

## **ESPN Thematic Report on Social Investment Greece**

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## **EUROPEAN SOCIAL POLICY NETWORK (ESPN)**

# **ESPN Thematic Report on Social Investment**

## **Greece**

2015

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#### Summary

Since the outbreak of the economic crisis, fiscal policy in Greece has been focused mainly on public debt requirements, along with the public deficit squeeze. It is true that action taken by the government to respond to the negative social outcomes or to mitigate the social impact of the crisis has been limited by fiscal consolidation objectives which have consistently far outstripped social policy objectives. As a result, the social investment approach has not been directly introduced into the government's social policy context and there are no signs of a move to develop such an approach.

Nevertheless, some policy reforms and measures taken could be considered to be in line with the social investment concept, although no direct reference has been made in the broader social policy framework.

Particular emphasis has been placed on the provision of childhood education and care services through the programme "Reconciliation of Family and Professional Life", which is considered to be the main policy initiative targeted at supporting parents. This is mainly driven by the need to facilitate female labour force participation, rather than to provide affordable early childhood education and care services. Yet, affordable early childhood education and care services are still not widely available for pre-school children in Greece, while institutional reforms are needed for the provision of services that meet high-quality pedagogical standards. Income maintenance and in-kind benefits targeted at supporting families with children are very limited, while there is no record of any government effort related to a comprehensive policy for the provision of parenting services.

Supporting parents' labour market participation includes not only the provision of early childcare facilities, but also the provision of care services for the elderly in need. Yet long-term care, including prevention and rehabilitation services, remains a "family affair", constituting an obstacle to female labour force participation. In contrast, parents in employment, and especially women, enjoy a range of parental leave schemes, though under the present labour market conditions it is questionable whether full use of the parental schemes is made in the private sector.

With regard to social and labour market exclusion, the amount of unemployment benefit is very low and can hardly act as a "cash benefit safety net", while a minimum income scheme targeted at combating extreme poverty and social exclusion is still in the pilot stage. However, schemes aimed at providing public health services to the uninsured are definitely moving in a positive direction. A variety of active labour market programmes focusing on subsidies and training have been implemented; these are addressed to the unemployed, but their focus on protecting vulnerable groups should be reinforced. It should be noted that, in spite of the recorded decrease in social expenditure, active labour market policies (ALMPs) increased in the period 2008–2011 – from 0.1% to 0.2% of GDP – but remain very low, given the extremely high levels of unemployment. Social services, other than those mentioned above, remain inadequate to meet the existing and emerging needs of the vulnerable groups of the population.

Overall, given the harsh social picture that emerged in Greece during the long period of deep recession, in order to respond effectively to the major challenges that are closely related to the economic crisis, it is necessary at least to maintain the current level of social expenditure and to restrict social consumption measures, to undertake comprehensive measures and to seek a new, more efficient policy mix, tied to the social investment concept.

#### 1 Assessment of overall approach to social investment

It should be stated right at the outset that the concept of "social investment" per se does not as yet seem to have found a place in public and political discourse in Greece. For it is hardly possible to identify a social investment approach in the various social policy-related measures taken over recent years in Greece. This can be partly explained by the fact that the tight budgetary situation – a result of the fiscal consolidation measures that since 2010 have been implemented in the framework of two Memoranda of Understanding – has allowed no room for budgetary manoeuvre to develop and finance social investment initiatives in Greece.

Social protection expenditure continues, by and large, to be seen by decision makers as "pure" costs, and not as an investment per se. Of the OECD countries, Greece presents the most rapid decline in social spending as a percentage of GDP – almost two percentage points since the peak of 2012. It would be no exaggeration to say that this evolution is more akin to social "de-investment" than investment. It seems that social policy is implicitly considered by the "consolidation programme" to be a burden rather than a factor of development.

It may thus be argued that the social investment approach has not been directly introduced to the government's social policy context. There are no signs, or any indications in official documents, to suggest that such an approach is gradually entering the policy design process – or even that it is perceived by policy makers to be a process underpinned by the basic parameters such as life cycle, prevention and activation. Neither are there any signs of a move towards developing such an approach, ensuring at the same time that an appropriate balance is struck between fiscal consolidation, growth and societal well-being.

Nevertheless, some of the social policy-related measures taken could be classified under the "social investment" heading, although they may not correspond to the prerequisites of life cycle, prevention and activation. As a matter of fact, in practice, they resemble more the "social consumption" than the "social investment" concept. However, given the harsh social conditions that have emerged from the deep and persistent recession, the measures aimed at supporting incomes in order to relieve people, along with the (quasi) active and preventive measures, could be classified (albeit with caution) within the social investment category.

In particular, as far as the measures taken to support early childhood development are concerned, these focus on providing early childhood education and services, whereas income support and in-kind benefits for families with children are weak and inadequate to meet the challenge. Worse still, parenting services are almost entirely missing. However, it should be noted that the action taken to provide early childhood education and care is part of a programme for "Reconciliation of Family and Professional Life", which aims at enabling women to enter the labour market, or to reinforce their situation in it, with increasing bargaining power. This action, along with the provision of open care services for the elderly and a variety of options regarding parental leave schemes, reflects an effort towards an investment approach that is targeted at supporting parents' labour market participation. Yet, the existing places and structures are insufficient to respond to the demand and to the working patterns of parents.

With regard to policy measures to address social and labour market exclusion, the extension of unemployment benefits to the long-term unemployed is crucial, although there is still a large number without any kind of assistance. The policy to support minimum income (extreme poverty) which, under the harsh conditions of economic crisis, is considered to be a typical example of social investment, is still in its pilot stage. In the context of active labour market policies, subsidy programmes, along with

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<sup>&</sup>lt;sup>1</sup> OECD Social Expenditure Update, November 2014: <a href="http://www.oecd.org/els/soc/OECD2014-Social-Expenditure-Update-Nov2014-8pages.pdf">http://www.oecd.org/els/soc/OECD2014-Social-Expenditure-Update-Nov2014-8pages.pdf</a>

a wide range of training or retraining programmes, are classified as being within the social investment framework, although further rationalisation is needed.

## 2 Assessment of specific policy areas and measures/instruments

#### 2.1 Support for early childhood development

Before embarking on an assessment of the measures taken in this policy area, it is necessary to point out that Greece lacks a specific policy aimed explicitly at supporting early childhood development with a view to breaking the cycle of disadvantage. The absence of a national strategic framework for tackling child poverty and social exclusion and for promoting children's well-being has a significant bearing upon this. Thus, investing in children continues to be an issue that has not thus far been given a high priority for action on the political agenda. On the contrary, the fiscal consolidation measures – and in particular the budgetary cuts in public social spending – have had an adverse impact on investment in children and families.

This is reflected, among other things, in the data on child poverty. In particular, the rate of children at risk of poverty or social exclusion (AROPE)<sup>2</sup> saw a significant increase of almost 10 percentage points in the period 2008–2013.<sup>3</sup> Significant increases have also been observed in the severe material deprivation rate (13 percentage points) and in those living in (quasi-)jobless households (almost 10 percentage points).<sup>4</sup> In other words, the existing range of policy measures aimed at supporting and investing in families with children seems to be unable to prevent or mitigate the negative impacts of the economic recession on children. The only positive action taken, very recently, has been the compilation of a draft Action Plan on Children's Rights 2015–2020, which has been put out for public e-consultation. Yet, again, the actual content of this plan fails to form an operational strategic policy framework and it is hardly underpinned by a social investment approach.

#### 2.1.1 Early childhood education and care

The evidence suggests that since 2006 consecutive governments in Greece have placed particular emphasis on increasing the provision of early childhood education and care services (childcare centres, daylong kindergartens and nursery schools). This positive development is confirmed by the data, which show that in 2006 the proportion of children in the age category 0–3 years cared for in formal arrangements was only 10% (against 19% in 2011),<sup>5</sup> while the corresponding proportion of children aged from three years to the mandatory school age was 60% (against 75% in 2011).<sup>6</sup>

The increase observed in the pre-school and care facilities for children was mainly driven by a need to facilitate female labour force participation, as well as to improve children's sociability and well-being. The financing of these services has been heavily supported by EU Structural Funds, especially since 2011, in the context of the programme for the "Reconciliation of Family and Professional Life". The programme is considered to be moving in the right direction, since it provides free access to early

<sup>&</sup>lt;sup>2</sup> At risk of poverty or social exclusion (AROPE), refers to the situation of people either at risk of poverty, or severely materially deprived or living in a household with a very low work intensity. The AROPE rate, the share of the total population at risk of poverty or social exclusion, is the headline indicator to monitor the EU 2020 Strategy poverty target. <a href="http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:At risk of poverty">http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:At risk of poverty or social exclusion (AROPE)</a>

 $<sup>^{3}</sup>$  Bouget et al. (2015), Annex 3, Table A5.

<sup>&</sup>lt;sup>4</sup> Bouget et al. (2015), Annex 3, Tables A7 and A8.

<sup>&</sup>lt;sup>5</sup> European Commission (2009), p. 30.

<sup>&</sup>lt;sup>6</sup> European Commission (2009), p. 35.

<sup>&</sup>lt;sup>7</sup> Public spending (including EU Structural Funds financing) for the running of these services over the period 2008–2014 amounted to €684,660,000.

childhood education and care services to families with children on a very low income. The beneficiaries of the programme are children whose parents work in the private sector or are unemployed and have an income below a predefined level. Yet, affordable early childhood education and care services are still not widely available to pre-school children in Greece, while spending on child day care decreased by almost 10 percentage points in the period 2011–2012. According to the Children's Rights Department of the Greek Ombudsman, the provision of welfare pre-compulsory care has deteriorated since 2010, due to budgetary cuts and a decline in the number of staff; this has resulted in overpopulated classes and, in some cases, has led to the provision of deficient services or even to the closure of the services.

Given the above, it is considered crucial that further sustained investment should be made to increase capacity in the existing structures and to extend the hours of their operation, so as to meet demand and respond to the working patterns of the parents. Particular action should also be taken to ensure that the operation of the structures is based on high-quality pedagogical-educational standards, entailing, among other things, the enforcement of certification processes and the establishment of evaluation and monitoring arrangements.

#### 2.1.2 Family benefits (cash and in-kind)

Up to 2012, support provided to families with children consisted of low-level universal income transfers (various family allowances and large-family benefits) and tax reductions with particularly generous arrangements in favour of families with more than four children, regardless of their economic situation. However, the impact of these transfers on poverty reduction was negligible, while the distribution of family benefits to the child population by income group did not benefit the poor. <sup>12</sup> In particular, although the impact of social transfers on reducing child poverty showed an upward trend in the period 2008–2011 (from 6.0 to 9.7 percentage points), this remained at very low levels in relation to the respective averages for the EU (34.4 percentage points in 2011). <sup>13</sup>

Since 2013, there has been a change in policy direction, with most of the universal child benefits converted into two means-tested benefits and with the abolition of all tax-relief arrangements relating to families with children; meanwhile no other policy measures have been introduced. Yet, there are so far no available data on the impact of these recent changes on the reduction of child poverty. However, it may be argued that this conversion was largely dictated by the fiscal consolidation programme to curtail public spending and hardly took into consideration the need to strike a balance between universal and targeted schemes.

In general, income support and in-kind benefits for supporting families/households with children in need were – and still are – very limited in Greece. As for the in-kind benefits for families with children, a small number of programmes (mainly the provision of free meals in certain school units in underprivileged areas, etc.) have been launched in the past three years, mainly supported by EU and private funds. Still, these programmes can hardly be considered complementary to the existing cash income support benefits. A public policy entailing an optimal combination of cash and in-kind benefits to families with children in need has yet to be developed in Greece.

<sup>&</sup>lt;sup>8</sup> For more information about the programme, see Ziomas et al. (2013), pp. 22–23.

<sup>&</sup>lt;sup>9</sup> In 2011, Greece scored 19% (against the Barcelona target of 33%) for children under the age of three cared for under formal arrangements, and 75% (against the Barcelona target of 90%) for children between the age of three and the mandatory school age cared for in formal structures (EC 2013, p. 4).

<sup>&</sup>lt;sup>10</sup> Bouget et al. (2015), Annex 3, Table A1.

<sup>&</sup>lt;sup>11</sup> Greek Ombudsman - Children's Rights Department (2012), p. 15.

<sup>&</sup>lt;sup>12</sup> European Commission (2012), p. 40.

<sup>&</sup>lt;sup>13</sup> Social Protection Committee & European Commission Services (2015), Statistical Annex B, Table B.8.IV, p.137.

#### 2.1.3 Parenting services

To date there has been no government effort to design and implement any kind of comprehensive policy/intervention in the area of parenting services. This remains a neglected public policy field.

#### 2.2 Supporting parents' labour market participation

The policies pursued in Greece to support parents' participation in the labour market mainly concern the provision of childcare facilities for low-income families and the provision of open care services for the elderly (in need), as well as specific legal arrangements for parents returning to their job after parental leave (including maternity benefits). Yet, these are not designed to constitute part of a family-friendly employment policy, given that they are not linked with other related accompanying measures. A key challenge, therefore, from a social investment perspective, would be to develop and implement complementary special employment or training programmes for unemployed parents, and especially mothers, who are beneficiaries of the programme of subsidised places in pre-school childcare facilities. The aim of such schemes would be to provide support to parents in an integrated way, by ensuring childcare facilities and also subsidised income from work.

#### 2.2.1 Childcare

The programme for the "Reconciliation of Work and Family Life" is considered to be the main policy initiative in Greece targeted at supporting parents' participation in the labour market. It entails, among other things, measures to facilitate access to early childcare services (see section 2.1). According to an Evaluation Report, the provision of subsidised places in early childhood education and care services has played a positive role in sustaining female employment and in providing time to look for a job. Still, though, this action appears to fall short of meeting demand. Moreover, it is considered a rather fragmented intervention, given that it does not form part of an integrated policy to support parents' participation in the labour market. Additional support should be provided to unemployed parents, especially mothers, by ensuring not only the provision of subsidised childcare facilities, but also mothers' participation in subsidised employment or training programmes, thus securing adequate resources and promoting re-integration into the labour market.

#### 2.2.2 Long-term care

In Greece, long-term care (including prevention and rehabilitation services) has, for years now, been an underdeveloped public policy area, given that there are no comprehensive formal long-term care services guaranteeing universal coverage. It remains, by and large, a "family affair", where women play the dominant role in providing care services; this constitutes an obstacle to female labour force participation. Alternatively, especially before the crisis, the task of care provider was given to female immigrant domestic workers, thus allowing native Greek women to (re-)enter the labour market. Yet, at the same time, this resulted in an increase in undeclared work. It follows, therefore, that there is an enormous need to cover long-term care demand, with particular emphasis on prevention and rehabilitation, especially as regards the elderly. This need becomes even more urgent, given that Greece has the highest population ageing rate in the EU. In the context of the c

However, acknowledgement should be made of the initiatives taken in recent years, within the framework of the EU co-funded programme "Reconciliation of Work and

<sup>&</sup>lt;sup>14</sup> Diadikasia Ltd (2013), *Final Evaluation Report of the survey-based findings of the programme* "*Reconciliation of Work and Family Life"*. Athens: Ministry of Labour, Social Insurance and Welfare (unpublished report in Greek).

<sup>&</sup>lt;sup>15</sup> See, for example, Lyberaki (2008).

<sup>&</sup>lt;sup>16</sup> See Eurostat, Population age structure by major age groups, 2002 and 2012 (percentage of the total population) (demo\_pianind).

Family Life", to provide open care services for the elderly, namely the day-care centres for the elderly (KIFI) and the "Help at Home" programme. The day-care centres serve elderly people who lack adequate means, who are not capable of self-help and whose families are unable to support them. In 2012, there were 68 such institutions operating under the responsibility of local authorities, with 340 employees and 1,521 users. As regards the programme "Help at Home", this provides social care services at home to the elderly people on low income who live on their own and have mobility problems. In 2011, there were 1,009 such service providers under the responsibility of local authorities with 4,727 employees and 80,600 users. Both these programmes have, until very recently, been co-financed by the European Social Fund (ESF).

Yet, although relevant hard data are not readily available, representatives of non-governmental organisations working in the field of social care support the view that existing social care services have limited coverage and are thus inadequate to meet the ever-rising needs in this area. Besides, austerity-stricken local authorities face great difficulty in continuing to deliver the social care programmes mentioned above.

#### 2.2.3 Maternal/paternal/parental leave schemes<sup>19</sup>

The legal framework for parental leave in Greece is considered quite generous, given that the relevant provisions are above the EU average. However, parental leave provisions are more generous in the case of public employees than in the case of employees in the private sector. In particular, the basic maternity leave in the public sector provides for 20 weeks (8 weeks before childbirth and 12 weeks after), whereas in the private sector it provides for a total of 17 weeks' paid leave (8 weeks before childbirth and 9 weeks after).

Moreover, as regards childcare leave, in the case of the *public sector* a parent can take nine months of childcare leave on full pay, as an alternative option to a scheme which allows parents to work reduced hours. The leave does not constitute a personal entitlement and can be used by either or both parents within the total nine-month period. In the *private sector* a parent can take special leave of six months, granted after basic maternity leave, and in addition the parent can take time off work on full pay, up to 15-16 weeks, as part of a scheme which also allows parents to work reduced hours. There are some variations in leave due to child or family reasons, while provision is made for extra leave without pay (four months for each parent in the private sector, and up to two years per parent in the public sector) until the child turns six years of age.

Overall, the maximum period of post-natal leave available in Greece for both parents is 60 months in the public sector and 20 months in the private sector; but leave paid at a high rate runs for only 6 months in the private sector and 12 months in the public sector. Compared to other EU countries, Greece offers a range of choices: it provides both pay and a substantial degree of flexibility in how reduced hours may be taken.<sup>20</sup> However, for most parents there is a rather significant gap between the end of post-natal leave and entitlement to early childhood education and care (ECEC) – four years or more from the end of well-paid leave.

It is necessary to emphasise that no aggregate data are available on the take-up rate of the various types of parental and childcare leave. Nevertheless, though there has been no reduction in formal provision, under the present recessionary conditions, with unprecedented levels of high unemployment, work insecurity and the fear of unemployment may have had a negative impact on the take-up rates by those working in the private sector. What is also of rising concern is that, according to the 2012 Annual Report of the Greek Ombudsman, "women are more exposed than in the

<sup>&</sup>lt;sup>17</sup> Mouriki and Ziomas (2012), pp. 12-13.

<sup>&</sup>lt;sup>18</sup> Mouriki and Ziomas (2012), pp. 37-38.

<sup>&</sup>lt;sup>19</sup> This section draws heavily on Kazassi and Karamessini (2014).

<sup>&</sup>lt;sup>20</sup> Moss (2014).

past to undignified working conditions, particularly during the pregnancy period and the period after the end of their maternity leave".  $^{21}$ 

#### 2.3 Policy measures to address social and labour market exclusion

An integrated approach to address social and labour market exclusion requires an active inclusion strategy that combines measures based on the three pillars of active labour market policies, adequate minimum income and access to quality services. Such a strategy, which is considered to lie at the heart of the social investment approach, is still missing in the case of Greece.

#### 2.3.1 Unemployment benefits

As has been repeatedly reported, the unemployment benefit system in Greece is structured on the basis of previous work and contributions, and thus it does not constitute a typical unemployment assistance scheme; rather it is an unemployment insurance system, which is of limited coverage. The amounts of benefits are very low, especially since March 2012, when the basic unemployment benefit decreased from €561 to €360 per month, while its duration does not exceed 12 months. The long-term unemployment benefit is also too low, amounting to €200, and it lasts for 12 months. As a result, unemployment benefits can hardly act on their own as a "cash benefit safety net" against poverty and social exclusion. In 2014, under the pressure exerted by extremely high unemployment and long-term unemployment, eligibility for receipt of long-term unemployment benefit was extended to cover the age group 20–66 (previously only the age group 45–65 was covered), subject to certain income criteria, while the unemployment benefit was extended to cover the self-employed up to nine months (subject to strict eligibility criteria).

However, a large number of unemployed persons are still not eligible for these benefits (only one in eight of the registered unemployed is eligible for unemployment benefits) or for any other financial assistance, and this still remains a major challenge in the area of supporting the unemployed. In spite of the dramatic rise in unemployment, public expenditure on unemployment as a percentage of GDP declined considerably during 2008–2011 (from 24.8% to 17.3%), whereas the percentages for the EU were 25.9% in 2008 and 23% in 2011.

#### 2.3.2 Minimum income

Greece still lacks a nationwide general minimum income scheme, which in the present deteriorating socioeconomic conditions would act as a buffer against the severe situations of poverty and social exclusion. Nevertheless, a pilot guaranteed minimum income scheme (called also Guaranteed Social Income – GSI), has been very recently introduced for six months in 13 municipalities of Greece.<sup>23</sup> The application process opened on 15 November 2014 and was to continue until 15 March 2015, or until the funds ran out.<sup>24</sup> The total cost of the pilot programme amounts to €20 million.

Undoubtedly, the Guaranteed Social Income programme is a new initiative in the right direction. It has long been awaited in Greece and could act as a minimum (last resort) social safety net for the most deprived members of the population. Moreover, the fact that it is linked to actions ensuring access to social services and goods, as well as to

<sup>&</sup>lt;sup>21</sup> The Greek Ombudsman-Annual Report (2012), pp.121-124; see also Kazassi and Karamessini (2014).

<sup>&</sup>lt;sup>22</sup> Social Protection Committee & European Commission Services (2015), Statistical Annex B, Table B.8.I., p.137.

<sup>&</sup>lt;sup>23</sup> One in each of the country's 13 regions.

<sup>&</sup>lt;sup>24</sup> According to the Ministry of Labour, from 15 November 2014 up to 9 December 2014 about 23,000 applications were received, involving 33,000 beneficiaries. Of those, 65% of applicants declared that they had "No income at all during the past 12 months". Similarly, 25% declared annual income of up to €2,000 and 10% had income of from €2,000 to €5,000. Furthermore, 65% of applicants had no property at all. As to the age of the applicants, 8.5% were aged 18–25 years, 37% were 26–40, 49% were 41–65 and 5% were over 65. Source: <a href="http://www.iefimerida.gr/news/183962/elahisto-eggyimeno-eisodima-paramoni-hristoygennon-ta-lefta-stoys-dikaioyhoys">http://www.iefimerida.gr/news/183962/elahisto-eggyimeno-eisodima-paramoni-hristoygennon-ta-lefta-stoys-dikaioyhoys.</a>

the provision of supportive services for the re-integration of beneficiaries into the labour market, is considered a very positive development in this respect. Yet implementation of this scheme on the ground has just begun and thus it is too early to assess its impact today. The scheme's success, however, would greatly depend upon the setting up of effective mechanisms to administer, control and monitor its implementation. Moreover, national roll-out of the scheme would require public funding to be secured, even if it has to be diverted from other, less pressing, uses.

#### 2.3.3 Active labour market policies

Over recent years one can observe a steady increase in the number of employment and training programmes implemented which are targeted at the unemployed. There is a wide range of programmes run by the Manpower Employment Organisation (OAED), which are heavily co-financed by the European Social Fund. These are mainly subsidy programmes (job subsidies, subsidies of social insurance contributions, etc.) for private enterprises to recruit the unemployed, programmes for job placement in various public and local authority organisations (subsidisation of community service jobs), entry vouchers to the labour market, financial support for entrepreneur initiatives and a wide range of training or re-training programmes. During the period 2008–2011, Greece increased public expenditure on active labour market policies (ALMPs) from 0.1% to 0.2% of GDP, but continued to lag far behind the EU average (0.5% in 2011).<sup>25</sup> Overall public spending on active employment support for job seekers remains very limited, given the extremely high levels of unemployment.

Undoubtedly, the government has concentrated its efforts on increasing the number and the coverage of active labour market measures. Yet, in spite of this significant increase, these measures act more as a buffer against increasing unemployment, and less as a way of providing useful and renewed skills to the unemployed, so that they can adjust to the requirements of the labour market. In this context, particular efforts should be made to invest in upgrading the provision of training programmes and in establishing an effective life-long learning system. The effectiveness of policies focused on protecting vulnerable groups (low-skilled long-term unemployed, disabled, lone-parent families) should also be reinforced. Rationalisation of active measures to meet the needs of people who bear the unemployment burden is imperative.

#### 2.3.4 Social services

Public health and social care provision in Greece continues to be deficient and inadequate to meet existing and emerging needs in these areas. Under the pressure exerted by the consolidation programme, both the capacity and the efficiency of the health and social care system remain at a low level. No major initiatives have been taken to facilitate access to quality services in these areas, especially for the most vulnerable groups of the population, who are at greater risk in the current economic crisis. The only exception is the provision of specific services to children, the elderly and the disabled within the framework of the programme for the "Reconciliation of Work and Family Life", as well as the running of community-based hostels for the mentally ill. These services are relevant to social investment, and most of them are covered in other sections of this report. It should be noted that public funding for these services has been on the wane and is being increasingly replaced by EU funding.

In addition to the above, in September 2013 the Health Voucher programme was launched. This provides for three free diagnostic examinations (seven for pregnant women) within an eight-month period for persons who have lost their public insurance coverage and for their dependants. Yet this programme, which is EU co-financed, is considered to be very limited in terms both of its scope and its coverage, and thus

<sup>25</sup> Social Protection Committee & European Commission Services (2015), Statistical Annex B, Table B.8.III, page 137.

inadequate to meet the ever-rising needs in this area.<sup>26</sup> To deal with this problem, a significant initiative was taken very recently for the provision of free access to public health services for the uninsured, whose numbers are currently estimated at between 1.9 million and 2.4 million.<sup>27</sup> In particular, the Ministerial Decision (Government Journal 1465/B/5.6.2014) on "Healthcare services for the uninsured" provides that uninsured patients (Greeks and non-Greeks legally residing in the country) can be admitted to public hospitals free of charge if they have been directed by a doctor from the Primary National Health Network (PEDY) and have approval from a special three-member medical board. It also provides free pharmaceuticals and diagnostic examinations, on condition that these are endorsed by doctors of the National Health System and PEDY. Although issues of an administrative nature make the effectiveness of the scheme fragile, it is considered that the measure is a step in the right direction.<sup>28</sup>

Overall, there is a need to take concerted action, entailing a social investment approach, to extend and upgrade the provision of health and social services in Greece, so as to adequately meet the existing and emerging needs of the population in this area. To this end, improving governance is considered to be crucial.

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<sup>&</sup>lt;sup>26</sup> From September 2013 to September 2014, only 41,519 persons participated in this programme. See Kikilias N., Presentation "Evaluation of Health Voucher Implementation", 31 October 2014 (in Greek) at: <a href="http://www.slideshare.net/nursingstudies/kos-kikilias">http://www.slideshare.net/nursingstudies/kos-kikilias</a>

<sup>&</sup>lt;sup>27</sup> It should be emphasised that there are no official data on the number of uninsured people, either for 2014 or for 2008. Estimates put the number at around 500,000 in 2008. It should be mentioned that the lack of data was recognised in September 2013 by the Minister of Health, while very recently (November 2014) a question was submitted to parliament regarding the exact number and cost of the uninsured who had been treated by public health units since 2008.

<sup>&</sup>lt;sup>28</sup> By another Ministerial Decision, the provision of public health care services was prolonged up to 28 February 2015 (and will be extended further) for certain population groups, such as: a) self-employed uninsured persons, previously insured with the Social Insurance Organisation for the Self-Employed (OAEE), who fulfil certain eligibility criteria, and b) old-age uninsured, who do not fulfil the right to a pension by the Agricultural Insurance Organisation (OGA).

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