

EVOLUTION OF SOCIAL POLICY
IN GREECE, 1970-1980.

A REPORT PREPARED
FOR THE COMMISSION OF THE EUROPEAN COMMUNITIES
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INTRODUCING THE REPORT

Every year the Directorate General for Employment, Social Affairs and Education prepares a Report on Social Developments in the member countries of the European Community.

Published by the Commission in the spring of 1981, the latest Report covered the year 1980 and outlined social developments within the Europe of the Nine.

Since 1 January 1981, Greece has become the tenth member country of the Community and, by way of consequence, the next "Social Reports" prepared by D.G. V will include every year the evolution of the situation in this country.

Under the circumstances, it is appropriate and even urgent to put at disposal of all those interested, in particular of the readers of the "Social Reports", a document in which the main components of social evolution in Greece during recent years may be found.

Such is the aim of the study at hand "Evolution of Social Policy in Greece, 1970-1980" conceived by D.G. V, as an Addendum to the Social Report (year 1980), in order to meet a real need for information, born from the recent enlargement of the European Community.

Authors of the study are the Greek economists Theodore KATSANEVAS and Spilios PAPASPILIOPOULOS who, concentrating their work into a few dozens pages only and in perfect keeping with the programme proposed by Jacques Boursin, responsible for the Social Report, have brilliantly succeeded in writing an original synthèse, based on a carefully chosen documentation.

The study, available in French and English (reference number : V/284/80-ADD.), may be obtained from the Secretariat of the Social Report and Studies (rue de la Loi, 200, in 1049 Brussels/Belgium; 'phone (02) 736.60.00 - extension 6324 : Mrs. G. VIAENE).

P R E F A C E

This project was carried out between November 1980 and February 1981. Information included here has been obtained from official statistical sources, various publications or interviews with the authorized persons. It should be underlined that existing statistical data concerning the subject matter of this Report are often incomplete or inadequate, and basic research work is practically non-existent. Furthermore, first hand information is not always available, due to the traditional reluctance of Greek civil servants to disclose information. There are, of course, notable exceptions to this general rule. Needless to say, we remain solely responsible for any imperfections or misunderstandings that remain in the text.

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I. ANALYSIS OF TRENDS

A. EMPLOYMENT AND VOCATIONAL TRAINING

1. General survey (introduction)

The structure of employment and the character of unemployment in Greece are closely connected with the pattern of growth of the Greek economy after the 2nd World War.

For the immediate post-war period, the British economist N. Malenbaum and the American N. Rosenstein-Rodan calculated that rural underemployment (disguised unemployment) amounted to 25-30% not only in Greece but in all countries of South East Europe.

During the Civil War in Greece (1946-1949), very important displacements of population, particularly in the rural areas, took place. But it was at the end of the Fifties that rural depopulation assumed an important rate. The greatest part of this "liberated" peasant labour was absorbed by emigration; the rest turned up in towns, and particularly in the Athens and Salonica areas, where employment in the tertiary sector, in construction and in parasitic activities rose considerably. This industrial development, which was initiated after the liberalisation of the economy in 1952 and the enactment of the Law 2687/52 on foreign investment of that same year, was rather capital intensive, since modern technology was incorporated in foreign investment, and thus it did not create the number of jobs necessary for employing these new proletarians.

Except for the influence of foreign capital, it is the rate and distribution of investment among sectors which, as we shall examine later, have determined the structure of employment and the quality of the working population, as general education and vocational training are very closely connected to the pace and pattern of development.

At the end of the Fifties, when the reconstruction of the economy and the reestablishment of monetary equilibrium had been accomplished, Greece presented all the characteristics of underdevelopment: low productivity, small share of manufacturing in GNP, high rural unemployment, high percentage (95%) of agricultural products in total exports (where two products, tobacco and raisins, represented 80% of agricultural exports).

During the Sixties, with the completion of some very important industrial complexes, the rate of accumulation of capital progressed considerably, but with a distorted and inefficient distribution of investment. The annual rate of growth of the GNP was very high (6.2% as an average, for the period 1950 - 1975), the balance of payments' deficit was also continuously growing, but "invisible" revenue (from emigrants, tourism and shipping) was also continuously growing and so helped to cover the current account deficit. This process, however, has created, as the OECD Report on Greece for 1979 mentioned, a very dangerous dependency. As far as population and employment are concerned, one must mention the decrease of the working population during the decade and in general the negative demographic consequences of emigration. The weaknesses of the educational system, the low quality of studies, the inadequacies of vocational training and social policy were, unfortunately, characteristics not only of the Sixties but of the next decade as well.

During the first part of the decade 1970-79, we can observe the same pattern of growth as in the Sixties; the military dictatorship (1967-1974) encouraged the anti-productive structure of investment at the expense of manufacturing and in favour of construction and tourism. Even before the economic crisis of 1974, the economy had suffered in 1973, after two decades of monetary stability, a rate of inflation of 35% as a direct consequence of this policy as well as of the oil crisis. The inflationary pressures remained high during the rest of the decade (the rate of inflation was 24% in 1979). Foreign investment in the manufacturing sector had almost stopped, and the balance of payments' equilibrium was obtained by capital inflow from foreigners and Greeks living abroad, through the purchase of real estate and by foreign lending. With regard to industrial exports which in 1979 amounted to 49.7% of the total, as against 3.6% in 1960, in addition to the basic metallurgical products, there are now textiles, clothing, footwear, cement and chemical products. As to the demographic evolution and the working population, the trends appear to have been reversed with a smaller growth of the working population, as emigration has practically stopped and immigration has accelerated. The main weakness of the economy during the period 1975-80 was the low rate of investment in the manufacturing sector, and this will be a major factor in the evolution of employment in the near future.

In the following table we can see the evolution of the main aggregates of the economy, which are of interest to us for the present study.

	Total (000)		Work. (000)		GNP (constant prices) (000000 DRA)		Gross inv. in fix. cap. (000000 DRA)		% of man.ind. in GNP
		%		%		%		%	
1960	8 327	%	3 601	%	129 201	%	29 121	%	14.2
1965	8 550	2.7	3 413	-5.2	187 009	44.7	49 003	68.3	15.1
1970	8 793	2.8	3 270	-4.2	258 000	38.0	70 663	44.2	19.1
1975	9 047	2.9	3 204	-2.0	339 833	31.7	74 660	5.7	20.9
1980	9 520	5.3	3 220	0.5	413 500	21.7	86 000	15.2	21.6

Source : The table was established by the economic monthly review "Epilogi", December 1980 according to data from the Statistical Service of Greece and the National Accounts Service.

2. Total population

The population of Greece increased eightfold between 1861 and 1971, passing from 1 096 000 to 8 768 600 persons, as a result of the repeated expansion of the national territory and the massive refugee immigration of 1922. The annual natural growth rate oscillated around 1.5% and, at present, has fallen to levels near "zero population growth". After the 2nd World War, Greece went through a "transitory demographic period", as demographers call it, which brought it closer to the demographic situation of more industrialised countries. The birth rate dropped from 30 ‰ in 1928 to 16 ‰ in 1976 and the death rate from 15-25 ‰ in 1930 to 6.9 ‰ in 1955 and 8.9 ‰ in 1976. The excess of births over deaths, which in 1958 amounted to about 65 000 persons, was reduced to 15 000 in 1975.

With the period 1950-75 as a basis we can arrive at the following general conclusions :

- the marriage rate was oscillating at about the same level
- the birth rate was constantly declining
- the death rate steadily increasing
- the infant death rate was declining after a long period of stagnation
- perinatal mortality was characterized by erratic variation.

The population's natural rate of growth was 0.65% for 1976-77 against 1.20% (average per year) for the period 1951-61, and 0.98% for the period 1961-1971. Finally, we must mention that life expectancy at birth has increased from about 53 years in 1940 to 70 years in 1970 for males, and from 56 years to almost 74 years for females.

In the following table 2 we show the breakdown of total population (for a longer period) by main age groups.

Group	y e a r s						
	1928,	1940,	1951,	1961,	1971,	1975,	2000
0-14	32.2	33.0	28.8	26.7	24.9	23.9	20.4
15-64	62.0	60.7	64.4	65.1	64.0	63.9	63.3
65 and over	5.8	6.3	6.8	8.2	11.1	12.2	16.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source : Nicos Polyzos : Communication to the 4th European Population Seminar Athens, 2-5 October 1979.

As far as the evolution of the birth rate is concerned, the factors which have influenced it are the following :

- the evolution of infant mortality :
134 ‰ in 1930, 27 ‰ in 1975
- the number of abortions : 78 000 per year (i.e.: 159 abortions for 100 births) for the greater Athens area
- women's work
- intensive urbanisation : between 1961 and 1971, the total population increased by 4.5%, but the urban population went up by 28.6%; urban population covered 53.2% of total population in 1971 (as against 43.3% in 1961 and 36.8% in 1951)
- diminution of illiteracy: in 1936-38, 12.5% of fathers and 53% of mothers were illiterate, but in 1974 the corresponding percentages were 1.1% and 2.1%
- amelioration of the standard of living: for the period 1961-1971, in a classification by profession, peasants have the highest birth rate and managers the lowest
- external migration : even after 1973, when the rate of emigrant return became greater than the rate of departures, the birth rate did not grow.

These three last factors accounted for 65% of the change in the birth rate for the period 1930-1975.

3. Working population

The evolution of the working population has been influenced by the evolution of birth rates and, in particular, by external emigration. In 1961 it covered 43.4% of total population, in 1971, 36.9% and in 1975, 36.4%. It is estimated that the working population will stabilize at the present level of 36.3%. According to estimates of the Five Year Plan for 1978-1982, the working population will increase by 140 000 persons during this period, at an annual rate of 0.8%. It is estimated that the agricultural working population will decrease by 100 000 persons (or by 1.9% per year). Accordingly 240 000 new jobs would have to be created in order to absorb these persons. In the following table 3 we show the evolution of the working population (15-64 years of age) between 1961-1977 and the distribution of the working population amongst different sectors of the economy.

TABLE 3 : Breakdown of economically active population (agricultural and non agricultural sectors).

Sectors	1961 Census		1971 Census		1977 * Estimate		Variations in thousands of persons	
	Number of pers. in thousands	%	Number of persons in thousands	%	Number of persons in thousands	%	1961 - 1971	1971 - 1977
Agricult.	1 960	53.9	1 323	37.4	1 190	35.6	-637	-133
Other	1 679	46.1	1 912	62.6	2 150	64.4	+233	+238
Total	3 639	100.0	3 235	100.0	3 340	100.0	-404	+105

* According to a more recent estimate of December 1978, by the National Statistical Service of Greece, if we take into account the EEC criteria for determining the agricultural working population, then this population is estimated at 867 000 persons or 28.8% of the total working population.

Source : Nat. Statist. Service of Greece

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The proportion of workers in the total population was 59.7% for men in 1961, 54.3% in 1971 and 53% in 1975; for women 27.8% in 1961, 20.2% in 1971 and 20% in 1975. The distribution of working population among the different economic activities for men and women is given in the following table 4.

TABLE 4 : Distribution of working population in the urban and semiurban areas for 1971 and 1978									
Economic Activities	Total (1971)	%	Men (in thousands)	Women (in thousands)	Total (1978)	%	Men (in thousands)	Women (in thousands)	
Agriculture, forests, fisheries	257.8	13.5	182.4	75.5	134.6	6.7	97.5	37.0	
Mines, mineral, non-ferrous extraction	10.0	0.5	9.5	0.6	7.9	0.4	7.6	0.3	
Industry, craft industry	489.4	26.5	359.3	130.2	543.7	27.3	390.3	153.4	
Electricity, gas, water	21.9	1.1	19.3	2.6	22.7	1.2	19.3	3.4	
Construction, public works	204.4	10.7	203.2	1.2	225.3	11.3	222.7	2.6	
Commerce, restaur., hotels	312.9	16.4	245.7	67.2	372.9	18.7	267.7	105.2	
Transport, communications	183.2	9.6	170.8	12.3	215.6	10.8	196.9	18.7	
Banks, insurance	75.9	4.0	55.4	20.5	92.0	4.6	62.6	29.3	
Services	296.4	15.5	188.2	108.2	377.4	18.9	216.1	161.3	
Not declared	57.2	3.0	21.7	35.5	0.9	0.05	0.7	0.2	
Total	1909.1	100	1455.4	453.7	1993.4	100	1481.9	511.5	

Source : National Statistical Service, Annual Survey of Employment for Urban and Semi-urban Areas, 1979.

Wage earners (outside agriculture) totalled 1 174 720 persons, of whom 867 200 were men and 307 520 women. In general, the percentage of wage earners in the total working population is very low in comparison with other EEC countries : 44% in Greece against 85-90% (the average for most EEC countries). In contrast, the number of selfemployed (56%) is quite high, even if the agricultural working population is estimated to be 28.8% of the total working population.

The percentage of men who work is the same as in other countries of the EEC, but the age distribution pattern is different, except for the age-group 25-59. In the following table 5 we show this distribution.

TABLE 5 : Male employed persons according to the main age groups, 1977 (% of the group)

<u>Age-groups</u>	<u>Greece</u>	<u>Average EEC</u>
10-14	2	-----
15-19	46	37
20-24	49	78
25-59	92	92
60-65	66	57
65+	32	11
	<hr/>	<hr/>
Total average	55	55

Source : A study by C. Simeonidou-Alatopoulou.

From the table we can see that child employment, which is zero in the EEC countries, amounts to 2% of total employment in Greece (and in fact is probably higher, because very often child labour is not declared); for the age-group 15-19, employment in Greece is higher by 9 percentage points than in the EEC countries (the proportion of pupils in secondary schools is 38.8% for Greece and 47.7% for EEC). In the age-group 20-24, employment in Greece is lower than in the EEC countries by 29 percentage points, while employment in the over 65 age-group is almost three times higher in Greece than in the EEC countries. We can thus see the existence of underemployment in the age-group 20-24 as well as the excessive employment of older (over 65) people.

4. Emigration and immigration

Of all these factors, emigration was probably the one which mainly influenced Greece's demography in the post-war period (though a first wave of emigration occurred in the period 1900-1915 affecting 300 000 persons or 14% of that period's population).

In the years after the 2nd World War, and in particular during the period 1960-1974, almost one million Greeks emigrated (12% of that period's total population). The average number of emigrants (70 000 persons yearly) was about equal to the excess of births over deaths, leading thus to a demographic stagnation and a distortion of the age-pyramid. It is only after 1975 that Greece is faced with net immigration. The following table 6 gives us the number of those who emigrated permanently and (indirectly) the number of immigrants for the period 1951-1977; unfortunately, statistical data are not available after 1977.

TABLE 6 : The emigration balance, 1951-1977

Period	Emigrants going to :			Pure migration (emigration- immigration)
	<u>All countries</u>	<u>European</u>	<u>Overseas</u>	
1951-55	102 000	(34 000)	68 063	81 887
1956-60	161 750	77 343	84 407	129 090
1961-65	465 699	341 285	125 414	249 741
1966-70	364 725	222 707	142 018	125 741
1971-73	132 667	86 769	45 898	58 151
1974-77+	86 760	42 990	43 770	-154 000
Annual percentages/1000 inhabitants				
1951-55	2.6	0.9	1.7	
1956-60	4.0	1.9	2.1	
1961-65	11.0	8.1	2.9	
1966-70	8.4	5.1	3.3	
1971-73	5.0	3.2	1.8	
1974-77+	2.4	1.2	1.2	

+ No detailed data available after 1977.

Source : G. Siambos, Communication to the 4th European Population Seminar, Athens, 2-5 October 1979.

The returns of emigrants as against departures after 1970 are given in the following table 7.

TABLE 7 : Immigration of Greek workers in comparison with emigration, 1970-1978.

Years	Total Emigration	Return of emigrants	Rate of returns to total emigration (%)
1970	92 684	22 665	24.5
1971	61 748	24 709	40.0
1972	43 398	27 552	63.5
1973	27 489	22 285	81.1
1974	24 451	24 476	100.0
1975	20 347	32 067	168.3
1976	20 347	32 067	157.4
1977	18 350	29 950	163.2
1978	14 452	23 359	161.6

Source : G. Siambos, op.cit.

We have already examined the impact of emigration on the country's demographic equilibrium, given the fact that the average age of emigrants is 30.6 years for men and 31.7 years for women, and that the majority of emigrants belong to the more productive part of the population. Although the rate of return of emigrants is higher after 1974 than the rate of emigrants, birth rates have stayed stable as follows :

- 1973 : 15.40 ‰/oo
- 1974 : 16.08 ‰/oo
- 1975 : 15.73 ‰/oo
- 1976 : 16.00 ‰/oo
- 1977 : 15.51 ‰/oo

If emigration is considered to have negative effects, e.g. the social cost that it represents (bringing up the young people who will later emigrate), the upheaval in the social structure of the communities that emigrants are leaving, their lack of specialization, vocational training and the inferior jobs in which they are employed in the country which receives them, its only positive effect is on the balance of current accounts. In 1960 emigrants' remittances represented US\$ 90.5 million, in 1970 US\$ 344.6 million and in 1979 US\$ 1 163.0 million; but in 1980 for the first time they remained stagnant.

As far as the return of emigrants is concerned, 193 000 came back during the period 1968-1975; half of them came from W. Germany, most were unskilled workers : 54% in 1968 and 87% in 1975. As to the age of those returning, 65.5% were between 15-44 as against 75.9% for the emigrants and 17.6% for the immigrants. With regard to the place of settlement upon their return as compared with the place of origin, the distribution is as follows :

	Return		Origin	
	1971	1975	1971	1975
Urban areas	51.2	43.1	34.8	47.8
Semi-urban areas	8.2	8.8	10.6	7.8
Rural areas	34.9	43.6	51.9	36.3

After being a country of emigration, Greece in the beginning of the Seventies has become a country of immigration, with immigrants coming from other less developed countries like Pakistan, Egypt and the Philippines. Importation of foreign workers into Greece began during the period of military dictatorship at the demand of the Greek body of employers; but even after the fall of the dictatorship, and in spite of the economic crisis and the acceleration of returns from emigration, the number of foreign workers has not decreased. This may be due to the fact that their wages are half the wages of Greeks, they have no right to social security and a great number of them do not have a certificate of registration. Some agents organize the illegal entry of foreign workers in Greece and, upon finding them a job, they obtain a commission of US\$ 500-1 000 per worker.

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Unfortunately, official data on foreign workers in Greece are incomplete if not non-existent. According to an article published in the French newspaper "Le Monde" of 30 December 1980, foreign workers in Greece are estimated at 100 000, not including approximately 40 000 workers who are serving in the merchant marine; of this total number only 30 000 are legally registered.

The two solutions proposed for these foreign workers are (a) to expell them, and (b) to increase their wages and concede them all the privileges of social security; if so, they will become less competitive and they will not be preferred to Greek workers, except for jobs that these workers do not like.

5. Employment

A low rate of job-creation in the industrial sector, in particular in the manufacturing industry, emigration, and a significant growth of labour productivity were the main consequences of the pattern of industrialization and the specific sectoral distribution of investment in Greece in the postwar period. At the same time the rate of growth of GNP (6.2% per annum for the period 1950-1975 and 4.6% for the period 1975-1979) and the proportion of investment in GNP (26% for the period 1960-1978) were quite high. But investment in the manufacturing industry represented only 2.6% of GNP for the period 1960-1978. Industrial employment grew by only 58% between 1951 and 1971. But in the Seventies we had a substitution of labour for capital in the Greek industry, though the distribution of investment among sectors has not changed (except for 1974 when investment in construction decreased by 43.2%, but the total level of investment was very low). The rate of growth of investment presents the following picture in terms of average annual rates : 1951-61 : 6.3%, 1961-71 : 9.7%, 1971-1979 : 2.0%. In constant prices and with year 1970 = 100, the rate of total investment in fixed capital (except ships) was 94.4% in 1979. After 1974, the evolution of the rate of growth of industrial investment was the following (data from National Accounts 1980).

	Total industrial investment	Investment in manuf. industry	Investments in construction
1974	- 5.4%	3.2%	- 48.1%
1975	2.2%	-11.9%	29.03%
1976	4.3%	1.2%	6.1%
1977	7.2%	-5.2%	20.6%
1978	9.3%	-2.8%	13.8%
1979	10.9%	9.6%	8.1%

According to the OECD Report for 1977, Greece position as regards the structure of production and employment is less favorable than that of Spain or Portugal. The following table 8 shows this tructure of production and employment.

TABLE 8

Structure of production and employment
(% of the GNP) for some Mediterranean
countries

	Greece	Portugal	Spain	Turkey	Yugoslavia	Italy
	Average 1973 - 74				1971	1961-62
Employment :						
Agriculture	37.6+	24.8	23.7	64.8	(44.6)	30.2
Industry	27.7	33.9	37.0	14.8	(27.1)	38.8
Services	34.7	37.7	39.3	20.6	(20.3)	31.0
Production :						
Agriculture	20.0	15.8	10.4	28.7	17.2	15.2
Industry	32.0	45.0	40.3	29.3	46.2	38.4
(Manufacturing)	(20.4)	(35.5)	(28.1)	(21.1)	(29.5)	(31.2)
Services	48.0	39.2	49.3	42.0	36.6	46.5

+ According to the EEC's criteria of 140 full working days per year, this percentage was in 1978 estimated at 28.8%. (cf. Table 3). -Source : OECD, Report on Greece for 1977, page 17.

Employment in the urban and semiurban areas, where 70% of the total employed working population is concentrated, is better surveyed by yearly studies (on a sample basis) conducted by the National Statistical Service of Greece. According to the 1979 Survey, of a total population (over 14 years of age) of 4 762 899 in urban and semiurban areas, there were 2 042 349 employed persons : : 1 513 300 men and 529 000 women; 707 299 men and 1 975 400 women did not belong to the working population (26.4% for men and 73.6% for women). Of the 2 042 349 employed persons : 118 467 were non-remunerated members of their families and 1 338 217 wage-earners. It is estimated that between 1974 and 1978, 196 000 additional jobs were created (but 40% of them in the services sector) and so employment rose by 10.9%. The three reasons for this increase were : young persons over 14 who entered the labour force, exodus from rural areas (24 751 persons), return of emigrants. According to Labour Statistics of the National Statistical Service of Greece, employment in the "main" industry (i.e. employing more than 10 persons) rose by 32.8% from 1964 to 1974 and by 57.5% between 1964 and 1973.

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According to the 1978-1982 five year plan, and with the rather unrealistic assumption of a 5-6% annual rate of growth of GNP, 240 000 new jobs would be created (100 000 of the persons to be employed were "liberated" by the agricultural exodus).

6. Unemployment

There are three sources for unemployment figures in Greece : the Census which is taken once every ten years, the annual inquiries of the National Statistical Service which start from 1974 onwards and cover the urban and semi-urban areas and the statistical data of the "Labour Employment Office" (L.E.O.) which are collected on a monthly basis. In the Census of 1971 101 700 persons were registered as unemployed, representing 5% of the wage-earners or 3.1% of the working population. The Census of 1951 gave 179 000 persons as unemployed and the Census of 1961 215 000. Recent unemployment data for the urban and semi-urban areas according to the data of the "Labour Employment Office", and for the period 1970-1979 are as follows (compared to working population):

1970 :	4.5%							
1971 :	3.0%							
1972 :	2.3%							
1973 :	2.0%							
1974 :	2.5%	"	(2.7%	according	to the	Nat. Stat.	Service)	
1975 :	3.0%	"	(4.0%	according	to the	Nat. Stat.	Service)	
1976 :	2.3%	"	(3.0%	"	"	"	")
1977 :	2.1%	"	(2.4%	"	"	"	")
1978 :	2.2%	"	(2.7%	"	"	"	")
1979 :	2.0%	"	(2.8%	"	"	"	")

It is a fact that official unemployment was very low even after 1974, and this is mainly due to the great wave of emigration between 1960 and 1973. But it seems that official data on unemployment underestimate the problem; this is due mainly to the following factors :

- a) young persons under 18 years old are not included in the data (persons aged over 14 were registered by the LEO only after 1977).
- b) those who retire "voluntarily";
- c) unemployed persons who do not accept the job offered to them by the LEO are struck off the register;
- d) persons who are made redundant illegally.

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If an unemployed person is to receive an unemployment benefit or a pension he must : (a) have the official label of "unemployed", (b) his dismissal from the previous job must be legally valid, (c) register with a "Job-seeking Office", (d) be able to work, (e) have worked 125 days during the last 14 months, but not in the last two months; if he is registered for the first time as unemployed he must have worked 80 days a year, during the last three years.

Recently the ILO's Blanchard Report on working conditions in Greece, in 1979, and the OECD Report on Greece for 1980 have expressed some doubts about the credibility of official statistics on unemployment in Greece. Thus the ILO's Report writes : "Official data indicate that the rate of unemployment is 1.8% of the active non-agricultural population. But, it is generally accepted that statistical information which refers to the registered unemployment significantly underestimates real unemployment, which the OECD raises to 4-5% of the active non-agricultural population. In any case unemployment remains a fundamental long-term problem in Greece, whose solution was hoped to be found in emigration. The figures on unemployment referred to for the period 1960-1974 are more or less doubtful and it is preferable that they be not used. It is worthwhile to note that underemployment is not included in the existing statistics. The same Blanchard Report empirically estimates unemployment at about 6%. In a Study on the Greek Labour Market prepared for the EEC (V/977/78-Fr, page 47), another work published by the OECD in 1975 is mentioned where the application of a mathematical formula established by the English economist Jim Taylor yields an unemployment and underemployment level in Greece for the period 1960-1970 of 10.92% of the active population of the country. The EEC Commission's Report on Greece in the summer of 1980 estimated unemployment at 6%.

Independently of the credibility of official statistics on unemployment, in comparison with some other West-European countries, low rates of unemployment correspond to a stability or even a fall in productivity per worker, which together with the increase in wages, contribute to an increase of labour cost, which thus become an important factor of inflation (14.1% on average for the period 1974-1979 and 24.5% for 1980), thus reducing the economy's competitiveness. This lower rate of unemployment in Greece constitutes in fact, a disguised unemployment, which in the long run has probably a greater social cost than the payment of unemployment benefits in more industrialized countries with a greater rate of registered unemployment.

Unemployment is particularly high among young persons. It has been calculated that for 1978, unemployed persons in the 15-24 age-group constituted 44% of the total unemployed (63.6% in the 15-29 age-group against 52.25% in 1974) as against a corresponding figure of 39% for the other EEC countries (2.3 million unemployed were under 25 years old from a total number of 5.9 million).

The number of unemployed young persons in Greece would be even higher, without the two years of compulsory military service. Of course the main factor which determines unemployment among young persons is the structure of the educational system as well as the lack of suitable vocational guidance.

The problem of finding a convenient job is particularly acute for people who have finished secondary education, but it exists also for people who have obtained a University degree. In a recent entrance examination set by the National Bank of Greece there were 18 500 candidates for 500 places. And this was only for the Athens and Salonica areas; in another recent entrance examination for the Agricultural Bank of Greece for the whole country there were 20 500 candidates with a high-school diploma and 2 318 with a bachelor's degree competing for 190 and 150 places respectively.

In the Census of 1971, 288 500 persons, or 27.5% of the agricultural working population, declared that agriculture or animal breeding was their secondary occupation. This is mainly due to the fact that for 54.4% of the peasants the average size of their holdings ranged between 1-10 stremmata (10 stremmata = 1 hectare or 2.47 acres). According to the "Enquiry on Employment" of the National Statistical Service, 243 000 persons, or 12% of the total working population were employed at jobs working less than 34 hours per week. Yet, the same time, only 5 500 persons or 2.2% of the total working population were actively searching for a full-time job. A recent study by the Agricultural Bank of Greece has shown that underemployment in the agricultural sector covers 12.8% of the total economically active agricultural population during the summer period and 29.7% during the winter months.

7. Declining and leading industries

According to the Industrial Census of 1973, out of the 121 357 industrial units, 113 479 or 93.5% employed less than 10 workers (craft industry); 7 612 or 6.3% employed between 10 and 199 workers; and 266 or 0.21% of the total had more than 200 workers. About 79.7% of total employment in the manufacturing industry was occupied in craft and medium sized units (255 016 and 218 829 workers respectively). Yet larger industries which employ 128 581 persons, together with medium-sized undertakings cover 56.2% of total employment in the manufacturing sector. We can thus see the importance of small-and medium-sized undertakings to employment; this is the fact that Greek industrial policy must take into consideration, particularly after the accession of Greece to the EEC. According to another estimate, in 1974, 250 380 wage-earners were employed in 1 117 industrial units with more than 30 persons, thus representing 41.5% of the total number of wage-earners. According to the 1973 Industrial Census (+) 21.6% were self-employed (25.1% if non-remunerated members of their family are included); the rate of self-employed was 60% for craft industry (with less than 10 workers). It is thus easy to understand why the total number of wage-earners in the Greek economy is only 44%.

Up to 1973 the "new" dynamic (capital intensive) sectors were growing faster than the "traditional" sectors which represented 47% of total industrial production as against 67% in 1965. The "new" sectors meanwhile covered 42% of the production in 1973 as against 24% in 1965. But in the beginning of the Seventies these tendencies were inverted : in 1970 the 100 biggest enterprises in Greece employed 60% of total capital and 44% of all labour. By 1977 the corresponding figures were 46% and 32%. Yet these units accounted for approximately 55% of total sales and realised

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(+) The data of the 1978 Industrial Census have not yet been published.

profits in both periods.

Investment in the rubber-chemicals-petrol and metallurgy branches declined from 40% of total investment in manufacturing industry during the period 1958-1973 to 21.5% in 1973-1977; on the other hand, during the same period, the proportion of capital invested in the textile, clothing, footwear and non-ferrous minerals/metals (mainly cement) branches increased from 25% of the total to 34%, while investment in metal products, electrical appliances and transportation equipment increased from 13% to 19%.

The rate of growth (in current prices) of investment in fixed capital, between 1973 and 1977, was 54% in the oil sector, 65% in metallurgy, 100% in chemicals, but 200-300% in the other branches mentioned already; but the rate of growth of net investment was 3% in oil, 25% in metallurgy, 68% in chemicals, and 200-300% for the "traditional" branches mentioned already. In the "new strategic" branches, net investment in fixed prices was negative.

Between 1959 and 1977 the number of enterprises in the textile industry increased from 67 to 400; during the period 1959-1965, 65 new corporations had been added; during the period 1965-1971, 31 new corporations and during the period 1971-1977 210 new corporations. For obvious reasons this is a completely wrong industrial policy, even if, in the short run, this creation of "traditional and labour-intensive branches" has produced some probably favorable effects on employment and exports. In the long run this policy will prove to be catastrophic, in the context of the new international specialization which is now occurring. Another pattern of development is necessary, even at the real risk of creating greater unemployment.

8. Expansion and extension of vocational guidance and training

Technical and occupational education was until recently hardly developed and badly organized in Greece. Law 3971/59 on technical and occupational education established three levels of technical and occupational education; the third level (equivalent to the British "Polytechnics" or the French "Instituts Universitaires de Technologie"), called "Centres of Higher Technical and Occupational Education" (KATEE) did not function until Law 5464 was published. After the fall of the military dictatorship, with the passing of Law 309/76 on the organization and administration of general education, compulsory education increased from 6 to 9 years, thus raising the school-leaving age. Secondary education was divided into two cycles: gymnasium (3 years) and lyceum (3 years). In 1977, Law 576/77 on the organization of technical education was promulgated. It abolished the primary technical schools and created secondary technical schools and five new "Centres of Higher Technical and Occupational Education" (KATEE). The following table 9 shows the relationship between technical and general education up to 1976.

TABLE 9

Distribution of secondary education pupils
in general and technical education, 1970-76

Years	General Secondary	Technical lower and secondary	Technical higher
1970-71	439 001	98 301	9 578
1971-72	477 745	112 311	10 653
1972-73	490 867	123 081	10 995
1973-74	504 031	133 361	12 528
1974-75	519 367	134 117	13 682
1975-76	547 016	132 591	17 453

Source : National Statistical Service - Statistical Yearbook 1969, 1972, 1976, 1978

As we can see from the table 9, in 1971-72 pupils in general secondary education accounted for 79.5% of the total, in secondary technical education 18.7% and in higher technical 1.8%; in 1975-76 the rates were respectively 78.5%, 19.0%, and 2.5%.

The reform introduced by the two above-mentioned laws has to be completed by 1980-81; it was expected that 140-160 000 pupils would graduate every year from the first cycle of secondary education; it is estimated that 30-35 000 will not continue. Of the 110-125 000 pupils who will enter the second cycle (lyceum), it is estimated that 80-95 000, will follow the general cycle and 30-35 000 the technical cycle of secondary education. In 1975-76, there were 551 694 pupils registered in the secondary general schools (against 456 408 in 1970-71), of whom 72 472 in the secondary technical schools (against 54 152 in 1970-71), 17 453 in third level technical education (against 9 578 in 1970-71), and 103 679 students in the Universities (against 76 198 in 1970-71). It is expected that there will be approximately 60 000 students in third level technical education by the end of the Eighties. The rate of students completing secondary and university studies, which was 16% of the total population in 1971, is expected to rise to 30% in 1981 and 40% in 1991. As to the technical schools, 19.7% of them are private.

Except for technical education which constitutes an alternative to general secondary education and to University, the "Organization of Labour Employment" - which comes under the Ministry of Labour - has organized two kinds of courses for vocational training since 1959; one for young persons aged 14-18 and the other for unemployed adults (18-45 years old). In this respect in 1975-76 there were 20 boarding schools with 5 980 pupils, 32 schools and 11 apprenticeship centres; 3 999 new pupils entered that year, 10 350 were already studying and 2 328 finished their studies; three specialist fields, out of the

existing 32, those of mechanic, electrician, car mechanic, accounted for 62.9% of pupils. Between 1953-54 and 1975-76, i.e. in the space of 23 years, 18 241 pupils graduated.

The programmes for adults run for 40-200 days. During the period 1954-1976, 32 481 persons went through this occupational recycling.

Permanent education programmes have been adopted by certain banks; but in general, there are no legal requirements, so that permanent education has not yet been institutionalized in Greece.

B. INCOMES AND WEALTH

1. General survey

Between 1970 and 1979, the Gross National Product per capita increased on average by 5.4% per year, this rate being higher than that of other European countries on the whole. Average wages at constant prices also increased by some 3-4% a year during the same period. The final income available for employees, however, rose at a lower rate due to heavier tax on wages and salaries. Income disparities have remained as distinct as in the past, if not more far-ranging. Particularly striking is the relatively low share of employees' compensation as a percentage of the National Income (36.7% in 1978).

Considerable income disparities are also to be found amongst various occupational categories, regions and sexes.

The system of social security in Greece is characterised by an extreme multiplicity of insurance organisations with considerable disparities in the benefits granted (pensions, health care; etc.). On the whole, it is found that the share of social insurance expenditure as a percentage of the Gross National Income did not increase substantially during the Seventies.

2. Varying trends in the share of wages in the national income

Table 1 shows the share of wages and salaries in the Gross Domestic Product (for the non-agricultural sectors) between 1967 and 1980. It is interesting to note that this share falls during the years of the dictatorial regime (1967-1974), despite the considerable high rates of economic growth during the same period, (GPN rose by 49% between 1967 and 1973).

TABLE 1

Percentage share of wages and salaries in the Gross Domestic Product (for the non-agricultural sectors) between 1967 and 1980.			
Years	%	Years	%
1967	46.4	1974	43.9
1968	46.3	1975	45.5
1969	45.5	1976	47.2
1970	44.8	1977	49.8
1971	44.6	1978	51.9
1972	45.3	1979	51.0
1973	43.0	1980 +	50.9

Source : Directory for National Accounts and Bank of Greece

+ estimate

The share of wages and salaries in the GDP rose again after the restoration of parliamentary democracy, although at a moderate pace. It grew from 43% in 1973 to 50.9% in 1980. This trend has slackened, if not altered in the last two years, mainly as a result of the curb on real increases in wages and salaries. During the whole period between 1970 and 1980, the net income of employees rose at a slower rate, because of heavier taxes, than that of the increase in real wages and salaries.

It is also noticeable that the level of the share of wages and salaries in the Gross Domestic Product (51% in 1979) has risen only slightly since the pre-dictatorial period (46.7% in 1967, see Table 1) although relatively high economic development was achieved after 1967.

3. Regional disparities of income

Since ~~the~~ statistical data on wages by regions are not available, it might be feasible to measure the relative prosperity of regions in terms of personal income per capita of population (See Table 2).

As can be seen from this table, East Sterea and the Athens metropolitan area, in particular, as well as Central and West Macedonia, where Salonica, the second largest city, is located, are the wealthiest regions in terms of income per capita. Thrace and Epirus are the poorest regions. In 1970, the per capita income in Thrace represented 47% of that of Attica (including Athens), and 60% of the per capita income of Greece. In 1974, these figures stood at 56% and 65% respectively (more recent data have not yet been prepared by the official agencies).

TABLE 2

Major Regions	Gross Domestic Product per head ⁺	
	1970 (in DRA)	1974 (in DRA)
1. East Stera Hellas and Islands	36 644	65 095
1.1 Attica (including Athens)	(37 812)	(65 573)
1.2 Rest of East Sterea and Islands	(31 150)	(62 557)
2. Central and West Macedonia	27 305	54 852
2.1 Salonica	(30 356)	(59 602)
2.2 Rest of Central and West Macedonia	(24 486)	(50 008)
3. Peloponnese and West Sterea Hellas	24 293	48 409
4. Thessaly	22 378	46 180
5. East Macedonia	21 438	44 939
6. Crete	22 516	46 637
7. Epirus	18 924	40 036
8. Thrace	17 808	36 674
9. East Aegian Islands	21 944	38 437
- Average for all Greece	29 458	56 370

Source : Ministry of Coordination - Direction of National Accounts

+ At factor cost and constant prices of 1970, in DRA.

4. Growth and disparities of income

Between 1970 and 1979 the Gross National Product per capita increased on the whole by 48.3% at constant prices (a yearly average of 5.4%). Before the oil crisis and until the fall of 1973, the GNP per capita grew, on average, by 8% per year at constant prices. Despite these impressive rates of growth, wages and salaries at constant prices did not increase during the period of the dictatorial regime. As a result the share of employees' earnings in the Gross Domestic Product (non-agricultural sectors) decreased from 46.3% in 1968 to 43% in 1973.

Ever since 1974, largely as a consequence of the world economic crisis, the average growth of GNP per capita (at constant prices) fell to under 3%. Nevertheless, after the restoration of parliamentary democracy in mid-1974, wages and salaries increased substantially, according to the official figures. Thus from 1975 to 1980 minimum wages for men rose, at constant prices, by an average 3.85% per year (a total increase of 15.4% for the whole period). The corresponding figure for monthly salaries (+) is 4% per year (a total increase of 20.1%). In the manufacturing industry, average wages for men and women rose by 5.56% per year at constant prices (a total increase of 27.8%). Average salaries for men and women employed in retail trade rose by 6% (30.1%) respectively. (Our estimates referring to average yearly increases are based on the official data and the price index of the National Statistical Service of Greece).

In the manufacturing industry, where detailed statistics are available, basic metal industries are by far the highest paying branch during the Seventies. Wage and salary earnings are also well above average in the chemical, petroleum and coal products industries, printing and publishing, leather and transport equipment. The earnings in foodstuffs, beverages and furniture are below average.

Between 1971 and 1980 the higher increase in the monthly salaries (at current prices) of employees in manufacturing is visible (See Appendix 2) in the branches of printing and publishing (475% in current prices) wood and cork (450%) and basic metal industries (400%), while the smaller increase is in leather (269%) and rubber and plastic products (299%). During the same period, the higher increase in hourly earnings (wages) of manufacturing workers (See Appendix 1) is noted in the branches of transport equipment (573%), printing and publishing (557%) and petroleum and coal products (550%). Lower increases are noted in the case of furniture (393%), clothing and footwear (410%) and textiles (433%).

On the whole, the average increase in hourly earnings of workers between 1971 and 1980 in manufacturing was considerably higher than that of the monthly earnings of employees in the same field (an increase of 493% as against 383%, respectively (see Appendices 1-2).

Employees' compensation in retail trade is on the average very low as compared to respective earnings in manufacturing. According to official statistics, in 1975 the average salary in retail trade stood at DRA 7 063, compared to DRA 12 706 in manufacturing. Relevant figures for 1980 were DRA 18 823 and DRA 31 730 respectively (see Appendix 3).

(+) For the difference between salary and wage earners see page 30 (at top).

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As far as the increase in earnings in the retail trade is concerned, between 1975 and 1980 - a period for which statistical data are available - discrepancies amongst the various branches are not very distinct. Thus, higher increases are noted in the branches of foodstuffs, wines and beverages (an increase of 179% for male employees, at current prices) and smaller increases in the branches of fabrics, footwear and clothing (154% - Appendix 3) .

According to a private study published in 1979, wage differentials between unskilled and high-ranking managerial staff are one to ten in the private sector and one to five in the public and banking sector.

Another study undertaken on behalf of the Ministry of Education shows clearly that, the higher the educational level of the people concerned, the higher the income obtained. It is also found that university graduates earn twice as much as compared to people with an elementary education. However, considerable salary differentials exist amongst various categories of university graduates. On the whole, graduates of technical universities and of military academies are far better off than the average university graduate. Teacher training school graduates earn well below this average (see Appendix 4).

It has also been ascertained that the earnings of various categories of technicians are similar or higher than those of the average university graduate. Such a situation, which is expected to continue into the near future, was a result of favourable conditions in the labour market for middle ranking technicians during the Seventies (See Appendix 5).

5. Differences between men's and women's wages

It is estimated, on the whole, that working women in Greece earn about 60% of men's wages, this ratio being considerably lower than that of most European countries.

As it is also noted elsewhere, a large number of women in Greece (who constituted about one third of the total work force of some 1.5 million in 1978) are employed in lower-paying industries (e.g. textile, garment, retail trade). Usually, women are assigned to the lesser paid jobs with limited opportunities for promotion, compared with male workers. The fundamental causes of the present situation should be attributed primarily to traditional sex discrimination and other factors, such as lower educational backgrounds of women.

In the manufacturing industry, the comparative average earnings of women and men are shown in Table 3.

TABLE 3

	1971	1976	1978
<u>Wage Ratio</u>			
women : men	0.65%	0.70%	0.69%
<u>Salary Ratio</u>			
women : men	0.55%	0.55%	0.57%

As it follows from the same table, salary differentials between men and women in the manufacturing industry are higher than wage differentials. Furthermore, no significant change is noted in the gap between men's and women's wages and salaries in the same field during the Seventies.

Nevertheless, for the economy as a whole, between 1975 and 1980 minimum levels of women's wages increased, at constant prices, by 32.6% against 15.4% for men. Such greater increases in female's wages were mainly due to the fact that minimum wages for women were brought into line with those of men as late as February 1978. Minimum salaries for women were made equal to those of men in May 1973.

In some cases, predominantly in banks, public utility corporations and, to a lesser extent, in the Civil Service, the status of working women on the whole is considerably satisfactory. Women employed in such jobs usually earn higher wages and benefit by better social welfare, i.e. pensions, health care, etc. Whilst enjoying better working conditions in comparison with the average working woman.

6. Contributions by wage-earners to the formation of wealth

Statistical data distinguishing the contribution of wage and salary earners to capital formation are not available. It is estimated on the whole that most employees' savings are deposited in banks and/or directed to dwellings. A State-controlled organisation for the construction of dwellings for employees (OEK) is financed by 1% of each employee's earnings and 0.5% paid by the employers. Money reserves of OEK exceed DRA 7 000 million in 1980.

Furthermore, considerable money reserves, totalling DRA 49 000 million in 1977 and exceeding DRA 100 000 million in 1980 are retained by social insurance organisations, which are financed mainly through contributions by employees and employers.

Under government stipulation these reserves provided interest as low as 5-6%, up to 1978, and 10-11.5% between 1978 and 1980. Such a situation, combined with the fact that the price index rose at an average yearly rate of about 15.7% between 1970 and 1980, leads to the conclusion that the above-mentioned money reserves are used by the Government as a means of financing its budget.

Furthermore, an exceptional form of contributions towards the formation of capital wealth, are emigrant remittances from Greek workers, mostly settled in Western Europe.

Finally, it should be noted that profit-sharing and co-partnership schemes are almost unknown in Greece. Some profit-sharing schemes established in a few private enterprises seem not to have been successful in the end.

7. Evolution of social security schemes and problems of financing them

7.1 General outline

The social security system in Greece has been traditionally characterised by an extreme multiplicity of insurance organisations. The considerable differences in benefits (pensions, health care, etc.) granted by such organisations are particularly noticeable.

In 1980 there were 39 main insurance and 61 supplementary pension organisations covering various occupational categories.

The most important insurance scheme by far is that of IKA (Social Insurance Institute) which covers about 45% of the economically active population and about 90% of all employees. Apart from old-age pensions, IKA provides benefits for health care, maternity, industrial injuries, occupational diseases, disability and death.

Unemployment benefits and family allowances for workers insured by IKA are administered by OAED (Organisation for Labour Employment).

The Organisation for Agricultural Insurance (OGA) provides limited pensions for peasants, while civil servants' social security benefits are financed by the State budget.

Numerous other social security organisations cover minor sectors of the economically active population, such as tradesmen and craftsmen, seamen, bank employees, employees of the State Electricity Corporation, employees of the Organisation for Telecommunications, etc. Social security schemes in the last three groups of employees are exceptionally affluent, their benefits being considerably higher in comparison with the prevailing norm.

Until 1979, normal retirement age for all those insured by IKA was 65 for men and 60 for women. Retirement age was thereafter lowered to 58 for both men and women, on condition that the person concerned had paid contributions in respect of at least 10 500 working days (35 years). Some flexible arrangements also exist for reduced pensions, at the age of 56.

In the civil service, normal retirement is achieved after 25 years of service. Favourable conditions in terms of retirement age also apply to employees of public utility corporations and bank employees. At the National Bank of Greece, for example, normal retirement is achieved after 20 years of service and at the age of 45 for men and after 15 years of service for women.

In the case of IKA, contributions must be paid for at least 4 050 working days (approximately 13.5 years) for a pension to be granted at the age of 65 for men and 60 for women. The full IKA pension is estimated on the basis of 70% of earnings in the last two years of employment, in relation to a system constituted by 22 special pay scales.

7.2. Finance

Most insurance organisations are mainly financed by employer and employee contributions. In the case of certain organisations, such as the Organisation of Agricultural Insurance, there is a certain social contribution (a kind of indirect taxation based on revenues).

Civil servants' social security benefits are financed directly from the State budget.

In the case of employees covered by IKA, contributions for old-age pension schemes, sickness benefits, industrial injuries and unemployment benefits are paid on the basis of certain percentages calculated on each employee's gross earnings. These percentages are shown in Table 4.

TABLE 4

Social security contributions as a percentage of each employee's gross earnings in the case of IKA and OAED (the latter administering unemployment benefits)				
	Old-age pension schemes	Sickness benefits	Industrial injuries benefits	Unemployment benefits
Employers' Contribution	9.5%	0.8%	1%	2%
Employees' Contribution	4.75%	0.4%	-	1%

Contributions to old-age pension schemes shown above are increased by 1.4% (for employers) and 2.2% (for employees) for jobs classified as heavy or unhealthy. These latter categories under which an early pension may be possible, have recently been extended to cover, at present, some 47% of all employees insured by IKA. In all cases, contributions are payable up to an individual gross earning ceiling. (Currently this stands at DRA 50 000 a month).

The finances of other insurance organisations are based on a different scale of contributions.

Between 1970 and 1980, the financing of IKA benefits did not raise any problems. This may be explained by the fact that contributions are considerably higher than pensions and other benefits. One may also take into account that because of the turbulent years of the Forties (German occupation and civil war) as well as the high unemployment of the Fifties, a considerable number of people are not to-date eligible for a pension.

An indication of the rather satisfactory economic condition of IKA is its ever increasing money reserves, which in 1980 exceeded DRA 14 000 million.

As already noted, the total money reserves of all social security organisations stood at about DRA 49 000 million in 1977 and exceeded DRA 100 000 million in 1980.

Some social security organisations, however, undergo severe economic difficulties, this fact being reflected in their unsatisfactory benefits for insured persons. This is so particularly in the case of TEBE (Fund for Professionals and Craftsmen), TSA (Pension Fund for Motorists), Actors' Pension Fund, etc. The economic difficulties faced by these organisations should be attributed to the low contributions paid by person insured, as well as to the highly expensive and rather inefficient administrative bureaucratic machinery.

During the Seventies, social insurance expenditure, as a percentage of the Gross National Income, has not increased substantially.

Although on the whole the social security system in Greece has not recently shown any serious economic problems, this is not applicable to the immediate future. Such a pessimistic prospect should be attributed to the general tendency to lower the pensionable age.

If we take into account the fact that several categories of employees (i.e. women civil servants, career officers, etc.) receive a pension at a early age, then it is evident that the ratio of the economically active population to the pensioned population is very unfavourable for Greece as compared with other EEC countries.

Furthermore, the fact that recently the average life expectancy has increased considerably indicates that an increasing number of pensioners will have to be offset against a relatively small work force. Whereas this situation is presented as a progressive achievement to the working people, it still constitutes a heavy burden for the Greek economy, especially in the immediate future.

C. WORKING AND LIVING CONDITIONS

1. General survey

Statutory minimum hours of work and actual hours worked declined during the decade of the Seventies, particularly after 1976. Also, ever since 1979, the number of days of leave have been increased and harmonized for most categories of employees.

Between 1970 and 1979 there was a gradual, although limited, closing-up of the existing gaps in the earnings and working conditions of manual and non-manual workers (see point 4). No significant progress was witnessed towards a 7-day working week (see point 3).

During the military regime (1967-1974), the employee-employer relationship may be described as a "shot-gun marriage". After the restoration of parliamentary democracy in July 1974, industrial relations and collective bargaining, in particular,

were restored to their traditional pattern characterised by State dominance.

Nevertheless, in certain sectors, where unions are strong (e.g. public utility corporations, banks, transport, mining, some large enterprises, etc.) real bargaining procedures are particularly important in determining wages and working conditions.

The main problem concerning occupational safety and health is, above all, the failure to implement existing legislation. Equally, if not more disappointing is the situation as regards environmental pollution.

The economic and social changes that have taken place in recent years, especially in large cities, have had certain effects on the patterns of family life. Particularly significant has been the decrease in the average number of household members. On the other hand, during the Seventies there was a halt in the declining birth rate witnessed in previous years.

The construction of dwellings reached a peak between the years 1970 and 1973. Ever since 1975, the Parliamentary Government has tried to put certain restrictions upon construction activity, this being justified by reasons of rational economic policy. Such a policy, however, resulted in creating more problems for a considerable number of families in Greece without a home.

2. Hours of work, overtime, shift work, holiday leave

2.1 Evolution of hours of work

Early legislation in the first three decades of this century introduced statutory minimum standards for hours of work. These standards instituted the 8-hour working day, the 48-hour working week, overtime, Sunday work and shift work. Special regulations and/or collective agreements stipulated fewer working hours and different systems of shift work for specific occupational categories, notably: civil servants, bank employees, persons employed in public utility corporations, hospitals, local government, retail trade, workers in "heavy" and "unhealthy" jobs, etc.

Between 1970 and 1975 statutory hours of work (minimum standards) remained unchanged: the 8-hour working day and the 48-hour working week (six days a week). Under the National General Collective Agreement of 1975, it was agreed that after February of the same year the normal working week should be reduced to 45 hours and the normal working day to 7.5 hours. According to the same Collective Agreement (which was ratified by Governmental Decree), the employer had the right to demand his employees to work up to 48 hours per week (8 hours daily). For these extra 3 hours employees would receive a bonus of 25% in addition to their normal hourly wages. This would be labelled "extra-work" and be distinguished from overtime work which applies to working hours above the 48-hour per week limit; this is discussed below.

At the beginning of January 1979, another move was made towards harmonisation of hours worked in Greece with the respective EEC standards. It was decided, by the Court of Compulsory Arbitration Decision 6/79 (ratified by Ministerial Decision 11282/79), that the minimum standards for a working week should be as follows :

(a)	from 1 October 1979	reduced to	44	hours
(b)	" " " 1980	" " "	43	"
(c)	" " " 1981	" " "	42	"

As far as manufacturing industry is concerned, where comprehensive official statistics are available, Table 5 indicates the development of the actual annual average of working hours paid to workers per week. Three main conclusions can be drawn from these data : (a) actual hours per week paid to workers in industry are on average below the overall legal minimum standards, (b) there is an ultimate drop in these hours between 1971 and 1977, this trend remaining rather stagnant thereafter, and (c) actual hours per week are higher for men than for women.

This last conclusion should be attributed to the fact that overtime work by men is on average higher than that of women. According to the same official statistics, basic working hours paid to men per week were 41.2 in 1976, whereas overtime payments were 1.8 for the same year. In 1980 (April to June) these figures were 40.76 and 1.84, respectively. In the case of women, the relevant figures were 39.5 and 0.7 for 1976, and 40.48 and 0.37 for 1980 respectively.

Fewer working hours than those of the minimum legal standards have also been regulated for certain other categories of employees. Civil servants for example, during the Seventies, worked for 39 hours during summer and 36 during winter, (after the introduction of the five-day working week in the civil service on January 1981 their working week has been extended to 37.5 hours for the whole year). Bank employees' normal working week is 39 hours. Employees of public utility corporations and certain other categories of employees, also work fewer hours than the legal minimum, as these are laid down by specific collective agreement or statutory regulations.

Up to the end of 1980, a normal working week in most cases was extended to six days. Most employees worked fewer hours on Saturdays than on other days of the week.

TABLE 5

Annual averages of working hours paid to workers per week in industrial and handicraft establishments with 10 persons & over		
Year	Males	Females
1972	45.6	42.8
1973	44.4	41.8
1974	44.9	42.1
1975	44.0	40.7
1976	43.0	40.2
1977	42.4	39.2
1978	42.5	39.6
1979	42.3	39.7
1980 (+)	42.8	40.85

Source : National Statistical Service
of Greece : Labour Statistics

(+) April-June 1980

2.2 Legislation on overtime

According to existing legislation, overtime payments, which normally apply to those hours exceeding the 48-hour limit per week, are basically classified as follows :

- (a) For the first extra 60 hours per year worked as overtime, payment is increased by 25% on top of the basic hourly wage.
- (b) For 60-120 hours per year, payment is increased by 50%.
- (c) For more than 120 hours per year, payment is increased by 75%.

Higher overtime payments are being established for certain occupational categories, (e.g. employees occupied in textiles, spinning mills, oil refineries and printing, offices of shipping enterprises in Piraeus, etc.).

2.3 Night shifts, Sunday work, part-time work, etc.

Employees working at night (between 10 p.m. and 6 a.m.) receive an extra 25% on top of their normal hourly wage. Special regulations apply to employees working exclusively or frequently at night, (e.g. night-watchmen, aircraft crews, etc.). Children under the age of 18 and women are prohibited by law from working at night. Especially in the case of women in the services sector, this latter practice has become more the exception than the rule.

Work on Sundays is normally considered illegal, although there are numerous exceptions to this general rule. Employees working on Sundays are entitled to a bonus of 75% on top of their hourly wage. The same bonus is also paid when the following six national holidays are worked :

1. 25 March
2. second day of Easter
3. 1 May
4. 15 August
5. 28 October
6. 25 December.

Part-time work is not a very common practice in Greece and this also holds true for seasonal work. It is estimated that there are approx. 30-50 000 seasonal workers employed mainly in the agricultural sector during the harvest period. At present, the practice of work-sharing is virtually unknown.

Furthermore, systems of flexible retirement had not been introduced on a wide scale up to 1979. Nevertheless, in a number of occupational categories early retirement has been established.

Although the consequences of increasing unemployment should not be underestimated, retirement payments to a relatively large number of early pensioners seem to be more onerous for the Greek economy as a whole. Therefore, priority should be given to solving this problem before introducing more flexible systems of early retirement.

2.4 Holiday leave

The right to holiday leave is granted to an employee after he/she has been in the service of the same employer for more than one year (Law 539/1945). The number of days of leave depends on the period he/she has been with the same employer. The minimum holiday leave is 12 days (8 days in certain cases before 1979). For each six months of service under the same employer, the employee is granted one additional day not exceeding a maximum of 26 days (16 days in certain cases before 1979).

Salaried earners before 1979 were entitled to a minimum of 12 days' holiday leave and a maximum of 26 days in establishments employing over 50 people. Wage earners were entitled to 8-16 respectively. As for smaller enterprises employing less than 50 persons, salaried earners were entitled to 8-18 days holiday leave and wage earners 6-12 respectively.

After 1979 the differentiation between salaried and wage earners ceased to exist. Thus, during 1979, all employees in establishment of more than 50 persons were entitled to 12-26 leave days (applies also for 1980-81). All employees working in establishments of less than 50 persons were entitled to 10-21 days of leave respectively (11-24 for 1980). From 1 January 1981, all employees, irrespective of the size of the establishment they work for, will be entitled to 12-26 days of holiday leave.

Before 1979, in the case of civil servants and of employees working in "heavy or "unhealthy" occupations, more favorable conditions of holiday leave applied.

Since 1964 all employees are entitled to a holiday bonus. This cannot exceed half their salary (in the case of salary earners), or an amount equivalent to 13 work days (in the case of wage earners).

3. Trends towards a 7-day working week

The 7-day working week was not widely introduced during the Seventies, despite the modern needs of technological advancements and capital intensive industry. This situation should be attributed mainly to the inherent difficulties resulting from inflexible, complex and in some cases contradictory legislation concerning Sunday leave and shift-work.

Nevertheless, continuous working has been established, as an exception to the rule, in the case of certain occupations where this is necessary (e.g. steel production, oil refineries, airlines, long-distance transport, tourism, etc.).

4. Gaps between manual and non-manual workers

There is no analytical evidence as to existing differences in pay and work conditions between manual and non-manual workers in Greece. A rough differentiation may be drawn, however, if one considers the existing (from a legal point of view) two main categories of employees, that is : (a) wage earners, and (b) salary earners.

By far the largest number of wage earners pursue manual work, while most salary earners work in non-manual employment.

It is found that salary earners (non-manual workers, according to the above rough definition) earn approximately twice as much as wage earners (manual workers).

Average wages (of manual workers) represented 56% of the average salaries (of non-manual workers) in 1971 in manufacturing. This figure stood at 61% in 1976 and 65% in 1978.

Consequently, at least in manufacturing, the earnings' gap between manual and non-manual workers is slowly closing. This is due to the faster growth of wages (of manual workers) in comparison with salaries (of non-manual workers).

It should be stressed, however, that the existing discrepancy in the level of wages and salaries is influenced by the very high salaries paid to some highly ranking managerial cadres. If such high salaries were not included in the statistical sample, the average salary would be considerably lower than its present level.

According to existing legislation, salary earners (non-manual workers) are entitled to higher levels of compensation payments in the event of dismissal in comparison to wage earners (manual workers). Furthermore, up to January 1981, salary earners enjoyed more favourable terms of holiday leave (see Chap. 2.4).

In most cases manual workers are under less satisfactory working conditions than non-manual employees. Nevertheless, this gap has gradually narrowed in more recent years.

5. Growing complexity in industrial relations

Industrial relations in Greece have been traditionally dominated by the State. Collective bargaining and trade union functioning are constrained by an over-inflated legal framework which sets the limits for collective labour contracts and disputes procedures. Government intervention is of primary importance in most aspects of industrial relations, collective bargaining, compulsory arbitration and trade union functioning.

The incomes policy guidelines adopted by the Government determines a priori the limit of the increases of minimum wages and salaries to be granted.

Such increases, established by the National General Collective Agreement or by a Compulsory Arbitration Decision, are reviewed every year. The NGCA is legally negotiated by the legally representative trade union, that is the GSEE (General Confederation of Greek Labour) and representatives of the Employers Organisations (mainly the SEV : Confederation of Greek Industries). The same negotiators participate in the Court of Compulsory Arbitration, joined by a representative of the Government and with the Judiciary as President of the Court.

Government incomes' policy guidelines set the pace, more or less, for relevant wage increases in the rest of the economy. Nevertheless, this model of Government domination in industrial relations decision-making has been challenged to a certain extent, following the restoration of parliamentary democracy since August 1974. This especially holds true for some trade unions having attained a high level of membership, organisational cohesion and bargaining power, mainly because they function in sectors where certain objective conditions (e.g. large size of establishments, job security and/or strategic position in the economy as a whole) favour organised collective action. These unions are in a position to challenge Government or employers' dominance and play a greater role in collective bargaining settlements. As the situation stands at present, unions are strong and collective bargaining more or less functions properly, especially in the following sectors :

- (a) public utility enterprises (electricity, telecommunications, post office, civil and air-transport, hospitals, etc.);
- (b) banks, local Government, school teaching and some technical grades in the civil service (technicians, agronomists, etc.);
- (c) longshoremen (docks) and few craft-unions, such as the daily newspaper printers;
- (d) mining unions in some large industrial enterprises and to a lesser extent in construction.

To recapitulate, it may be said that Government and/or employers' regulation of wages and conditions of work have been traditionally more important than collective bargaining for the larger part of the industrial relations system. Nevertheless, ever since the restoration of parliamentary democracy in 1974 (this is also largely true for the period before the 1967 coup), collective bargaining has been of primary significance to certain strong unions as indicated above.

According to the existing legal frame of reference, collective agreements, up to the mid-Seventies, only covered the issue of wage and salary increases. Conditions of work and other institutional aspects of the work contract (i.e. pension, health care, etc.) came under the exclusive jurisdiction of the State, (and of the employers in some minor cases). Informally, however, certain strong

unions were engaged in collective bargaining concerning such issues. Thus, there were increasing pressures to alter the legal prohibitions concerning the embracing in collective bargaining of other issues than wages.

An important step in this direction, from a legal point of view, was taken by the National General Collective Agreement of 1975 (retified by Law 133/75) which, apart from wage increases, also included new regulations concerning minimum standards of working hours.

6. Safety and health at the place of work : new problems

A sizeable body of legislation exists concerning occupational safety and health. Such legislation is based mainly on certain initial Laws introduced in 1920 and 1934. Since then more than 20 other Laws, Presidential Decrees, Governmental Decisions, etc. have also been enacted.

An ILO report on working conditions in Greece (widely known as the Blanchard report), completed in 1978, found that a number of legal measures should be also taken in respect of other factors that may damage workers' health. The same report also proposed that a Centre for Occupational Hygiene and Safety should be established in order to study problems of the same nature. This centre was thereafter established and is functioning although, until recently, at rather low capacity.

According to existing legislation, employees engaged in occupations labelled as "unhealthy" or "heavy" receive a certain bonus and are entitled to earlier retirement and, up to 1981, a longer holiday leave. Due to pressures exerted by the people concerned, the number of occupations labelled as such has increased rapidly in the last decade, to include at present some 47% of the total 1.5 million employees in Greece.

The implementation of existing legislation on vocational safety and health appears to be very inadequate, a fact stressed by the ILO report. Such a situation is mainly due to the inadequacy of the responsible agency in fulfilling this task - that is the Labour Inspectorate.

The Labour Inspectorate, established in 1929, is a decentralised organisation incorporated in the Ministry of Labour and employing about 500 persons in 1979. Its main function is carried out through Labour Inspectors who visit work places in order to ensure minimum standards of occupational hygiene and safety.

According to data provided by the Ministry of Labour, between 1974 and 1977 Labour Inspectors carried out the following number of safety and health controls :

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113 494 in 1974; 159 789 in 1975; 248 199 in 1976 and 244 761 in 1977. During the same period the number of proceedings for infringement of legislation concerning occupational safety and health lodged by the Inspectorate were as follows : 1 971 in 1974; 3 164 in 1975; 3 647 in 1976 and 3 248 in 1977.

Evidently, as indicated above, the number of controls carried out by the Inspectorate is extremely large when compared to the limited number of cases brought to Court. Yet even in these last few cases, the employers concerned were either acquitted or fined an insignificant sum of money.

In this respect, it should be stressed that existing legislation concerning the responsibility of employers to safeguard minimum standards of safety and health is outdated and inadequate. Such legislation is based mainly on Law 551/1915 and the Civil Code. The maximum penalties for employers in case of serious offences (e.g. cause of death) is five years. In legal practice, however, this does not exceed six months and is subject to an appeal. In fact, there are no known cases where an employer has been jailed for such a reason. It should also be said that in instances of work accidents, responsibility for the compensation of employees concerned is borne by the Organisation of Social Insurance (IKA).

On the whole, the inability of the Labour Inspectorate to ensure the practical implementation of existing legislation is mainly due to the following reasons : (a) the number of its staff is relatively small, (b) many of the Labour Inspectors lack the specialised knowledge and/or the necessary drive to fulfil their task, and (c) the visibly large number of very small manufacturing establishments in Greece creates an objective difficulty for the work of the Inspectorate (in 1973 there were 113 479 such establishments employing 255 016 persons).

Similar conclusions should be drawn in the cases of mining, quarrying and shipping. The responsibility for practical implementation of existing legislation in these fields rests with the Ministry of Industry and the Ministry of Shipping, respectively.

It is also important to note that no legal obligation exists for the establishment of social services within the enterprise (i.e. doctors, nurses, social workers, etc.). Some large enterprises, however, have introduced certain services on their own initiative and/or under the pressure of their employees.

Furthermore, employees have no statutory right to set up safety and health committees within the enterprise.

In general, the standards of occupational safety and health are found to be more satisfactory in large enterprises employing over 200 persons each, as compared to the prevailing situation in smaller ones. As indicated by the ILO report, such standards are poorly implemented in very small establishments employing less than 10 persons each. These establishments, however, numbered 113 479 units (94% of the total) and employed 42% (255 016) of the total 642 478 persons occupied in manufacturing in 1973.

Statistical data concerning work accidents are incomplete and underestimate, to a certain extent, the actual situation. These remarks should be taken into account in respect of data drawn from Table 6, which gives a picture of the number of work accidents between 1973 and 1977. (Data derived from official publications of the National Statistical Service of Greece. More recent data compared to that of previous years has not been published yet).

According to certain statistical evidence provided by the Ministry of Labour, the highest frequency of work accidents is noted in the following sectors : (a) construction (17.6% of all accidents), (b) machine products (14.3%), (c) metal industry (8.9%), (d) mining and quarrying (6.9%), (e) textiles (6.8%), and (f) wood and cork industry (4.9%). A large number of work accidents that was noted in shipping resulted from the very poor safety conditions prevailing in many Greek merchant ships.

TABLE 6

Number of work accidents among persons directly insured with the social insurance organisations and consequences thereof : 1973-1977					
Consequences of accident	1973	1974	1975	1976	1977
Total accidents	47 885	45 681	45 275	45 544	47 149
Consequence :					
- Death	270	357	217	208	218
- Absence from work and award of benefit	42 808	40 560	40 366	40 465	41 822
- Temporary disablement and pensioning	658	749	783	869	965
- Permanent disablement and pensioning	121	199	129	197	208
-Bodily harm without affecting capability for work	4 028	3 816	3 780	3 805	3 936

Source : National Statistical Service of Greece - Yearbook 1979.

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7. Some facts about environmental management

In recent periods ecological balance in certain regions, especially Athens and Salonica and neighbouring areas, was seriously threatened for the following reasons :

- (a) rapid increase in urban population, especially within the metropolitan area,
- (b) considerable growth, especially since 1968, of technological advanced industries, some of which are highly polluting,
- (c) inadequacy of urban and public transportation planning, which led to the reduction of vegetation in the cities and resulted in increasing pollution,
- (d) insufficient and often contradictory measures taken by various Government agencies in respect of environmental management,
- (e) failure to implement existing legislation.

Up to 1980, the responsibility for environmental protection was shared by a number of uncoordinated Ministries and special Governmental Agencies. Such a lack of coordination and the absence, up to the mid-Seventies, of a proper legislative framework had serious negative implications upon environmental management.

The need for conservation and ecological balance has become clear to the general public and to the policy makers, especially after 1974. As a result, a series of administrative and legal acts were enforced during the past five years, or have been submitted to Parliament.

In the new Greek constitution of 1975, Article 24 explicitly states that the protection of the natural and cultural environment constitutes an obligation of the State and that the State is responsible for taking special preventive or repressive measures towards its conservation. Moreover, Article 106 also states that : "The State shall take all measures necessary to develop sources of national wealth in the atmosphere, underground and in underwater deposits, to promote regional development and to further especially the economy of mountainous, insular and border areas".

These constitutional orders were made more specific by basic Law 360/1976 on environmental and physical planning issues (this Law was subsequently supplemented by Law 1032/1980). The main goals of Law 360/1976 are the following :

1. to secure and control the evolution of the country's regional structure in order to assure the efficient use of natural resources and the proper coordination of the various activities of the population;

2. to conserve and protect the nation's natural and cultural environment by initiating special environmental programmes in accordance with development policies;
3. to determine and provide the institutional and legal framework for the development of the necessary infrastructure for effective physical planning;
4. to coordinate procedures for environmental planning in Greece with those adopted by other nations and those proposed by international organisations which are concerned with these issues; and
5. to ensure the conditions for proper planning aiming at an uninterrupted improvement of the quality of life.

As already noted, the implementation up to the present of existing legislation which may be considered as comprehensive enough, has been inadequate.

8. Changes in family life

During the Seventies, the birth rate stood at a standstill, while prior to that decade it was on the decline. Thus, the number of births per 1 000 inhabitants stood at 15.98 in 1971, 15.73 in 1975 and 15.66 in 1978. This last figure is still higher than the average birth rate of the other nine members of the European Communities for the same year (12.1), although it is lower than that of Ireland (21.1). Similarly, in other countries, as in Greece, birth rates are higher in rural areas.

No significant changes have taken place in the percentage of marriages per 1 000 inhabitants : this was 8.31 in 1971, 8.45 in 1975 and 7.7 in 1978. During the same years the percentage of deaths per 1 000 inhabitants was as follows : 8.36 in 1971, 8.85 in 1975 and 8.72 in 1978.

There is no recent analytical data as to the percentage of married women in the total working population. Nevertheless, the economic and social changes and the modernisation of family patterns that have recently taken place, especially in the larger cities, indicate that there is an increasing tendency for married women to enter the labour market.

The same socio-economic changes also resulted in a reduction in the size of households. According to estimates made by the Centre of Economic Research and Planning, the number of members in an average household is to decrease from 3.31 in 1971 to 2.73 in 1981. Such a trend should be attributed to the fact that in more recent periods there is a tendency for young people to establish their own households, though this is not yet as widespread in Greece as in other countries of the European Communities.

9. Housing - Quantity and quality

Construction activity and construction of dwellings in particular, has been of primary importance for the country's post-war economic development. This is reflected in the relatively high share of housing construction as a percentage of the Gross Domestic Product : on average it reached 6% between 1950-1960, 8% between 1960-1970 and 7.7% between 1970-1976.

In the last ten years the number of dwellings constructed is considerably high on an international scale. In 1978, for example, the number of dwellings constructed per 1 000 persons in Greece was 17.1 in comparison with a considerably lower figure in all other countries of the European Community.

Contrary to the case of other countries, in Greece, the State and the local Government are not directly involved in the construction of dwellings - this activity being left mainly to private firms. A State Enterprise for Town Planning and Housing (DEPOS), established in 1976, has not shown any practical activity up to the present.

In fact, the construction sector as a whole has been treated by successive Governments largely as a means for implementing their particular economic and monetary policy. This was done by increasing or restricting loans for the purchase of dwellings as well as for private constructors - a policy resulting in an upward or downward trend of the economy, as needed.

Between 1970 and 1973, housing construction expanded rapidly, primarily as a result of the deliberate policy of the then military government. This trend changed downwards after 1973 due to the rapidly increasing cost of housing and the imposition of Government restrictions on loan granting during the last five years.

The granting of loans for the purchase of dwellings is administered through certain banking institutions and numerous funds, which cater to various sections of the population. i.e. : civil servants, army officers (in both cases respective loans are rather privileged), employees, peasants, etc.

There is a complete lack of co-operation amongst these various centres of loan granting - a fact which may be observed as part of the overall lack of co-ordination and the inadequacy of housing policy.

The Organisation for Labour Housing (OEK) is responsible for the granting of loans, under favourable conditions, for families of employees without a house. Usually, the amount of such loans covers about half of the price of a house with two to three rooms. Apart from the period between 1972 and 1975, OEK has been also involved in the construction of dwellings for employees entitled to claim such dwellings. The same Organisation has constructed since 1954, when it was founded, 19 400 labour dwellings, most of which have two to three rooms each. At present, about 4 500 dwellings are under construction also by OEK.

The Organisation for Labour Housing which functions under the aegis of the Ministry of Labour, is financed by 1% of each employee's earnings and from 1975 onwards with an additional 0.5% paid by employers.

In 1979 OEK collected about DRA 4 000 million from such contributions. During the same year it granted 9 500 loans totalling some DRA 1.5 000 million. In 1980 the total money reserves of OEK exceeded DRA 7 000 million. As noted in a previous chapter, these reserves are deposited with the Bank of Greece and provided an interest rate of only 5-6% up to 1978 and 10-11.5% thereafter. The price index rose at a considerably higher rate during the respective periods.

In general, employees and other low-income groups appear to be less favoured by the existing situation of loan granting. Thus, official estimates point out that about 68% of the total value of loans for dwellings is absorbed by middle and upper-middle income groups.

A similar conclusion may also be drawn from the fact that in 1978/79, as many as 45% of the total number of employees in the cities rent their accommodation. In their case, the value of rent represented about 15% of the total family income in the early Seventies. This figure rose to 25-27% in 1979, mainly as a result of the high increase in rents after 1978. In an attempt to suppress the rapidly growing level of rents in the last few years, certain legal restrictions in rent increases were put forth by the Government. Nevertheless, no rent subsidies have been implemented so far.

As revealed by the Centre of Economic Research and Planning, in the early Seventies, 20% of the total population of the greater metropolitan area were living in very low-standard housing. This especially holds true for the area covering the west side of Athens, where a considerable percentage of the total number of houses are found to be without basic facilities, such as proper kitchens or lavatories.

Nevertheless, in other areas of Athens and various major cities, the standard of housing, at least in a considerable amount of cases, is not unsatisfactory. This is mainly because most dwellings in such cases were recently constructed. In general, although there are still areas where housing is a problem, the standard of dwellings as a whole, has considerably improved in the last twenty years.

II. EVOLUTION OF THE SOCIAL SITUATION IN 1980

1. General survey

The downward trend of the economy, especially in the last two years, had certain negative repercussions upon social evolution in 1980. Thus, unemployment and particularly that of young people appears to have increased while employees' earnings rose at a lower rate than that of the price index during the same year. These trends should be related to the deterioration of the industrial relations scene in terms of increased strike activity, especially towards the end of the year.

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As far as vocational training is concerned, the actual situation did not improve significantly during 1980.

But some major legislation introduced in this field indicates that this might change in 1981.

A number of measures were taken by the Ministry of Labour in 1980 concerning working conditions and safety in the case of certain categories of employees.

Various measures were also taken by the Ministry of Social Services, including the preparation of major legislation on the reorganisation of the health care system.

Housing activity was on a downward trend during 1980. In the same year a new Ministry of Physical Planning, Housing and Environment was established. It is still being organized and has not as yet started carrying out the tasks assigned to it.

2. Employment

The slowdown in economic activity and in particular the depression witnessed in construction activity during the last years restrained the rate of growth in the employment level in 1980. According to estimates of the National Statistical Service of Greece (ESYE), employment in the non-agricultural sector between 1980 and 1979 rose by 2%, as against 2.5% between 1979 and 1978. Especially in manufacturing, also according to ESYE estimates, employment rose by 1.5% in 1980 as against 2.7% in the previous year.

The percentage of the unemployed registered with OAED (i.e. the Organisation for Labour Employment) stood between 1.8% and 2.5% in 1980.

As already noted, official statistics concerning unemployment in Greece underestimate the present situation for a number of reasons. In this respect it should be pointed out that in the 1981 budget presented to the House of Parliament, the Minister of Finance accepted that, according to some official estimates which were forwarded to E.C. authorities, unemployment in Greece stood at 6% in 1980. Various other estimates were also made, especially on behalf of the opposition parties, which placed the rate of unemployment at higher levels.

But beyond these conflicting views, where present actual unemployment is concerned there is no doubt that the most badly hit are the young people. Thus, according to ESYE estimates, of the total number of unemployed persons in 1980, 45.4% were under 25 years of age. This figure rises as high as 65% if people up to 29 years of age are included.

Although no detailed statistics are available on unemployment by occupational categories, it is generally acknowledged that the long-term slowdown in economic activity has placed increasing pressures on the employment situation of high-school and university graduates.

(It is estimated that about 200 000 new university graduates, of whom 7 000 women, are added to the labour force each year).

The alarming trends in youth unemployment would have been much worse if it were not for compulsory military service, which lasts 22-24 months for most young men between 20-29.

3. Vocational training

Major legislation was enacted in 1980 by the Ministry of Education which provides the scope and sets the organisational network for upgrading occupational training. According to official sources, several hundred thousand people are to be re-trained each year in one-to-two week long courses of technical education. Some longer-period courses are also to be available.

It is believed that the European Social Fund will finance part of this project.

During 1980 there was a re-organisation of the occupational training schools of OAED (Organisation for Labour Employment); some were upgraded to schools of a higher educational nature; others were given secondary level school status.

Measures, mainly of an administrative character, were also taken during 1980 in the case of the higher-level training schools, known in Greece as KATEE (Centres of Higher Technical and Occupational Education). According to unofficial information, however, the whole functioning of these schools has raised major problems, due to bureaucratic difficulties and the inadequacy of teaching staff.

It is interesting to note that large funds totalling some US\$ 122 million approved by the International Bank for the development of occupational training in Greece have not been utilized up to now, also because of administrative inaction and bureaucratic delay.

Finally, mention must be made of the activities developed in 1980 in the field of occupational training by EOMEX (the Greek Organisation of Small-to-Medium Manufacturing and Handicraft Enterprises) as well as by some private enterprises and schools.

4. Wage increases

During 1980 there was a further depreciation in incomes of employees which essentially started in 1979. It is estimated that the average compensation of employees rose between 1980 and 1979 by some 20.5% at current prices, against an increase of 25.9% in the price index (GNP grew at constant prices by 0.7% in 1980, against a yearly average increase of 4.8% between 1970 and 1979).

Minimum wages and salaries rose in 1980 by an average of 19.9% and 21.2%, respectively, at current prices. These increases were decided by the Court of Compulsory

Arbitration, whose decisions are known to be influenced by Government incomes' policy guidelines .

According to these guidelines , wage increases for 1980 should be lower than those mentioned above in the case of employees whose earnings are higher than minimum wage standards. (It is roughly estimated that about 10-15% of all employees are paid by minimum wage standards).

According to an unpublished report of the Bank of Greece, average wages and salaries of certain occupational categories increased, at current prices, as follows during 1980 : (the figures in parentheses indicate respective increases in 1979).

Civil servants : 19.1% (20%); employees of public utility corporations : 20% (21.7%); bank employees : 19.7% (13.5%); employees in buses : 18.1% (13.3%); employees in retail trade : 21.9% (17.7%); accountants : 19.9% (14.7%); construction workers : 18% (18%). In the case of manufacturing enterprises, the average weekly wages (of manual workers) were increased by 24.2% (20.4%), while the average monthly salaries (of non-manual) workers rose by 22% (18.6%).

5. Industrial relations

Industrial relations during 1980 deteriorated, especially towards the end of the year, when it was evident that pay rises granted earlier fell well below the increase in the price index. Between October and December, extended strike activity took place. This included one 24-hour national strike, called on November 15 by the allegedly pro-government GSEE (General Confederation of Greek Labour) and a 48-hour civil servants' strike called on October 31 and December 1 by ADEDY (Higher Administration-Confederation- of Civil Service Unions). In particular, prolonged strike action was lodged at the end of the year by elementary and high-school teachers, while minor strikes also took place in several other cases (e.g. public power corporation employees, public telephone, banks, railways, doctors, etc.). In a number of private manufacturing enterprises, industrial relations deteriorated mainly as a result of widespread dismissals of trade unionists, and in particular due to the non-recognition by the employers of trade union activity.

It should be pointed out, however, that towards the end of 1980 and the beginning of 1981, the industrial relations front became rather inactive. This could be explained, to some extent, by the fact that the downward trend of the economy and growing unemployment discouraged trade unions from strike confrontation with employers. Furthermore, this should be understood with regard to the upcoming elections. Prolonged strike actions prior to political elections could be damaging to opposition parties, which to a certain extent are in a position to influence trade union decision making.

6. Labour law and working conditions

During 1980 a number of laws and presidential decrees were enacted by the Ministry of Labour, the most important of which are the following :

- Law 1077/80, concerning the employment and training of employees in the tourist industry. Under this Law, professional registration was made compulsory for each of the employees in the industry.
- Law 1057/80, regulating the working hours of various categories of employees.
- Law 561/80 regulating days of paid leave for students during examination periods.
- Law 1077/80, regulating a number of labour issues, including the ratification of collective agreements.
- Presidential Decree 981/80, regulating the working hours of actors and of taxi drivers.
- Presidential Decree 477/80, concerning the protection of seamen in case of accidents.
- Presidential Decree 778/80, regulating safety conditions in construction activities.
- Presidential Decree 1179/80, regulating the protection of employees' health from vinyl chloride monomer, in accordance with the relevant EEC Directive (78/610/EEC 197/12/78).

Three international conventions of minor importance were also ratified by Parliament during 1980. They were concerned with the introduction of medical checks for children and young persons employed in manufacturing establishments, mines and in some other jobs.

By the end of 1980 (November 19), the Ministry of Labour announced a number of measures to be implemented in 1981. These are :

- The introduction of the five-day working week in the greater part of the public sector, from 1 January 1981. In regard to the private sector, the Government announced that the issue of the five-day working week is to be negotiated between employees and employers through their own collective bargaining procedures.
- An increase in family bonuses granted by OAED (Organisation for Labour Employment) at levels ranging from 15% to 43% , according to the case in question. Thus, from 1 January 1981, the family bonus for the year would become DRA 6 240 for a family with one child, DRA 21 840 for a family with two children, DRA 39 000 with four, DRA 56 160 for five, DRA 73 320 for six and DRA 17 160 for each child over the sixth.

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These bonuses should be granted to children up to 18 years of age (as opposed to 17 years previously) and up to 22 years in case of students. For the first time a woman is also entitled to such a bonus where it is not granted to her husband.

- A Ministerial Decree to be forwarded to Parliament would safeguard equal treatment for men and women as regards pay, vocational guidance and training, promotion, access to employment and working conditions, in accordance with the relative EC Directives.
- The forming of a tripartite Committee which will study amendments to collective agreements/dispute legislation, and especially compulsory arbitration procedures. The same Committee will study the subject of industrial hygiene and safety, and will propose measures to be taken by the Ministry of Labour in this respect.

The subject of industrial hygiene and safety has also been included in the research programs of YEET (Organisation for Scientific Research and Technology), which functions under the aegis of the Ministry of Co-ordination.

7. Health and social security

Between 1980 and 1979, total expenditure of the Ministry of Social Services, which is responsible for social security and health care, was increased by 30.6% at current prices (as opposed to 15% between 1979 and 1978), reaching a total of DRA 50 100 million in 1980.

This figure represented a share of 13.62% of the total Government budget allocated to the various Ministries for 1980 (in contrast to 12.29% in 1979).

During 1980 an important law was prepared providing a new framework for the health-care system in Greece. This law, which was opposed by most trade union organisations for doctors, is now be brought up for discussion in Parliament in 1981. Its main goals as manifested by a communiqué issued by the Ministry of Social Services are the following :

1. Provision of planning machinery for decision-making purposes.
2. Regionalization of services for better distribution of resources.
3. Improvements in the quantity and quality of services available to the rural population; review of the main problem of unequal access.
4. Better hospital administration for greater economic efficiency.
5. Better management of medical post-graduate education, as well as other health-care personnel developments.

6. Upgrading the status and quality of nursing personnel.

A considerable number of measures were taken in the social security field during 1980. Some of those measures fall in line with a general Government effort undertaken in the last four years for a reorganisation of the chaotic social security system in Greece.

Thus major changes were enacted in the organisation and scope of the Insurance Fund for Professionals and Craftsmen (TEBE). Under another law, major changes were carried out in the Insurance Fund for Sanitary Employees. (TSAY). An important law concerning the Organisation of Agricultural Insurance (OGA) was also debated in Parliament and is to be enacted in the near future. Under this law, OGA insurance coverage is broadened to include a wider spectrum of the peasantry.

A considerable number of other laws, Presidential Decrees and Government Resolutions were enacted in 1980 regarding the financing of benefits granted by insurance funds for certain occupational categories (e.g. lawyers, policemen, etc.).

Finally, it should be noted that minimum IKA pensions (which were linked to the increase in minimum wages in 1979) rose from DRA 6 210 in 1979 to DRA 7 140 in 1980. For 1981, this minimum is to be increased to ~~DRA 8 475~~ from 1st March onwards.

8. Housing

There was a considerable slowdown in the construction of dwellings in 1980 as compared to 1979 when an upward trend was noted. As indicated by the latest available statistics concerning the period between January-October 1980 (as measured by the licenses issued for the construction of dwellings), the private legal housing activity throughout the country stood as 61.8 million cubic metres, in contrast with 82.5 million for the same period in 1979 (a decrease of 25%). Particularly outstanding is the 39% decrease noted in the Prefecture of Attica which includes Athens. On the other hand, in Macedonia, which includes Salonica, the second largest city of Greece, there was only a 1.7% decrease.

This overall slackening in the construction field should be attributed, amongst other reasons, to the drop in the total value of loans for housing, which is estimated to have reached DRA 16 300 million during 1980, in contrast to 20 100 million in 1979. It was recently announced that these loans should reach DRA 25 000 million in 1981.

9. Environmental issues

A new Ministry of Physical Planning, Housing and the Environment, was established in 1980. According to basic Law 1032/80, this new Government department would take over many responsibilities of the Ministry of Coordination, especially the day-to-day operations relating to environmental issues in the implementation of policy directives. Nevertheless, the new Ministry is still being organized and it has not really started to carry out its duties as yet. And there is a certain conflict as to which Government department is responsible for environmental issues, due to the fact that departments in other Ministries also deal with such issues.

On 28 February 1980, the National Council for Physical Planning and Environment (which is placed under the Chairmanship of the Prime Minister and composed of cabinet members) made a decision concerning certain specific areas.

Certain geographic areas were declared immediately and strictly protected, while others were declared in need of protection and preservation.

The same Council also issued another decision (dated 13.3.80), concerning the organisation of open-air activities by the Centre of Intensive Development Programmes at Kavala, in Northern Greece.

The implementation of the liquid waste disposal plans for Athens was started in 1980.

In the same year, Greece signed (although it has not yet been ratified by law) a specific regulation of the Barcelona Convention concerning the landbased sources of pollution.

Finally, it should be noted that by the end of 1980 a Centre for Environmental Research was established, under the aegis of the Municipality of Athens.

III. SOCIAL OBJECTIVES AND PRIORITY ACTION

1. An employment policy

Employment in Greece, as has already been noted, is characterized by structural deficiencies, peculiarities and problems which have become particularly evident since the slowdown of economic activity after 1973. There is an increasing inability of the labour market to absorb superfluous manpower, especially in the case of some regions and occupational categories (such as high school and university graduates, women, and unskilled workers). In contrast, labour demand is quite satisfactory in some regions and sectors (e.g. in the Prefecture of Corinth and/or in some categories of skilled workers and technicians).

The inability of the labour market to assimilate the abundant manpower may be attributed, apart from the general recession and in particular the sharp decline of investments during the last five years, to the inversion of the migration flow. The problem of imbalance of the labour market (i.e. the existence of high unemployment sectors and regions in contradistinction to others with adequate employment demand), may be attributed mainly to the absence of systematic manpower planning, and in particular to the anachronistic educational system and lack of sufficient occupational/technical training. The low occupational and geographic mobility which characterizes the Greek labour force, as well as regional inequalities in educational and employment opportunities, lead to similar consequences.

The problems stated above have recently become acute; they constitute an inseparable fragment of the employment issue in Greece.

Rational solutions are required to solve these problems. And in order to adopt the appropriate policies, special research studies on employment and unemployment in Greece should be undertaken. In setting up these policies, experience gained in the application of similar policy measures in the European Community countries should be taken well into consideration.

We should emphasize that very few studies have been carried out on the subject of employment and unemployment in Greece. The Organisation for Labour Employment (OAED), which is the most appropriate agency to undertake research work and enforce employment measures, does not particularly show any positive activity in this field. At present, there is a lack of statistical data and primary material essential for an analysis and evaluation of such studies.

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But beyond the immediate need for extensive and systematic investigation into this subject, the existence of a proper coordinating body that will have executive authority and the determination to launch specific employment policy measures is also of vital importance.

In general, an appropriate employment policy requires planning which will be subject to an overall national economic and social development plan. For this reason, we believe that priority should be given to productive investments aiming at employment maximization, without interference in productivity and technological advancement. In order to promote a policy of such vital importance, substantial planning should be undertaken, even of an indicative nature, as for example in France. Such programming, along with manpower planning, will facilitate national economic development within the framework of the EEC.

Significant employment opportunities may be introduced by the promotion of investments in labour intensive sectors, for example in tanning, textiles, electronics (mini-computers, etc.). The rational structure of relevant economies of scale must be the irrevocable assumption in order to promote such investments showing satisfactory productivity returns.

Special emphasis should also be given to those activities concerned mainly with the quality of life, as for example, health, social care, social security, environmental protection, public transportation, cultural life, research, education, technical education, manpower planning.

Up to the present, these activities are considerably subdued and share a very small percentage of the national income, in comparison with the respective figures in the European Communities. The nation's economic development in relation to the necessity for improvement of the quality of life, justifies the expansion of the above-mentioned sectors - an expansion which will provide an increased number of work opportunities, especially for the problem categories of employees (women, high-school and university graduates). In the long term, the expansion of these sectors will contribute to social development, increase in incomes and, in general, to the nation's general economic state.

Other priority action in the field of employment may be as follows :

1. Creation of work opportunities in agricultural districts which experience high percentages of underemployment and unemployment. Toward this we deem essential : the application of appropriate regional development plans, the decentralization of investments, the creation of substantial technical and economic frameworks and economic planning which will contribute to the improvement of the quality of life, especially in relation to cultural activities in the rural areas of Greece.

2. Preparation and application of long-term occupational training projects. Within the context of these projects priority must be given to the systematic investigation in human resources and to the appropriate measures necessary for the increase in occupational and geographical mobility of employees. In order to implement such objectives we consider it necessary to re-organise and modernise the education system. Emphasis should be placed on neglected vocational education and on the training and retraining of the work force. Of course, these educational activities should not work against general theoretical education, with should be accessible to every citizen.

Beyond general theoretical education, every person should be given the opportunity to acquire vocational training, depending on his abilities, his preferences and national labour requirements. It should be understood that for these purposes, appropriate educational programmes must be worked out and introduced. To facilitate this, scholarships and other forms of subsidies should be made available to the trainees.

3. The present policy of unemployment benefits must be adjusted in accordance with the other countries of the European Communities. As an initial step, it seems necessary to subsidize jobs, instead of the traditional unemployment benefits, especially for young persons, women and trainees.
4. A reduction in weekly hours of employment will contribute to an increase in employment opportunities, notably for young persons, and to an improvement in the quality of life. In the private sector, in particular, there are adequate margins for action in this direction, since weekly working hours are well in excess of comparative figures in other Community countries. It is also thought necessary to extend training leave and to adopt flexible age limits for voluntary retirement by salaried persons. But the subject of elasticity in voluntary retirement should be examined carefully, as an unjustifiable tendency to lower retirement age taken too far could aggravate the national economy. Particular care should be taken so that the reduction in the weekly hours of employment will not have negative effects on already low productivity levels. Of course, working hours could be reduced in keeping with the working-hour savings made by recent technological progress, in conjunction with the liberalization of shift-work and a more flexible schedule.

Finally, certain policy measures that have been adopted by Community countries, such as systems of part-time work and work-sharing, could also be introduced in Greece. The above mentioned systems of work have not been extensively applied in this country, due mainly to long-term underemployment and the inflexible labour law which characterizes Greek reality. Although their application will require changes in labour legislation and although undoubtedly their introduction will create some complications in the labour market, at least a selective application of these systems should be introduced in Greece.

Some reservations exist as to the possible reduction in overtime, mainly because overtime payments in this country, especially in manufacturing, do assist the relatively low incomes of Greek workers.

2. Greater social justice

Inequalities among the upper-income and lower-income groups are particularly dominant in Greece. Considerable income disparities also exist among various occupational categories, regions and sexes. This situation has not improved but rather worsened during the Seventies. This could be attributed to the uneven development of the Greek economy and to market forces, where there is neither capital accumulation machinery nor government action to modify existing inequalities.

The problem of income inequalities is rather difficult to confront unless radical measures are launched in this direction. However, partial improvements could be effected with the elaboration of proper fiscal, incomes and regional policies. Such policies should in general be aimed at assisting low income persons and reducing partial differences among the various occupational categories.

A specific measure that it seems necessary to adopt is the price indexation of minimum standards of earnings of employees, and their increase in conjunction with the growth of national income.

Special attention should be given to tax evasion of high-income groups, a particularly widespread practice in this country.

Concurrently, the minimization of regional inequalities requires the elaboration of a carefully studied regional policy, which integrates the experiences obtained by other Community countries in applying similar programmes.

We think that the problem of inequalities between men and women as regards remuneration, employment opportunities and occupational advancement has limited possibilities for improvement through strictly legislative means. Without intending to underestimate the importance of changes in the law, we believe that a change in current social attitudes which degrade the economic role of women is of greater significance. This could mainly be promoted by a continuous and systematic information campaign, in conjunction with a general activation of the women's movement. This movement was in an embryonic stage in Greece, but has experienced considerable development in the last few years.

Social security and health are areas that offer vast potential for the promotion of a policy towards greater social justice. This is basically due to the fact that the existing services are characterized by great inequalities in benefits' distribution, which is a consequence of the promiscuous structure of social security and social and health care systems in Greece.

In particular, the field of social care for the disabled, the handicapped, the old and generally for those people in need is particularly neglected, as was pointed out recently by a special study of the Centre of Economic Research and Planning.

The public expenditure and manpower involved in this field are quite inadequate to provide acceptable standards of social protection for those in need. Charitable organisations and the church play some role, although their effectiveness is often ambiguous. In a country like Greece, where traditional family and close society bonds are still strong, especially in the countryside, the individual care offered to those in need by their own relatives, neighbours and even friends is of significant importance. Nevertheless, the widespread urbanization witnessed in the last twenty years and the adoption of new patterns of social life attitudes by the people in larger cities have diminished the role played by the factor mentioned. Therefore, the need for effective state action in this field appears to be more urgent than before. A special effort should also be made to promote occupational training and the integration of handicapped persons into working life.

As far as the pension system is concerned, the following measures should be taken :

- (a) Reduce the number of insurance organizations;
- (b) abolish inequalities in pensions;
- (c) align the value of contributions paid by the various occupational groups and eliminate privileged arrangements for certain categories;
- (d) establish an appropriate minimum and maximum pension;
- (e) reorganize the administrative machinery of social security organizations, and ensure the profitable utilization of their monetary reserves.

Furthermore, any attempt to overhaul the particularly problematic health care system in Greece should, under present circumstances, be based on the following three changes :

First, there should be a major attempt to redistribute health resources, medical and other health personnel should be offered incentives to work outside the major cities of Athens and Salonica, the major gain from such a measure being a drastic improvement in the health care services offered to the semiurban and rural population.

A second major change should be in the emphasis on primary health care and in the creation of the specialty of general medicine and the establishment of the family doctor. In this way, continuity in medical care for preventive treatment and rehabilitation can be introduced.

Thirdly, and in relation to the above, an effort should be directed towards an improvement in the education of all health personnel.

It should be obvious from the foregoing that there should be an increase in public expenditure on health care. Although most of the measures mentioned above do not require a major outlay of funds, public expenditure should increase from 3.5% of the GNP in 1980, to 4.5% in 1985.

This has been ascertained that there is a vital need for considerable increase in public expenditure in the fields of social security and social health care so as to reach a level near to that of other European countries. Such an increase, in what might be referred to as "social income", appears to be totally necessary for a fairer income distribution designed to aid the less privileged income groups. At the same time, it will provide a wider spectrum of employment opportunities, especially for some categories of the population which are badly hit by unemployment, such as high-school and university graduates and women. This would also fall within the scope of a policy for greater social justice.

3. Better quality of life

Economic development in Greece during the post-war era has attained relatively high rates of quantitative growth at the expense of the quality of life. This fact has been largely realized by the general public, especially in recent years; as a result, there is increasing pressure on policy makers to place major emphasis on the same issue.

In the metropolitan areas of Athens and Salonica, particular attention should be paid to the basic problems which are mainly responsible for the worsening of the quality of life, namely :

- environmental pollution
- urban planning and public transport
- acceptable minimum standards of housing (in certain cases).

In the provinces, the quality of life is suffering more from lack of cultural events and proper entertainment (theatres, libraries, etc.), and in certain cases from unacceptable standards of housing, as well as inadequate transportation and communication with the centres.

On the whole, the issue of a better quality of life and the measures necessary for its improvement should not only be pinpointed and than merely discussed; it is of primary importance that there is the political will to implement these measures in practice.

The prospect of a better quality of life is certainly linked with the prospect of an improvement in working conditions.

Although no comprehensive data for the overall situation on working conditions in Greece is available, there is some evidence, mainly drawn from an ILO report, that these are far from satisfactory, at least in a considerable number of cases. In this respect, priority should be given to an extensive investigation into working conditions and occupational safety and health in Greece.

Basic studies and empirical research should be undertaken on this subject, drawing from the experience and in accordance with the standards of European countries. An indispensable factor for accurate diagnosis of the overall issue in question is the systematic preservation of precise statistical data on labour accidents and occupational diseases, in accordance with the specifications that are also employed in the Community.

While the above studies are being undertaken, the recommendations of the Council Resolution of 29 June 1978 on an action programme of the European Communities on safety and health at work should also be applied. This programme, as is known, refers to the following actions :

1. Incorporation of the safety aspect into the various stages of design, production and operation.
2. Determination of exposure limits for workers with regard to pollutants and harmful substances present or likely to be present at the workplace.
3. More extensive monitoring of workers' safety and health.
4. Accident and disease aetiology and assessment of risks connected with work.
5. Coordination and promotion of research on occupational safety and health.
6. Development of safety and health consciousness by means of education and training.

Special emphasis should be placed on an effort to ensure that existing legislation is actually implemented, this being a matter for concern in Greece, as noted in a previous chapter. For this reason, the functional improvement of the Labour Inspectorate and its expansion through the addition of competent personnel are deemed necessary. It is also important to introduce health and safety committees into medium-sized and large undertakings. In the case of the numerous smaller enterprises, the role of safety and health committees could be assigned to representatives of higher trade union organs, provided that the autonomy of these organs is guaranteed.

Furthermore, an annual survey to evaluate the progress made during the investigation period should be conducted under the supervision of the competent agencies of the Community. It is also believed that measures relating to employees' health should be coordinated with action concerning environmental health.

4. Trade unionism and the issue of "participation"

We think that particular attention must be paid to the issue of "participation" and the collaboration between "the social partners" - employers and employees - a subject that is directly associated with the overall operation of the country's trade union movement.

For reasons that are connected with the broader political evolution of the country, the history of the Greek trade union movement has been marked by external intervention mainly by the Government and employers, but also by the political parties. At present, a large fraction of the movement, in particular its top official leadership which is represented by the administration of the GSEE, is controlled by the Government to a great extent. Consequently, GSEE is not in a position to claim a greater share for employees from the benefits of the country's economic growth and is unable to pursue a justifiable social policy, aimed at improving the status of the lower-income groups. GSEE, held in low esteem by the country's working class, is unable to discourage, when necessary, the excessive or even absurd demands of certain privileged categories of employees.

The paradox is that in the case of relatively privileged categories of employees, trade unions often succeed in most of their demands. This is because they possess a considerable bargaining power and a properly elected and hence independent leadership.

In reality it is noted that Government intervention in trade union activities and the inflexible and backward legal context of collective bargaining function superficially only in the case of employees who are in a weak bargaining position and whose leadership is controlled "from above." The opposite usually applies, in the case of strong trade unions. Thus, the differences are increasing between earnings and working conditions (including pensions, health care, etc.) of employees in powerful and those in weak trade unions.

In private industry in particular, most trade union activities at enterprise level are restricted and usually not recognised by employers. Frequently, employers interfere by establishing the so-called "yellow unions" which are under their control. As a result, intense polarisation in the industrial relations' climate between employers and employees at enterprise level is observed, and it is accelerated by political party activity which finds fertile soil for development.

Such a climate of mutual suspicion and in particular the lack of legitimate employees' representatives at enterprise level, naturally prevents the "collaboration of the social partners". This fact, seen in its historical context, also explains the failure of the system of "participation" in Greece.

In conclusion, the so-called "collaboration of the social partners" and the system of "participation" cannot flourish in Greece unless absolute trade union autonomy is ensured, an autonomy which is recognised of course in all the other nine member countries of the European Communities.

APPENDIX 1

Annual averages of hourly earnings of male workers-in industrial and handicraft establishments with 10 persons and over

(in DRA, at current prices)

Branches	1971	1976	1980	Percentage increase between 1971 and 1980
Total	19.7	50.5	116.74	493
Food and beverages	18	44.4	99.28	451
Tobacco	18.2	48.4	108.77	470
Textiles	20.6	50.2	109.87	433
Clothing and footwear	21	49.2	107.20	410
Wood and cork	16.7	44.4	98.52	490
Furniture	18.4	39.5	90.77	393
Paper	18.9	50.2	110.55	485
Printing and publishing	25.3	62.8	166.22	557
Leather	19.2	47.6	106.45	454
Rubber and plastic products	20.1	48.2	105.37	424
Chemicals	19.8	55.8	127.55	543
Petroleum and coal products	21.3	56.1	138.53	550
Non-metallic mineral products	20	51	116.19	481
Basic metal industries	27.8	76.6	168.54	506
Metal products	19.3	48	115.23	497
Machinery (non-electrical)	17.4	43.6	96.03	452
Electrical supplies	18.2	47.2	106.47	485
Transport equipment	20.3	55.8	136.67	573
Miscellaneous	16.5	41.1	87.02	427

Source : National Statistical Service of Greece.

APPENDIX 2

Annual averages of monthly earnings of male employees in industrial and handicraft establishments with 10 persons and over

(in DRA at current prices)

Branches	1971	1976	1980	Percentage increase between 1971 and 1980
Total	6 573	15 525	31 730	383
Food and beverages	6 011	13 929	27 777	362
Tobacco	6 604	15 282	30 369	359
Textiles	6 836	14 375	29 191	370
Clothing and footwear	4 872	11 581	22 566	363
Wood and cork	5 291	15 702	29 138	450
Furniture	5 089	10 886	19 688	287
Paper	6 286	14 433	28 739	357
Printing and publishing	6 020	16 237	34 623	475
Leather	8 799	17 089	32 545	269
Rubber and plastic products	7 205	14 916	28 792	299
Chemicals	7 302	15 659	33 897	364
Petroleum and coal products	7 000	16 389	37 236	431
Non-metallic mineral products	7 222	16 004	32 675	352
Basic metal industries	2 443	23 491	47 180	400
Metal products	6 977	16 325	33 554	380
Machinery (non-electrical)	5 325	13 934	23 995	350
Electrical supplies	6 797	15 238	32 758	381
Transport equipment	6 844	16 245	32 705	377
Miscellaneous	6 589	15 697	29 952	354

Source : National Statistical Service of Greece.

APPENDIX 3

Annual averages of monthly earnings of male employees in retail trade

(in DRA, at current prices)

Branches	1975	1980	%
All establishments	7 063	18 823	167
Foodstuffs, wines, beverages	6 167	17 184	179
Pharmacies	7.119	18 134	155
Fabrics, footwear and clothing	7.836	19 916	154
Furniture and home furnishings	7 023	18 532	164
Other retail trade establishments	7 039	19 214	173

Source : National Statistical Service of Greece.

APPENDIX 4

Average annual earnings of various categories of university graduates in 1977 (in DRA)

Theology, Philosophy	181 724
Physics, Mathematics	222 097
Agriculture	238 351
Law	290 215
Medical-Pharmaceutical	192 105
Architecture, Engineering, Electronics	324 948
Economics, Administration	238 764
Fine Arts	192 633
Teacher Training Schools	186 192
Military	301 608

Source : Ministry of Education Research Project and "Economicos Tachydromos" of 21.8.1980.

APPENDIX 5

Average annual earnings of several categories of employees in 1977 (in DRA)

Salary earners	210 903
Wage earners	124 837
Males	216 289
Females	143 180
Illiterates	103 332
Elementary education graduates	135 851
Secondary education graduates	182 712
University graduates	231 105
Graduates of elementary technical schools	152 480
Graduates of secondary technical schools	193 487
Higher technical school graduates	236 267
Without official technical training	193 213

Source : Ministry of Education Research Project.

APPENDIX 6

BASIC DATA ON MAIN PENSION PROVISIONS OF SELECTED FUNDS IN 1975

(Contributions and costs in thousands of DRA)

Main Pension Fund	Number of pensioners 1	Number of persons insured 2	Contributions of insured 3	Contributions of employers 4	Social Contributions 5	Total cost of pensions 6	Total cost of pensions per pensioner 6/1	Total cost of pensions per person insured 6/2
IKA ¹	269 900	1 055 000	3 316 135	6 774 393	246 720	10 179 597	37.7	9.6
OTE (tele-communic.)	3 734	48 730	102 914	593 634	-	494 194	132.3	10.1
National Bank of Greece	1 706	6 400	81 150	128 050	-	414 880	243.2	64.8
Agricultural Bank	3 055	5 400	70 000	122 000	195 918	403 930	132.2	74.8
Printers	5 528	21 820	97 676	97 676	97 676	230 450	41.7	10.6
EHS (Electrified Rail Network)	355	1 435	16 550	30 012	20 320	57 616	162.3	40.2
HEAP ² - EHS	3 122	4 349	62 105	68 042	99 882	323 238	103.5	74.3

Sources: Ministry of Social Services and KEPE.

Notes: 1. IKA is the basic social security fund covering the largest number of employees in Greece.

2. HEAP covers part of the electricity-supply employees in Athens and Piraeus.

