

DATA OF EMPLOYMENT AND UNEMPLOYMENT IN GREECE

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***Abstract:** With the economic crisis of recent years there is a wider discussion on issues of employment and unemployment in Greece. Development, attracting new investments, creating new jobs, unemployment rates, brain drain are some of the issues that interests the political, economic and social carriers of the country. This paper presents data on employment and unemployment in Greece for the last decade. Under this framework, data are presented and the relevant findings are discussed.*

Key words: employment, unemployment, labour market.

JEL Classification Codes: J21, E24.

1. INTRODUCTION

After the year 2008, the beginning of the crisis, the Greek economy has suffered from serious economical problems, such as the decrease of incomes, the decline in consumer credit and unemployment. As a result, labour market conditions have been worsen. One of the major economic problems of a country is the one of unemployment. The most important problem that must be faced today in terms of the economic crisis, is the professional rehabilitation. Unemployment is recognized when the labor supply exceeds the demand. This also results to lower incomes. Actual problems of unemployment are presented by the inability of the economy to provide employment to all workforce that is willing to work. Unemployment is perhaps the most important structural problem of the economies of countries of the European Union. Greece was below the European average a few years ago, but now, Greece has one of the highest unemployment rates in Europe, with a high rate of long-term unemployment, which is difficult to be fought (OECD, 20016; European Parliament, 2013).

After the recession of the Greek economy during the years of the crisis, the Greek economy showed signs of recovery at the end of 2014, mainly because of export gains. This recovery was stopped and the return to pre-crisis employment levels seems to be very far, since additional actions that must be taken do not apply for several reasons. It is important to mention that more than one in four jobs that existed before the crisis have been lost. The duration of unemployment in Greece is not in very promising levels, since more than 70% of the unemployed are in that position for more than a year. The Greek Governments have tried to solve the most acute social problems of unemployment, but additional emergency acts should be taken (International Labour Organization, 2014a; International Labour Organization, 2014c).

As a result of the crisis labour market conditions have worsen dramatically. The unemployment rate was 7.6 % in 2008 and increased to 24.2% in 2012 (Karantinos, 2013). In this paper we present data regarding employment and unemployment in Greece for the last decade. In section two, economic conditions in Greece are shortly indicated, in section three

employment and unemployment data in Greece are presented in numbers and in figures. Finally, in section four, we conclude.

2. ECONOMIC CONDITIONS

In this section, we indicate important economic figures of Greece in relevance with the European countries in order to gain a better understanding of the situation. The Greek economy has declined by almost 25% since 2008. In 2010, when most of the European countries were recovering from the debt crisis, GDP in Greece was lowering (see Figure 1) (International Labour Organization, 2014a).

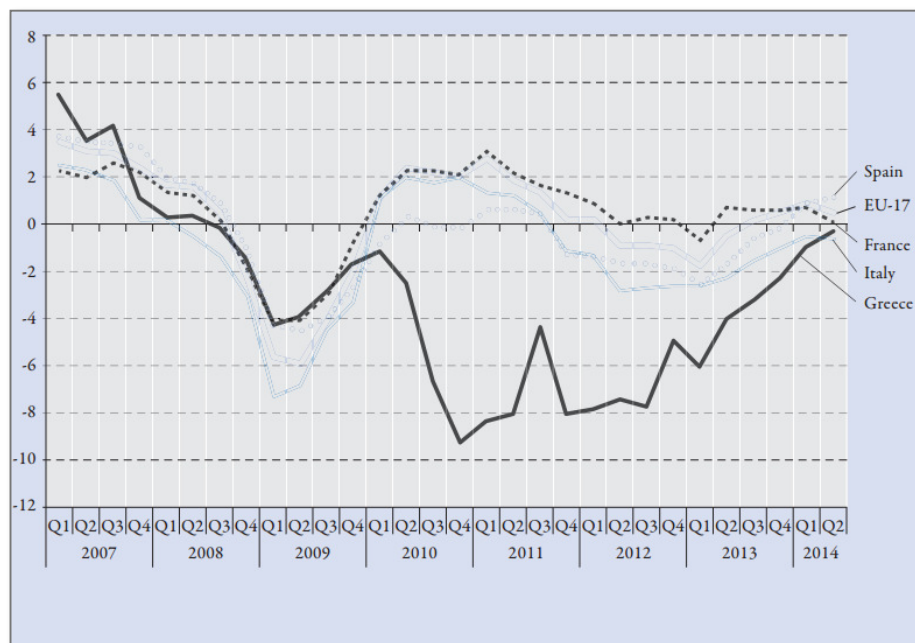


Figure 1. GDP in selected EU countries
 Source: International Labour Office, 2014b.

The Greek Government is making an effort during the years of the crisis to follow its commitments with the European Commission (EC), the European Central Bank (ECB) and the International Monetary Fund (IMF). Nevertheless, public debt continued to rise (175% of GDP in 2013), while the amendment in public finances is mostly a result of severe cuts in several social areas.

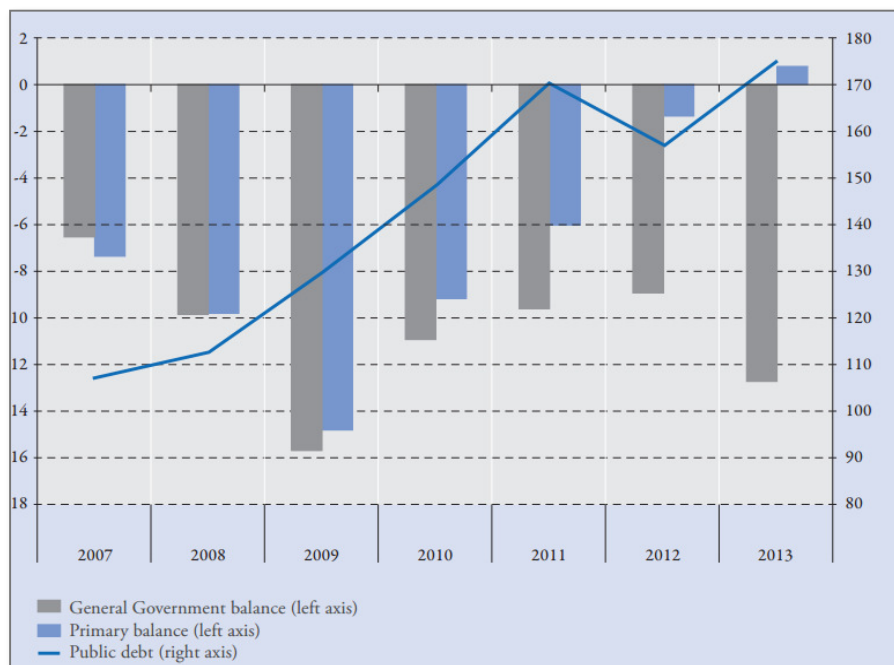


Figure 2. Public deficit and debt
Source: International Labour Office, 2014b.

The social situation has been worsen since the start of the crisis. The overall at-risk-of-poverty rate (before transfers) for the total population was 24.8% in 2011, while the overall at-risk-of-poverty rate (after transfers) for the total population was at 21.4% in 2011 (Karantinos, 2013). The economic crisis along with the necessary measures that must be taken by the loan support to Greece (the European Commission (EC), the European Central Bank (ECB) and the International Monetary Fund (IMF)) brought extensive changes to legislation, covering almost all aspects of living, especially employment protection was loosen along with wage setting mechanisms. The lack of the creation and application of a strategic plan to initiate economic growth in Greece is the biggest problem (Karantinos, 2013).

3. DATA OF EMPLOYMENT AND UNEMPLOYMENT IN GREECE

In this section we present official data of employment and unemployment in Greece for the last decade. The resident population of Greece is 10,816,286 as it is recorded from the Population Census of 2011 (Hellenic Statistical Authority, 2016). As it is shown in Figure 3, the unemployment rate started to increase in the year 2009 and for the next years it was raised to 27.5% in 2013. In 2014 the unemployment rate decreased to 26.5% and for the next years it continue to decrease. It is worth to note that in October 2016 the unemployment rate in Greece was 23.4%, while the average of unemployment in the European Union of 28 countries was 8.3. Greece's unemployment rate was the highest, with the second highest unemployment rate of Spain at 19.2%, Croatia's unemployment rate at 12.7% and the other countries to follow next (Eurostat, 2016).

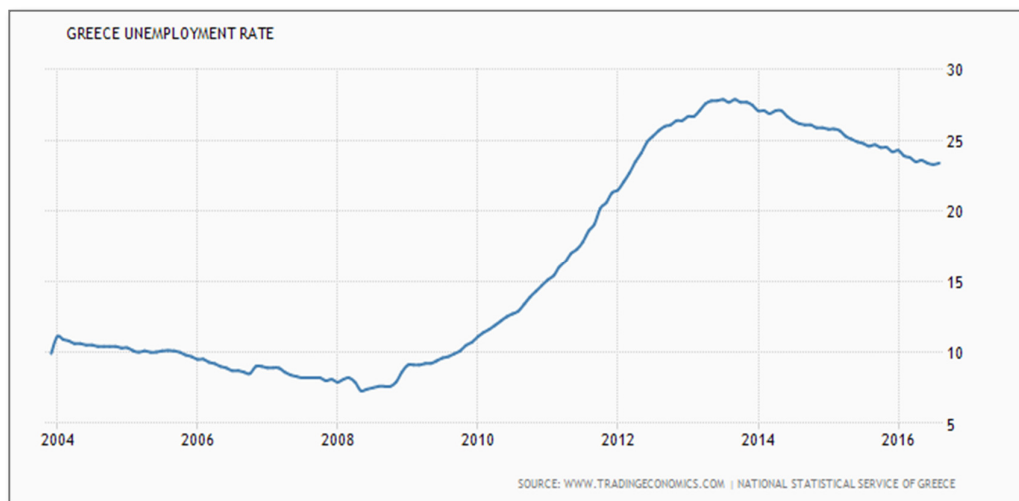


Figure 3. Unemployment rate
 Source: Trading Economics, 2016

In Figure 4 the unemployment and employment rate of population aged from 15 years old and over is shown for the years 2003 – 2014.

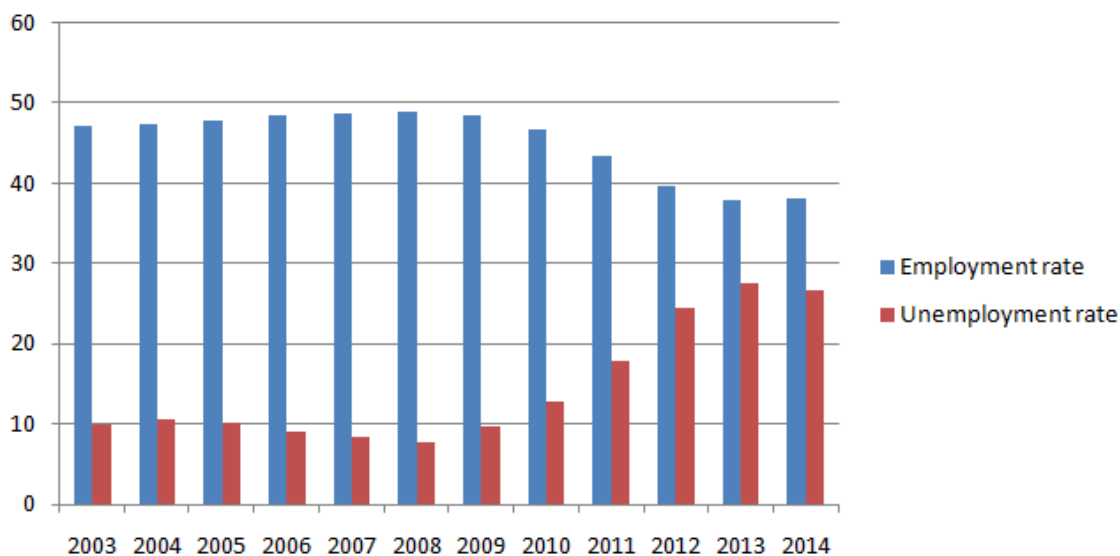


Figure 4. Unemployment and employment rate
 Source: Hellenic Statistical Authority, 2016.

The employment status of the population aged more than 15 years old is shown in Figure 5 for the years 2003 – 2014. It must be noted that in 2011 the economically non-active population was more than 35% of the total population.

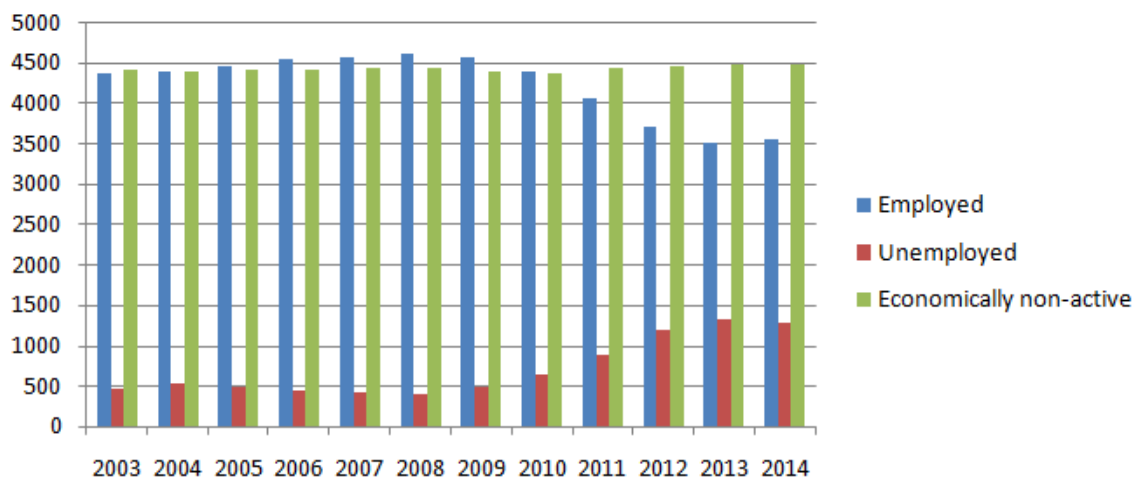


Figure 5. Population aged 15 years and over by employment status, 2003 – 2014 (in thousands)

Source: Hellenic Statistical Authority, 2016.

For the year 2014, 38.1% of the population were employed, 13.73% were unemployed and 48.17% were economically non active. For the year 2012, the respective percentages are 39.54%, 12.79% and 47.67%, while for the year 2013, the respective percentages are 37.74%, 14.29% and 47.97%. The age distribution of the employment status in 2014 is shown in Figure 6.

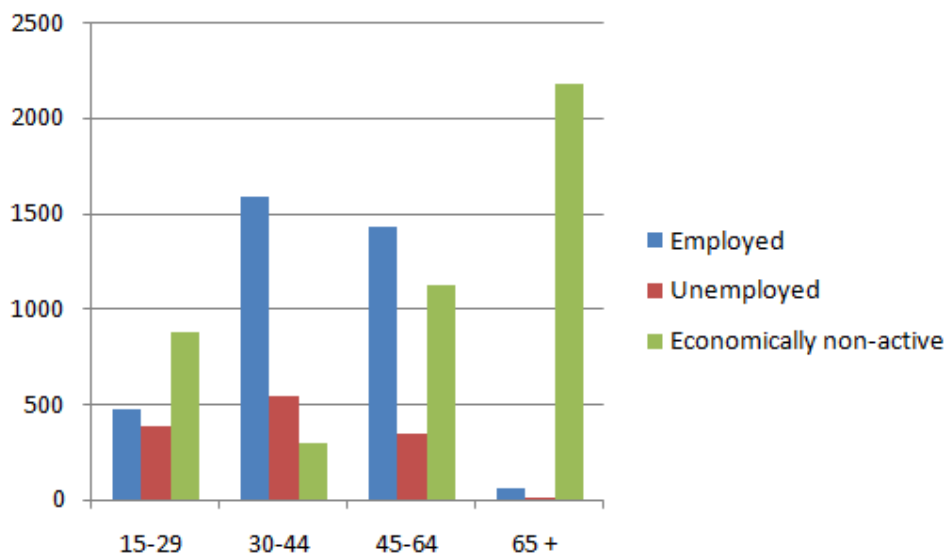


Figure 6. Employment status, 2014, per age (in thousands)

Source: Hellenic Statistical Authority, 2016.

Moreover, the status of long-term unemployed an important problem of Greece, since almost one million of the total population were long-term unemployed in 2014 (see, Figure 7). We must note that the percentage of long-term unemployed is defined as the percentage of job seekers for one year or more in the labour force.

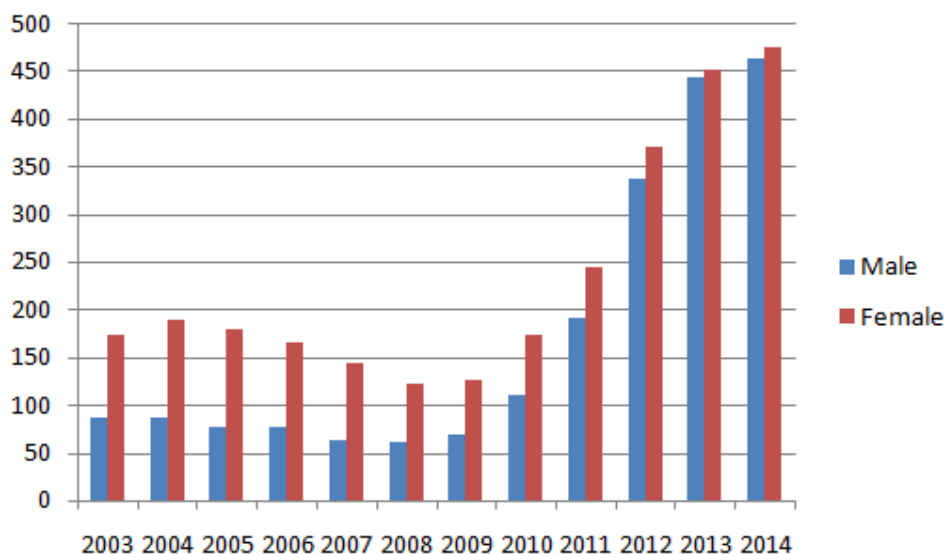


Figure 7. Long-term unemployed (in thousands)

Source: Hellenic Statistical Authority, 2016.

Furthermore, the jobless households is another important problem of Greece, since almost one and a half million (30.1%) of the total population were living in households where no-one worked in 2014 (see, Figure 8).

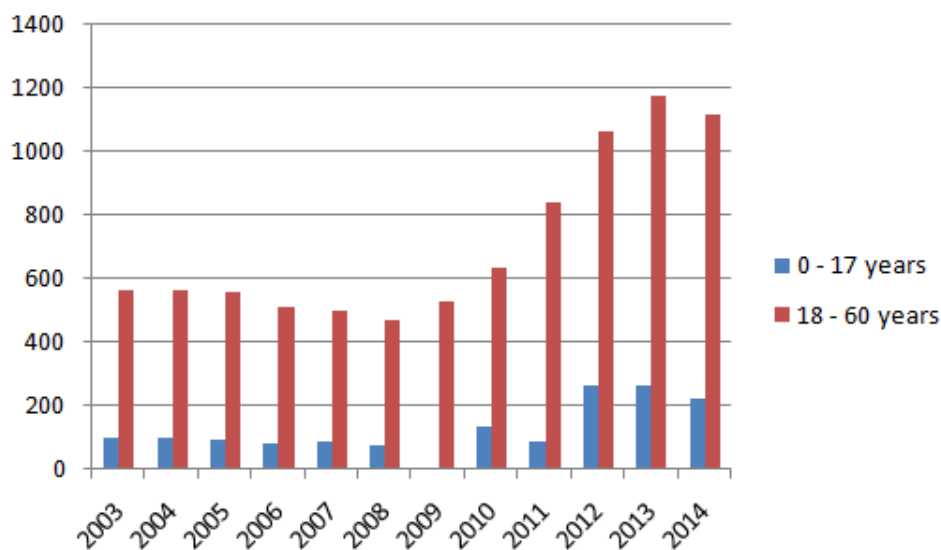


Figure 8. Living in jobless households (in thousands)

Source: Hellenic Statistical Authority, 2016.

Regarding the status of enterprises in Greece, in the year 2013, 241,523 enterprises (private sector) submitted information regarding their staff. The total number of employees in private sector was 1,371,450. The number of employees in private sector per company was 1-10 employees for 90.21% of the enterprises, 11-50 employees for 8.3% of the enterprises and 51-250 employees for 1.251% of the enterprises (Ministry of labour market, social security and welfare, 2013). Specifically, 17.85% were employed in retail, 12.12% in restaurants, 11.47% in wholesale, 4.64% in health services, 4.39% in education and the rest in other sectors.

Almost half were men and half women (53.53% men, 46.47% women). The majority (69.66%) were working for more than 35 hours per week, 14.23% were working 10.1-20 hours per week, 10.45% were working 20.1-35 hours per week and the rest were working less than 20 hours per week. For the first 10 months of 2012, recruitments at the private sector were 732,133, while the layoffs were 748,960. The corresponding numbers for the first 10 months of 2013 were 941,289 and 810,586, respectively. October of 2013 was the first month with negative balance in flows, after 7 years of positive balance in flows of employment in private sector (Ministry of labour market, social security and welfare, 2013).

4. CONCLUSIONS

We presented the statistical data of Greek unemployment, per year, age, gender and sector. Unfortunately, the unemployment percentages have increased dramatically. Almost half million Greeks have no job and leave with no income. The numbers of long-term unemployed and jobless households are increasing dramatically with the long-termed unemployed to get over one million people.

It is evident that Greece needs to recover strongly economically and to create new and more jobs. Efforts are needed to improve productivity, stimulate investment and creation of new firms. The high levels of unemployment are due to institutional factors. It is also, evident that the active labour market policies of the Greek governments do not seem able to reduce the level of unemployment. The unemployment in Greece is to a large extent structural and therefore structural changes must be realized. The causes of this situation and the social and economical effects of unemployment are to be discussed in a future work.

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