare has primary responsibility for health services. The Ministries of Welfare and Interior share responsibility at the national level for early childhood care and the Ministry of Education has responsibility for early childhood education. The Ministry of Labor and Social Security has primary responsibility for social insurance benefits and for family allowances while the Ministry of Finance handles the tax benefits. The Social Insurance Institute administers benefits through local offices. Local authorities have responsibility for preschools, child care services, and social services for the elderly.

## **Demographic and Other Social Trends**

Greece has a population of 10.5 million people (2000), of which 16.7 percent are elderly (aged 65 and above), just about the EU average, and 15.5 percent are children under age 15, below the EU average and far below the OECD average of 20.4 percent. By comparison to other European countries, Greece continues to be dominated by traditional family roles and household structures, yet internally, Greece is experiencing many socio-demographic changes. A couple with children is the most prevalent household type, followed by childless couple households, but the proportion of married couple with children households has decreased. Greece has the lowest rate of children born outside of marriage (4.1 percent) among the OECD countries, yet by Greek standards the increase is unprecedented. The divorce rate is one of the lowest among the EU countries and only one percent of couples in Greece lives in a consensual union, but from the perspective of Greece, there is concern that these increases are a threat to traditional family roles and structures. Only three percent of parents are lone-parents in Greece. One of the issues motivating changes in social policy is the steadily declining fertility rate in Greece. It is now among the lowest in Europe, at 1.3.

Greece, like other industrialized countries, has experienced an increase in the number of households due in part to delayed marriage and childbirth and changing household structures. Although the elderly in Greece are among the more likely to live with adult children, the likelihood of the elderly living in a separate household in Greece has increased (Bagavos, 2002). Relatively high proportions of 25-45 year-olds still live in a parental home but less than in the past. Education attainment has risen in Greece and the education gap between men and women is diminishing.

Its unemployment rate is slightly above the EU average. Female labor force participation (50.2 percent in 2000) is lower than the EU average (60.2 percent). The percentage of employed women who work part-time was 9.4, far less than the EU average of 30 percent, and 25.7 percent for OECD countries. A significant part of women's paid employment goes on in the underground economy, at low wages, with no social benefits. Despite some changes, women still follow largely traditional roles. In part this may be due to the limited opportunities for part-time work in Greece. On average, 16.3 percent of all workers were part-time workers in the European Union in 2000, only 5.4 percent of total employment is part-time in Greece. The opportunities for flexibility at the workplace, and women's ability to reconcile work and family life are accordingly limited. This is aggravated by gender differentials in pay, promotion and the scarce availability of child care options for mothers who work.

Immigration to Greece accounts for at least 96 percent of the population increase during the 1990s (Bagavos, 2002). This influx has reduced the homogeneity of the Greek population and culture, and has affected economic and social patterns.

## **Social Protection**

Greece, like the other southern European countries, in particular Italy, Portugal, and Spain, is similar to several other "Bismarckian" western European countries such as Germany and Austria

in that it has a contributory social insurance, social protection system. However, unlike these latter continental countries and more like the other Mediterranean countries, the system is weighted towards old age pensions, disability (invalidity) benefits and health care – although in recent years, expenditures on family benefits have grown. "The scope of protection of the Greek social protection system is not universalistic, but categorical, and work focused. The bulk of income transfers is traditionally absorbed by old age pensions." (Katrougolos, 1996). Unlike most other EU countries, family allowances are contingent on employment and linked to income and to the ordinal position of the child. The Greek welfare system also lacks any kind of universal minimum income support scheme for non-contributory benefits. Only recently has it established a means-tested minimum old age pension.

Along with Spain and Portugal, for decades Greece was known as a laggard in social protection development and spending. This pattern changed in the 1990s. In most European countries, social protection expenditures rose during the first half of the 1990s and thereafter fell below 1991 levels by the year 2000. Greece and Portugal were notable exceptions to this pattern. Greece's social expenditures rose from 21.6 percent of GDP in 1991 to 26.4 percent in 2000, exceeding the European Union average of 22.9 percent. Greece's per capita social expenditure in 2000 was 3,073 Euros, still below the EU average. Expenditures on old age and survivor pensions continues to dominate social spending (64 percent), though spending on family and children benefits has increased to 3.7 percent of all social expenditures, it is well below the EU average of 8.5 percent in this category.

Greece has a discretionary and local social assistance program. The National Health Service and Family Allowances are financed by the state.

The poverty rate is relatively high, and the most vulnerable groups are the elderly, lone mothers, large families, and those living in rural areas. According to a UNICEF report, child poverty rates in Greece in the late 1990s were 12.6 percent, using the standard comparative measure of poverty—income less than 50 percent of the national median (UNICEF, 2000).

## **Child, Youth and Family Policy Regimes**

### Maternity, Paternity, Parental, and Family Leaves

Maternity benefits include a birth grant and a maternity allowance (European Observatory, 2002). The birth grant is a flat-rate, lump-sum paid on the birth of a child to a parent who has worked at least 50 days in the last calendar year which ended three months before birth. The sum paid is 626 Euros, 30 times the daily wage of an unskilled worker, and is intended to cover birth costs.

Maternity leave is a mandatory, 17-week, paid leave for employed mothers of which 56 days must be taken prior to and 63 days following birth. It was first enacted in 1981 and has been expanded several times since then. While on leave, working mothers who have worked for at least 200 days in the last two years prior to birth, receive a cash benefit (maternity allowance) from the social security agency, that replaces 50 percent of their wages. Women may be eligible

for a supplement if the amount they receive is less than normal wages. The additional payment is paid by the Employment and Labor Organization. Women who do not qualify for the maternity allowance (because they have worked a shorter period) may qualify for a means-tested maternity assistance cash benefit. This benefit now equals about 440 Euros and half is paid prior to and the remaining half is paid post-birth.

For one year following birth, a woman's job is protected. Pregnant women and those recently given birth are prohibited from working a night shift for up to one-year following birth.

Breast-feeding mothers can reduce their work hours by an hour a day during the first year of the child's life.

There is a one-day paid paternity leave for men working in the private sector.

Parental leave, the result of an EU directive, is an unpaid leave for either parent of 3.5 months for each at the time of birth or adoption (and double that for a single parent). The leave can be used until the child reaches age three and a half years and can be used to pursue further training or education. The leave is job-protected but unpaid.

An additional paid parental leave (or a family leave) is provided for a working parent to care for an ill child under age 16, at home. A parent is entitled to 6 days a year of fully paid leave if there is one child in the family, 8 days for two children, and 10 days for 3 or more children.

Still another fully-paid family leave exists, for up to 4 days a year, for a working parent to visit a child's school.

### Early Childhood Education and Care (ECEC)

Given the rising labor force participation rates among women and other changes in households, the need for age-appropriate and safe child care has been at the forefront of public debates on social welfare. Discussions regarding child care are linked to broader discussions of falling fertility rates, the reconciliation of work and family life, and to a lesser degree are part of policy discussions on gender equality (Bagavos, 2002).

Compulsory school begins at age 6. There are two systems of publicly-funded early childhood education and care systems for children under age 6—social welfare and education—and they overlap for children aged 3 1/2 to 6 years (Moss, 1996).

The Ministry of Social Welfare and the Ministry of Interior share administrative responsibility for the care services at the national level. Since 1995, the local authorities have primary responsibility for operating centers, and charge income-related fees. There are nearly 180 child care centers operated by local governments and almost 2,100 municipal centers administered by the Ministry of Health and Welfare. Within this system are the full day, year-round programs for children under age 2 1/2 as well as those aged 2 1/2 to 6. There is relatively little information on usage and coverage is considered inadequate. Informal, mainly kinship care, is most prevalent, often provided by low-paid immigrant workers in the child's home (Bagavos, 2002).

Within the education system, there are about 1,000 free and voluntary preschool programs serving 17,000 children aged 3 1/2 to 6, covering the school day and year.

In 2002, recently initiated extended-day programs in about 2,000 schools served approximately 60,000 school-age children. The availability of all-day kindergarten classes is increasing as well.

### Child and Family Allowances

Greece has a complicated system of categorical family allowances, cash benefits, targeted on different family needs. Family allowances are linked to the presence and ordinal position of children in the family and are contingent on parents' employment status. They vary substantially depending on whether parents are employed in the public or the private sector. Family benefits include marriage allowances and family allowances, both payable to either a husband or wife. Payment levels are determined by collective agreements, arbitration awards and works rules. As of 1999, the basic benefit is no longer income-tested and the benefit level has been significantly raised.

The Distributive Fund for Employee Family Allowances (DLOEM) administers family allowances to employees not in receipt of such an allowance from their employer. It is intended as the means of providing an essential supplementary payment for employees with family commitments. This regulation expresses the social dimension of pay (social wage). The DLOEM is financed by equal contributions from employees and employers (each contributes 1 percent of total pay). The allowances are paid in a lump sum annually and increase by number of children. For one child, a family receives 5.9 Euros per month, for two children it is 17.6 Euros/month, 40 Euros for three children, and 48 Euros for four children. Allowances are increased by 3.7 Euros per month for a handicapped child or for a child of a lone-parent. Recent changes allow both parents to collect a family allowance on behalf of their children if both parents work (European Foundation for the Improvement of Living and Working Conditions, 2001).

There is an additional allowance for a third and fourth child administered by the Agricultural Insurance Organization. Mothers legally and permanently residing in Greece and of EU nationality receive 131 Euros per month for a third child until the child reaches age six if the family income is below 23,477 Euros. For lone-mothers with a fourth child, there is an additional allowance of 67.5 per month provided until there is no longer a single child up to the age of 23 years living in the house.

### Child and Family Tax Benefits

The individual is the filing unit for income taxes. Like the family benefit system, the ways in which income taxes take account of child and family obligations are complicated. There are tax exemptions for the individual filer, for his/her spouse, dependent child, for health care, for a portion of housing costs, and 10 percent of the cost of child care for children under age 6. Tuition fees for private school and a portion of rent, are also tax deductible. Tax reductions favor large families. A family with one child receives a tax reduction of 88 Euros, two children—205.4 Euros, three children—616.3 Euros, and families with four children receive a tax reduction of 939 Euros.

### Child Support

Given the very low rates of divorce and unwed parenting, child support is not a significant issue. Nonetheless, a means-tested, "half-orphan" allowance and a means-tested single-parent allowance described above are provided.

### Other Child Conditioned Income Transfers

Old Age Pensioners and the disabled are entitled to pension supplements for children (20 percent for first child, 15 percent for second, and 10 percent for third). Children are entitled to Survivor's Benefits under Old Age Insurance. A child, if a full orphan under age 18, or under 24 if a student, or at any age if disabled) is entitled to 60 percent of the full pension, or 20 percent if a half-orphan. Medical benefits are the same for dependents as for the insured worker. A child of a worker receiving worker's compensation is entitled to a benefit equal to a minimum wage.

### Child and Adolescent Health

Greece has a national health service. In addition, since 1952 there has been a system of "Mother-Infant Centers", under the auspices of local government, that provide pre- and post-natal care, well-baby care, adoption and foster care services.

### Housing Benefits

Greece provides several types of housing subsidies including the exemption of a portion of rent from taxable income, and subsidies for the purchase of housing and/or for its repair (e.g. low interest, long-term loans). Support is provided by the Employees' Housing Organization for families whose annual income is below 8,217 Euros, although income eligibility increases with the number of children. For eligible families, the rent paid is subject to limitations and according to the number of children in the family.

### Youth

Unemployment among those under age 25 has increased to over 30 percent in recent years. Young workers are three times more likely to be unemployed than those 25 years and older. Youth unemployment is believed to have contributed to the delay in marriage, family formation, and the decrease in fertility rates.

There are several youth programs that civil servants and some others in private employment receive as a fringe benefit, subsidized summer camp (one or two weeks) for their children aged 6-16. There are also, increasingly, summer school programs carried out by the local authorities.

[Click here to view in PDF format a table on the ages at which children and youth are legally entitled to carry out a series of acts in EU countries.](#)

### Reconciliation of Work and Family Life

This is a growing theme in public discussions regarding employment, social protection, and equal opportunities and has been part of the National Action Plans for the past several years.

Reconciling work and family life responsibilities is frequently considered in economic, health and social policy discussions.

## References

- Aliprani, L. (Forthcoming). *Family change and family policies in Greece*. Mannheim Series. Oxford, England: Oxford University Press.
- Bagavos, C. (2003). *The situation of families in Greece in 2001*. European Observatory on the Social Situation, Demography, and Family.  
[http://europa.eu.int/comm/employment\\_social/eoss/downloads/gm\\_01\\_greece\\_bagavos.pdf](http://europa.eu.int/comm/employment_social/eoss/downloads/gm_01_greece_bagavos.pdf)
- European Commission. (1998). *Care in Europe*. Brussels, Belgium: Author.
- European Foundation for the Improvement of Living and Working Conditions. *Greece: Family benefits for employee*. Retrieved on the World Wide Web at  
<http://www.eurofound.ie/emire/GREECE/FAMILYBENEFITSF0REMPLOYEES-GR.html>.
- European Observatory. (2002). *Family benefits and family policies in Europe—Greece*. European Observatory on the Social Situation, Demography, and Family. European Commission. Retrieved from the World Wide Web at:  
[http://europa.eu.int/comm/employment\\_social/eoss/index\\_en.html](http://europa.eu.int/comm/employment_social/eoss/index_en.html).
- Katrougolos, G. (1996). The Greek welfare state. *Journal of European Social Policy*, 6(1).
- Moss, P. (1996). *A review of services for young children in the European Union, 1990-1995*. Brussels: European Commission.
- Moussourou, L. (1998). Family policy in Greece: Traditional and modern patterns. In J. Ditch, H. Barnes, & J. Bradshaw (Eds.), *Developments in national family policies, 1996*. European Observatory on National Family Policies, Social Policy Research Unit. York, England: University of York.
- Moussourou, L. (1996). Family policy in Greece: Traditional and modern patterns. In J. Ditch, H. Barnes, & J. Bradshaw (Eds.), *Developments in national family policies, 1995*. European Observatory on National Family Policies, Social Policy Research Unit. York, England: University of York.
- UNICEF. (2000). Child poverty in rich countries. *Innocenti Report Card No. 1*. Florence, Italy: Innocenti Research Center.