European Commission

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Assessment of the implementation of the European Commission Recommendation on **active inclusion**

A Study of National Policies

Lithuania

Social Europe

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Assessment of the implementation of the

European Commission Recommendation on

active inclusion

A Study of National Policies

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COUNTRY REPORT – LITHUANIA

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List of Abbreviations

ALMPM	Active Labour Market Policy Measures
CB	Child benefit
ESF	European structural funds
GDP	Gross domestic product
IMF	International Monetary Fund
LTL	Litas is Lithuanian national currency (3.4528 LTL equal 1 EURO)
MMW	Minimum Monthly Wage
MSL	Minimum Standard of Living
MSSL	Ministry of Social Security and Labour
NMS	New Member States
SAB	Social Allowance Benefit
SHIF	State Health Insurance Fund
SILC	Survey on Income and Living Conditions
SSI	State Supported Income

Summary

Lithuania does not have any special integrated strategy assigned to implement the 2008 Recommendations on active inclusion. The lack of the integrated and comprehensive strategy on active inclusion, the economic crisis, and the same Conservative and Liberal coalition Government since 2008 to 2012 are important elements of the context of the changes that occurred during the reported period. The path of the development that shapes the activities of contemporary Government in the field of social policy was programmed by permanent strengthening of fiscal consolidation package and austerity measures. The main strategic documents that directly deal with social exclusion/inclusion issues and cover the period of implementation of 2008 Recommendations are as follows: (1) National Report of Lithuania on Social Protection and Social Inclusion Strategies 2008–2010; (2) National Lisbon Strategy Implementation Programme for 2008-2010; (3) National Reform Programme for 2011 and (4) National Reform Programme for 2012.

Strategic priorities and measures introduced from the fall of 2008 by Lithuanian Government in the area of adequate income support could be grouped in two clusters. The first cluster of the priorities and measures coincided with the official recognition of the economic crisis and was directly linked with Fiscal Consolidation Package which includes substantial cuttings in budgetary expenditure, including public sector wages and social benefits (maternity, disability, pensions, unemployment, etc.). Social assistance benefit was left without cuts and played crucial role in helping poor people during the crises. Number of recipients of SAB has increased from 1.1% to 9.5% of working age (15-64) population. Fiscal Consolidation Package included some increase in taxes (VAT) and social insurance contributions for some categories of self-employed. For the long-run fiscal consolidation purpose it was decided to start increase retirement age since 2012. Since beginning of 2012 some of social benefits as well as contributory pensions were restored to former level. Others cuts of social security benefits and increase of taxes became permanent or at least the Government did not promise to restore them (unemployment benefit, VAT and social insurance contributions).

The second cluster of the priorities and measures deals with innovations that were provoked not only by economic crisis, but also by the goals to improve social protection system. At least some of innovations that belong to this cluster are more in line with the Commission Recommendations 2008. Others are in line with the ideology of right wing coalition. Three main areas of adequate income support were reformed: means-tested social assistance benefit, child benefit and contributory maternity benefit. Reform of social assistance benefit was targeted the incentives to work by paying in-work benefit and reduction benefit amount for long term recipients. Social experiment started in several municipalities by giving financial incentives to local authorities for stricter control of applicants for social assistance. Universal child benefit was transformed into means-tested with the intension to make it better targeted when addressing poor families. Contributory maternity (paternity) benefit was not only reduced, but also became optional in respect of parents decision to use full parental leave or to work.

Active labour market policy measures are minor. During the crises the allocations for ALMPM were moved to unemployment benefit. The Government treats labour market liberalization (simplified procedures of redundancy, etc.) as a main measure for increasing employment. The main changes in the field long term care and social services are connected with the liquidation of county administration. The priorities of health care include: reform of budgetary health institutions; reorganisation of the hospital network; new pharmaceutical policy; maintaining the same level of funding for public health and health care during the financial and economic crisis.

On the level of Integrated Comprehensive Active Inclusion Strategy we recommend to strengthen activation measures for long-term recipients of social assistance benefits and to develop retraining and health preventive services for people in preretirement age. Under the strand of adequate income support we recommend to introduce compensation of dwelling rent expenditures for low income families and to restore universal family allowance. Under the strand of inclusive labour markets we propose to reform the way how Minimum Monthly Wage is adjusted. Instead of sporadic, unpredictable and inadequate rise of MMW we recommend relating it with economic situation in the country (average monthly salary, inflation level, etc.) and to discuss its amount on regular basis. Under the strand of access to quality services we recommend to develop care, educational and psychological services for children of emigrants as well as of returnees. On EU level we recommend to introduce the minimum income or social protection floor.

1. Integrated Comprehensive Strategies

Lithuania does not have any special integrated strategy assigned to implement the 2008 Recommendations on active inclusion. During the interview after postulating the lack of the integrated strategy of active inclusion the representative of the Ministry of Social Security and Labour of the Republic of Lithuania has added that essentially all contemporary developments in social policy are in line with the mentioned 2008 Recommendations. The lack of integrated and comprehensive strategy complicates the task of the experts because such strategy could not be replaced by any kind of reconstructed implicit strategy. In the case of absence of deliberate strategy the task of the experts is to evaluate how contemporary developments in social policy answer the statements of 2008 Recommendations on active inclusion or are in line with the "spirit" of the 2008 Recommendation? If not, what are the main mismatches and discrepancies?

It is also necessary to stress that contemporary right wing Government came into the power during the culmination of the crisis in the end of 2008. It means that until now there were no any radical governmental changes. Mentioned circumstances – the lack of the integrated and comprehensive strategy on active inclusion, the economic crisis, and the same Government – are the context of the changes that occurred during the reported period. The path of the development of the activities of contemporary Government in the field of social policy was programmed by further strengthening of fiscal consolidation/retrenchments packages and austerity measures.

But the absence of specially designed, integrated and comprehensive strategy does not mean non-existence of more or less elaborated strategic framework which deals with the issues of social inclusion. One of the cornerstones of this framework is **Action Programme of the Fifteenth Government of the Republic of Lithuania** (hereinafter – AP15). The Fifteenth Government of Lithuania came into the power in the fall of 2008 after conservative and liberal parties in October of 2008 won the Parliamentary elections. So the time frame of still ruling conservative Government and 2008 Recommendations coincide.

The AP15 includes the chapter on major activities in the field of social exclusion. The chapter stresses interdisciplinary and consequently interdepartmental character of social exclusion. "The fight against social exclusion should not result in forsaking private efforts to come out of poverty, and social exclusion itself should not simply become poverty funding. Pecuniary support to families shall be combined with social services, thereby motivating the family to work and to put its social purpose into practice as well as promoting a feeling of solidarity among generations" (Action Programme 2008: 21).

The Government in its Action Programme stresses the role of local community and family. "We shall make every effort that all funds for the support to social risk families should be consistently allocated through local communities and elderships for public works; with the aim of reducing exclusion of the children living in the social risk families, we shall support child day care centres and their activities, giving priority to the centres founded by non-governmental organisations, communities or parishes" or "we shall advance those municipal programmes that contribute to the establishment of multifunctional centres providing support to the families and promoting children's and young persons' involvement in various activities" (ibid.). The Law of Prevention of Family Violence was also in the list of priorities. The goal of the Law to identify family violence prevention means, right and duties of specialists dealing with family consulting, responsibility to inform on family violence and organisational violence prevention and society education measures.

It could be concluded that the constellation of the meanings that shapes the social exclusion/inclusion discourse is based on the dichotomy of social risk and so-called normal family and the important role of local community in assisting social risk families and their children. After the Government came into the power the number of so-called families at social risk[1] and their children in the lists of local Children Rights Protection Services and in the files of Lithuanian Statistics is gradually dropping off, new discussions on the concept of so-called normal family that is based on formal marriage were initiated. After the recognition of role of local communities' the process of delegation of the new functions in the field of social assistance has started. Five pilot municipalities were granted the right to distribute in cooperation with local communities social assistance benefits.

It is necessary to mention that the newly elected Government identified itself as the government of the crisis. Immediately after appointment the Government has confirmed **Fiscal Consolidation Package**, later elaborated **Economic Stimulus Plan** and have initiated the **National Agreement**. All these documents are still playing strategic role.

Fiscal Consolidation Package have included decrease of budget deficit up to 8% of GDP in 2009 and up to 5% of GDP 2010; comprehensive tax reform (VAT, Excise Duty, PIT, Profit Tax); and substantial cuts in budgetary expenditure (public sector wages, social benefits (maternity, disability, pensions, etc.); and general public sector expenditure).

It was planned that amount of **Economic Stimulus Package** will amount up to 5% of GDP. Economic stimulus package include: credits for businesses (credits to SMEs, state guarantees for loans to private sector, partial compensation of interest payments, risk capital and business angels funds); export promotion and export credit insurance; renovation (public buildings and apartment blocs); absorption of EU Structural Funds.

National Agreement that was signed on October 29, 2009 by signatories including some professional and trade unions representing over 350 000 individuals and 5 500 companies agreed to the plan of fiscal discipline and economic stimulus. Parties have agreed: to bring the fiscal deficit below the euro-adoption limit of 3% of GDP, to reduce civil servant wages by an average of 10%, to reduce pensions and maternity benefits, to reduce the corporate profit tax from 20% to 15%, to launch a large-scale, high-value public-private partnership, to simplify administrative procedures for companies to get EU structural funds, and to offer low-interest loans for start-up companies.

The corpus of contemporary National strategic documents is led by the strategy **Lithuania 2030**, that was confirmed by Lithuanian Parliament in May, 2012 (Seimas of the Republic of Lithuania 15/06/2012). The elaboration of the strategy Lithuania – 2030 was coordinated by the Council for National Strategy established in 2010. The priorities of the strategy Lithuania 2030 are closely linked with the Action Programme of the Fifteenth Government of the Republic of Lithuania. The centre of the strategy is triangle of smart society, smart economy, and smart governance with the open-minded, creative and responsible citizen in the centre. The triangle is surrounded by clean and safe environment and is in line with the principles of sustainable development. Lithuania 2030 stresses dynamism, ability to learn, creativity and effective execution (Kubilius 2010).

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1 *So-called families at social risk are special kind of families that is quite popular in Lithuanian system of social protection. According definition constructed by Children Rights Protection Service these families are lacking social skills, are abusing their children and are alcohol abused, etc. These families should not be mistaken with the at-risk-of-poverty families.*

The priority areas include (1) major reforms in high education and R&D: market based competitive funding of studies, autonomy of universities and the power of choice by students, business and government cooperation; (2) development of knowledge infrastructure (2009 – 2010): huge investment of EU funds (10%) into 2 most advanced high-tech clusters around Vilnius and Kaunas universities; (3) creation of modern financial and legal framework for innovative economy (2009 – 2012): seed money, risk capital, business angels, intellectual property rights, etc.; (4) "hunting" for foreign direct investments in high-tech industries.

The strategy mentions social exclusion three times: the implementation of the strategy needs active engagement of the whole society otherwise social exclusion, closeness of the society will be not defeated; people must recognized the rights of socially excluded and their duty is to assist vulnerable people, not to stigmatize or label them and to promote social inclusion activities; in order to decrease level social exclusion people must actively participate in national programmes of poverty reduction.

Another important document is **Convergence Programme of Lithuania of 2012** (The Government of Lithuania 25 April 2011: 14). In order to consolidate further public finances Convergence Programme has established the following priorities of macroeconomic policy: (1) to align the current fiscal policy with the priorities of social policy; (2) to encourage the continuation of the launched energy reforms; (3) to continue implementing the pension reform in order to ensure long-term sustainability of public finances; (4) to create favourable conditions for the improvement of labour efficiency, improve competitiveness of the economy, attract more foreign direct investment, and successfully implement EU cohesion policies; (5) to boost confidence in the long-term sustainability of general government finances and fiscal discipline norms that ensure long-term economic development, and to reform the health system; (6) to boost confidence in the long-term sustainability of general government finances and enhance medium-term planning framework of the State Budget; (7) in implementing the structural reforms envisaged in the Programme of the Government of the Republic of Lithuania, to give priority to the measures aimed at efficient reduction of the dependence of the Lithuanian economy on imported goods without the loss of productivity; to apply taxation measures to encourage the reduction of air pollution and energy dependency on fossil fuels; (8) to enhance tax administration and reduce the scale of the shadow economy.

As a result of fiscal consolidation, a share of public expenditure in Lithuania (% of GDP) remains low in comparison with that of the other EU Member States. According to the data provided by the Department of Statistics, public expenditure in Lithuania decreased to 40.9% of GDP in 2010 (this indicator was 43.6% of GDP in 2009).[2] The implementation of the provisions of the Law of the Republic of Lithuania on Fiscal Discipline concerning expenditure restraint, general government expenditure should decline to multiannual level close to 30.1% of GDP by 2015 (look: Table 1.1) (The Government of Lithuania 25 April 2011: 32).

The Convergence Programme of Lithuania anticipates further actions in line with fiscal consolidation/retrenchments packages and austerity measures and consequently the decrease of expenditure allocated for social protection.

2 This includes resources received from EU Structural Funds and high level of borrowing of the Government.

Table 1.1. Share of public expenditure in Lithuania (% of GDP)

Indicator	% of GDP		
	2009	2010	2015
01. General public services		4.6	
02. Defence		1.2	
03. Public order and safety		1.9	
04. Economic affairs		4.5	
05. Environmental protection		1.4	
06. Housing and community amenities		0.3	
07. Health care		5.5	
08. Recreation, culture, religion		1.0	
09. Education		6.1	
10. Social protection		14.5	
Total expenditure	43.6	40.9	30.1

Source: The Convergence Programme of Lithuania of 2012

As usual steps taken by **the Government are positively evaluated by IMF**. The below listed priorities stressed by IMF during the latest mission are already on the agenda of the Lithuanian Government. IMF strongly supports ongoing developments: "Key priorities include further pension reform to help address costs associated with demographic trends, fiscal reforms to help ensure that fiscal policy can play a stabilizing role in downturns (including through the introduction of a fiscal rule), and energy sector reforms to reduce costs. While it is essential that competitiveness gains are not eroded, it is also important to ensure that low-income workers earn a sustainable wage. For this reason, we support a moderate increase in the minimum wage in conjunction with measures to improve job matching and reduce obstacles to job creation." (IMF 2012)

Contingency measures should be prepared in case revenue shortfalls or expenditure overruns materialize. The authorities should choose measures on the expenditure side; care should be taken to ensure that vulnerable groups are protected. Looking ahead, a further reduction in the fiscal deficit by 1 percentage point per year is appropriate and additional fiscal measures will be needed. Given that most of the consolidation has so far taken place through expenditure restraint, consideration should be given to implementing revenue measures. This could include expanding real estate and vehicle taxation, which are progressive and less distortive than other taxes. (IMF 2012)

1.1 Comprehensive Policy Design

The first two strategic documents that directly deal with social exclusion/inclusion issues and cover the period of implementation of 2008 Recommendations were designed in 2008. They are as follows: (1) **National Report of Lithuania on Social Protection and Social Inclusion Strategies 2008–2010** (hereinafter – NR-SPSIS/2008-2010); (2) **National Lisbon Strategy Implementation Programme for 2008-2010** (hereinafter – NRP/2008-2010). These documents as well as **National Reform Programme for 2011** (hereinafter – NRP/2011) and **National**

Reform Programme for 2012 (hereinafter – NRP/2012) are tightly tied with EU social policy priorities.

The parts of NRP/2011 and NRP/2012 that cover inclusive economic growth are identical. It means that according to the authors of NRP/2011 and NRP/2012 the challenges of social exclusion and measures for social inclusion in the short run will remain the same.

According to NR-SPSIS/2008-2010 Lithuania identified the following priority objectives of the national social inclusion policy for 2008–2010:

- eradication of the child poverty and strengthening family support;
- increasing of the participation in the labour market;
- improvement of the access to services

NRP/2011 defined priority action directions in the area of employment and social inclusion.

To achieve higher employment level, Lithuania had listed these priority action directions:

- promote job creation and demand for labour;
- supply the labour market with highly skilled and educated workforce;
- form a more inclusive labour market;
- enhance possibilities for reconciliation of work and private/family life.

In order to achieve its national target of reducing social exclusion, Lithuania had listed these priority action directions:

- enhance opportunities for the socially disadvantaged groups to participate in the labour market;
- improve the system of education, assistance and services satisfying individual, society's and market needs for the prevention of socially disadvantaged groups;
- implement the provisions of the United Nations Convention on the Rights of Persons with Disabilities, carry out special measures facilitating the improvement of conditions for people with disabilities in the field of access to social security and health care, employment, education, environment, etc.;
- improve access to and development of high-quality social services through wider NGO involvement, ensuring the transfer of social integration innovations created by such organisations to the practice by the state;
- develop a financially stable system of social security benefits guaranteeing adequate income, and implement pension system reform ensuring its sustainability, transparency and adequacy;
- improving access to housing for socially disadvantaged groups.

Each of the three strands of the active inclusion was mentioned in one or another manner in above listed priority actions of both documents. However, there are no ideas about their joint impact on the social and economic integration of disadvantaged people and their possible interrelationships, including synergies and trade-offs.

1.2 Integrated Implementation

In the period from 2008 there were no political decisions that challenge the distribution of social policy into three different strands (cash support for those in poverty, labour market measures and social services). Until 2012 the linkages between social assistance measures and labour market measures were one-sided. The formal registration in Lithuanian Labour Exchange and consequently participation in the proposed by Lithuanian Labour Exchange labour market measures was necessary precondition for receiving of the social assistance benefits.

In 2012 extra benefit payment was introduced for former long term unemployed, i.e. person has registered with the state territorial labour exchange during the at least last 12 months. The benefit is granted during the six months if person has started to work and earn monthly no more as two minimal wages. In this case a social assistance benefit is acting as additional incentive to return to labour market. The main objectives of this regulation are (1) to save incentives to work, (2) to reduce poverty trap. This measure could be treated as positive example of integration of two strands of social policy.

Since unconditional family allowance was abolished the risk of poverty trap has increased and reduces incentives to work. Therefore elimination of unconditional family allowance could be treated as a measure of social policy that is not tuned with the inclusive labour market policy. At the same time the role of the social assistance benefit is increasing.

1.3 Vertical Policy Coordination

There were no changes in vertical policy coordination during the period since 2008 with two exceptions.

1. Before the last country administration reform there was county level of administration. Lithuania was divided into 10 counties. County administrators were appointed by the central government and were representing the Government. They were branches of top down system of governance in different localities.

After administration reform in July 1, 2010 county level of governance was eliminated. As far as the county administrations were running big long-term care institutions, the jurisdiction of these institutions has been changed. 8 nursing homes for residential care of elderly were conveyed to municipalities; all 23 institutions for disabled residential care went under the supervision of Ministry of Social Security and Labour. Nowadays the Department of Supervision of Social Services under the Ministry of Social Security and Labour is running all 23 institutions for disabled care. The Department is also responsible for supervision and assessment of all social service institutions in the country and implements some social integration programs.

In the case of elderly people when nursing homes were put under the jurisdiction of municipalities the administration of nursing homes was decentralized, in the case of institutions of residential care of disabled the system was centralized.

2. As usual all municipalities were paying social assistance benefits to residents from targeted subsidies allocated to them from the national budget. However in 5 municipalities (Municipality of Akmene, Panevezys, Radviliskis, Raseiniai, Silale) social assistance benefit providing function is transferred to municipalities' discretion and this benefit is paid from their budgets since 1st January 2012. Thus, after the assessment of specific local conditions and circumstances these municipalities were granted more power in distributing social assistance benefit (for example, to pay additional social assistance benefit, to reduce the amount of social assistance benefit, etc.).

The Ministry of Social Security and Labour are running public relation campaign about the positive results in 5 municipalities for several months. Unfortunately there are no independent analyses how the situation of the recipients of social assistance benefits have changed. The main message that was communicated during the campaign the decline of the number of recipients of social assistance benefits and decrease of the financial resources allocated for social assistance benefits. According to the data presented in the Table 1.2 in the first half of 2012 as compared with the first half of 2011 the number of the recipients in all 5 municipalities has declined by 10.7%, the financial resources allocated for social assistance benefits have decreased by 13.8%. Of course it is obvious achievement from the point of fiscal consolidation (in total all municipalities have saved LTL 21.9 millions), but there is no evidence what kind of influence this reform will have on at-risk-of-poverty level and on existing and potential recipients of the benefit. The Minister of Social Security and Labour predict that in the next year 10 more municipalities will join the pilot project.

Table 1.2. Changes of the number of recipients of SAB and of expenditure on SAB in the 5 pilot municipalities (comparing first half of 2012 with first half of 2011)

	Number of recipients of SAB	Expenditure on SAB
Akmenės district municipality	-20.5%	-26.1%
Panevėžio district municipality	-3.0%	-6.8%
Radviliškio district municipality	+5.3%	-1.1%
Raseinių district municipality	-10.9%	-15.6%
Šilalės district municipality	-31.8%	-36.4%
On average	**-10.7%**	**-15.5%**

Source: Baltic News Agency (August 22, 2012)

The next step of the Ministry of Social Security and Labour was introduction of the pilot service. From June 28, 2012 the mobile Service of Social Assistance that includes the representatives of the Ministry of Social Security and Labour, Lithuanian Labour Exchange, the State Labour Inspectorate, and Disability and Working Capacity Assessment Office started visiting municipalities. The Service of Social Assistance visits municipalities and controls how the tighter measures of distribution of social assistance are implemented. It organizes visits each week and the municipalities in advance about these visits are not informed.

Children's rights Ombudsperson of the Republic of Lithuania Ms Edita Ziobiene commenting one cause célèbre has addressed the issue of decentralization of Children

Rights Protection Services which are under the coordination of the Ministry of Social Security and Labour[3].

1.4 Active Participation of Relevant Actors

The active participation of relevant actors is discussed below in Chapter 4 of the Report.

2. Description and Assessment of the Impact and Cost Effectiveness of Measures Introduced or Planned Under the 3 Strands

2.1 Adequate Income Support

Strategic priorities and measures of social policy were subordinated to the priorities of the programme of right wing Government that was formed in October 2008. The changes of strategic priorities and measures could be grouped in three clusters.

The first cluster of the priorities and measures reflected the official recognition of the economic crisis and coincided with **Fiscal Consolidation Package** which include substantial cuttings in budgetary expenditure (public sector wages, social benefits (maternity, disability, pensions, etc.); and public sector expenditure in general). The second cluster of the priorities and measures reflected **recovery of economy from the crisis.** It includes partial restoration of the former level of social protection. **The third cluster included some innovations** that were provoked by the intentions to improve social protection system. At least some of innovations that belong to the third cluster are more in line with the Commission Recommendations 2008.

2.1.1 Measures Linked with the Fiscal Consolidation Package and National Agreement

"As a result of the re-calculation of pensions, on average pensions for persons who do not have insured income decreased by 7.88 percent (from LTL 830 in December 2009 to LTL 764.6 in April 2010). Meanwhile, as a result of the application of the Provisional Law, pensions for persons who have insured income on average went down by 24.58 percent (from LTL 830 in December 2009 to LTL 626 in April 2010)." (Ministry of Social Security and Labour 2010: 88)

"Provisions of the Provisional Law do not apply to state social insurance old-age pensions, early old-age pensions, retirement pensions and work incapacity pensions for persons who lost 60–70 per cent of capacity for work, which are below the limit set by the Law (LTL 650), also to state social insurance orphan's (loss of breadwinner) pensions and work incapacity pensions for persons who lost 45–55 percent of capacity for work (pensions for Group 3 invalids), which are below LTL 325." (Ministry of Social Security and Labour 2010: 87)

3 *Children's rights Ombudsperson Ms. Edita Ziobiene has mentioned, that nowadays when the function of protection of children's rights was delegated to municipalities, 60 municipalities are elaborating different practices that sometimes include even judicial practices or court decisions how to solve the problems of children's rights. Very often recommendations of the Children's rights Ombudsperson are not even taken into the account. "Sometimes I am observing strange cases. For example if the child is living in one municipality and is registered in another municipality, it means that child rights are protected by Children Rights Protection Service of the municipality where the child is registered. Sometimes Children Rights Protection Services of the both municipalities are not able to decide which Service will represent the rights and legitimate interests of the child. Since Children Rights Protection Services are under the control of the Municipality the influence of Children's rights Ombudsperson is limited. Such system enables the specialists of the Children Rights Protection Services to avoid responsibility." (Kolisova 2012)*

Several types of non-contributory State and social pensions including contributory widows pensions that are usually are paid alongside (together) with contributory social insurance old-age and disability pensions were reduced. Reduction was applied also to special social care compensations for severe disable people. Benefits were reduced progressively by 5-20 percent (benefits equal LTL 70 will be reduced by 5 percent, benefits equal LTL 200 – by 10 percent, and benefits above 1800 LTL – by 20 percent). Ceiling for sum of contributory and non-contributory pension was lowered for those who receive both pensions. Ceiling was lowered from 1.5 average wages to 1.3 average wages.

Maternity (paternity) benefit was reduced since January 1, 2010 by 10 percent and it is equal 90 percent of previous wage. This reduction was made for the period until child is up to one year old. For the second year benefit was reduced by 25 percent up to 75 percent of wage. 670 LTL was floor applied for this reduction. Further reductions were including reductions correspondingly to 85 percent and 60 percent from January 1, 2011.

Contributory period for maternity benefit was increased to 9 months during the last 24 months (since July 1, 2009) and further to 12 months (since September 1, 2009). It was done with intention to reduce moral hazard or abuse of maternity benefits. On the basis of the same argument the compensation rate of social insurance sickness benefit was reduced from 85 to 40 per cent of wage during the first week of sickness ant to 80 per cent further. Moreover, it is decided to stop payment of sickness benefit after 5 days of redundancy.

Ceiling for all short-term contributory benefits (sickness, maternity, and work injury) was lowered from 7450 LTL to 5952 LTL.

Since January 1, 2009 child benefit was extended to all children under 18. The age limit was 14 years before. The decision was made before the crisis in the mid of 2008. Because of huge budget deficit the Government has decided to introduce means testing for child benefit for families with one or two children since March 1, 2009. Income limit for benefit was set up 3 state supported incomes (1050 LTL). The Government has decided to reduce this limit twice since 2010 and to pay benefits only for families with children up to 18 years old. The benefit amount is 52 LTL.

Compensations of transportation costs for disable people were abolished since January 1, 2010 (the amount of compensation was 32.5 LTL per month). Pupils of very low income families were provided by school meal twice per day (breakfast and lunch). Since January 1, 2010 the free breakfast for pupils was abolished and saved money was transferred for extension of lunch receivers.

The Government reduced money transfers of Social Insurance Fund to private pension funds from 5.5 percentage points of global social insurance contributions to 3 percentage points since January 1, 2009 and further to 2 percentage points since July 1, 2009. That was done because of increasing deficit of the Social Insurance Fund. Moreover, the Government has provided loans to Social Insurance Fund to cover its deficit.

It was decided by Parliament to apply mandatory social insurance to several groups of self-employed people who were not covered by social insurance before. The results are controversial. More people will be covered and more contributions will be paid to Social Insurance Fund. It is important for its solvency during the crisis. However, it is extra burden for self-employed people in time of decreasing demand for their services.

Since 2009 self-employed persons, with the exception of the persons engaged in individual activities under business certificates, pay social insurance contributions for the basic and additional pension part as well as sickness and maternity social insurance (insured only to receive maternity leave benefit, paternity leave benefit and maternity (paternity) benefit).[4] In 2011 the owners of the individual enterprises and members of agricultural cooperatives are not subject to sickness and maternity social insurance contributions.

Since 2009 self-employed persons, with the exception of the persons engaged in individual activities under business certificates, pay social insurance contributions for the basic and additional pension part as well as sickness and maternity social insurance (insured only to receive maternity leave benefit, paternity leave benefit and maternity (paternity) benefit).

In the context of the Government's strategic approach to keep control on public finance in face of huge decrease of public revenue, the Government took main course to manage pay social security benefits in time but in reduced rates. It does not announce any anti-poverty plan for time of crisis. Main issue related to social protection was reduction of social expenditures and reallocation of some social benefits. It was announced that social benefits will be reduced in a progressive way. That means reduction of higher benefits by higher rate and to use certain minimal level of benefits, which would not be touched.

2.1.2 Changes Linked with the Recovery from the Crisis

Pensions have been restored to the pre-crisis level. State social insurance old age, work incapacity (disability), survivor's and orphan's pensions, which were temporarily reduced due to the crisis in 2010–2011, were fully restored as of January 1, 2012. Pensions were fully restored for both working and non-working old-age pensioners. Restoration of pensions to the pre-crisis level has effected around 447,000 old-age pensioners, around 86,000 work incapacity (disability) pensioners and around 239,300 survivor's and orphan's pension recipients.

However, the provisions of the Temporary Law on Recalculation and Payment of Social Benefits regarding state (non-contributory) pensions and compensation payments will remain effective for another year, until 31 December 2012. It means that state pensions and different benefits: rents, social assistance and nursing benefits remain at a reduced level.

A higher amount of insured income has been approved. In 2012, the amount of insured income of the current year will be LTL 1 488. It will be used for calculating state social insurance benefits. The Government decided to restore, as of 2012, the amount of insured income of the current year to the level of 2009, i.e. LTL 1 488. In 2010–2011, due to the crisis, the insured income of the current year amounted to LTL 1,170 pursuant to the provisions of the Temporary Law on Recalculation and Payment of Social Benefits. Many social insurance benefits depend on this amount: the amount of old-age and work incapacity pensions, the maximum and minimum limit of maternity, parental, maternity (paternity), sickness benefits, the upper limit of unemployment benefits, etc.

2.1.3 Changes Linked with Innovations in the Field of Social Policy

As it was already mentioned in 5 municipalities (Municipality of Akmene, Panevezys, Radviliskis, Raseiniai, Silale) SAB providing function is transferred to municipalities' discretion and this benefit is paid from their budgets. Thus, after the assessment of specific local conditions and circumstances these municipalities will have more power in granting social assistance benefit (for example, to pay additional social assistance benefit, to reduce the amount of social assistance benefit, etc.).

4 *Based on the following law "Lietuvos Respublikos Valstybinio socialinio draudimo įstatymo 2, 4, 6, 7, 8, 9 straipsnių pakeitimo ir papildymo įstatymas". Žin., 2009, Nr. 25-972 http://www.sodra.lt/index.php?cid=4079*

We consider that these changes could weaken safety net which performance in the period of crisis was quite effective. Decentralization will increase the role of local actors who often lack competence. On the other hand municipalities are not inclined to give priority to the issues of social policy. In any case this innovation ought to be evaluated very carefully.

Strengthening the role of communities more powers are granted to self-government, communities and families. The Local Community Self-government Programme has distributed LTL 8 million for the social projects accomplished by communities' organizations.

It is good initiative. But comparing the budget of LEADER PLUS that equals almost LTL 500 million for the needs of local communities, LTL 8 million is quite small investment.

Since 1st January 2012 maximal Maternity (paternity) leave benefit duration and its amount became optional. Beneficiaries could choose between one and two years. In a case of one year compensation rate is 100%, in a case of two years compensation for the first year is 70% and 40% for the second year. It is allowed to work and to receive full amount of benefit during the second year.

This change enables more flexible possibilities and creates more favourable conditions for the return to labour market and is in line with the measures that increases the inclusiveness of labour market. Reconciliation

A monthly child cash benefit is paid to a family raising one or more dependent children. The benefit level is calculated in relation to MSL (BSA) and varies based on the number of children in the family and their age. The benefit amount is 52 LTL. Since the 1st March, 2009 entitlement to the benefit became means-tested for families that raise one or two children aged 3-18 or 21 if in full-time education. Starting from January 1, 2010 both eligibility criteria and the income test were tightened according to the Temporary Law on Recalculation and Payment of Social Benefits. Restrictions became permanent and since the 1st January, 2012 entitlement to the benefit became means-tested also for families that raise one or two children aged less than 3 years as well (before that the child age for application of means-testing was above 8 years).

This change is more in line with the budget consolidation measures and could increase at-risk-of-poverty level among families with children.

Until 1st January 2012 one of eligibility rules for SAB for persons 18 years of age and over to be registered with the state territorial labour exchange for at least six months. Since 1st January 2012 this requirement was abolished and it is possible to apply for SAB immediately after the registration with the state territorial labour exchange.

This change will increase of income of poor unemployed.

In 2012 extra benefit payment was introduced for former long term unemployed, i.e. person has registered with the state territorial labour exchange during the at least last 12 months. The benefit is granted during the six months if person has started to work and earn monthly no less as 50% of minimal wage and no more as two minimal wages. Benefit amount is 50% of SAB paid before the employment.

This change will increase the incentives to work and is in line with measure that increases the inclusiveness of labour market.

From January 1, 2012 the requirement of the registration for 12 months as unemployed in the territorial unit of the Lithuanian Labour Exchange for the early old-age pension was cancelled.

This cancellation facilitates the possibility to get the advance old-age pension. Probably the number of applicants will increase and more persons will receive the early old-age pension. As far as the level of social assistance benefits is quite low in short run it could be considered as measure decreasing at risk of poverty level among pre pension age. But it is necessary to bear in mind that in the case of early retirement scheme social insurance pensions for old-age are decreasing by 0.4% per every month of the advance old-age pension and it is possible to apply for advance old-age pension 60 months before the pension age. It means that in a case of early retirement social insurance pension could decrease up to 24%. Since the average life expectancy for the age group of 60 year is 19.7 year (16.22 year for males and 22.31 year for females) it means that introduction of this measure in the long run will increase at risk of poverty level among pensioners who have decided to get the early old-age pension and will decrease the expenditure of the budget of the State Social Insurance Fund Board. It means that facilitation of the possibility to get the early old-age pension corresponds with the requirements of fiscal consolidation/retrenchments packages and austerity measures.

From 1st January 2012 equivalent scales for SAB were introduced. SAB amount now depends on number of people in family:

- for single person or first person in family SAB equals to 100% x SSI (before was 90%);
- for second person in family 80% x SSI;
- for third and following person in family 70% x SSI.

We consider that introduction of equivalent scales answer the principles of equity.

From 1st January 2012 SAB amount for single person able to work but not working or family of person able to work but not working will be gradually reduced:

- by 20% after 36 months of payment;
- by 30% after 48 months of payment;
- by 40% after 60 months of payment for families having children; benefit payment has to be abolished for single person or family without children.

Without any additional assistance (special social services) this measure could increase the marginalization of poorer part of population.

The raising of the retirement age has started. Amendments to the Law on State Social Insurance Pensions, which envisage a gradual increase in the retirement age, became effective as of 1st January, 2012. Every calendar year, the retirement age will be increased by 4 months per year for women and 2 months per year for men, until it reaches 65 years in 2026. Before 2012, the retirement age for men was 62 years and 6 months, and for women – 60 years in Lithuania. The fiscal effect of increasing the retirement age will be evident in a bigger amount of social insurance contributions and income taxes collected from longer working people and in reducing expenditures due to late payment of pensions. According to the data from the Department of Statistics, in 2009, the average life expectancy after 65 years of age in Lithuania was 13.38 years for men and 18.25 years for women.

Artistic creators will be covered by compulsory health insurance with state funds. New provisions of the Law on Health Insurance come into effect on 1st January 2012. They provide that artistic creators who do not receive income under the copyright agreement and who are not included into the group of persons covered with state funds under the Law on Health Insurance, are not employed according to the employment (service) contract, are not self-employed and do not pay health insurance contributions, will be covered by compulsory health insurance with the funds under the Programme of Social Protection of Artistic Creators.

2.2 Inclusive Labour Markets

The main actor who cares systematically about the situation in the labour market is Lithuanian Labour Exchange. The Figure 2.1 presents the situation in the labour market from the window of Lithuanian Labour exchange. The differences between registered job places and registered unemployment are huge in the all districts of Lithuania.

Figure 2.1. The difference between registered job places and registered unemployed by districts (June 22, 2012)

Registered job places

Registered unemployed

Source: Lithuanian Labour Exchange

Active labour market policy measures are small scale (Table 2.1). Per month on average about 2 per cent of unemployed that are registered by Labour Exchange are referred to active labour market policy measures. During the reported period the changes are minor: from 0.81% in January of 2009 to 2.14% in January 2012. Figure 3.1 below demonstrates the small fluctuations around 2%.

Table 2.1. Registered unemployment and active labour market policy measures

	Jan. 2009	Jan. 2010	Jan. 2011	Jan. 2012
Registered Unemployment at the end of the month	148927	287467	311176	239085
Registered Unemployment during the month	42909	32625	22554	35201
Directed to active labour market policy measures (% of registered unemployed)	**0.81**	**2.37**	**2.02**	**2.14**
Directed to active labour market policy measures	**1206**	**6799**	**6276**	**5108**
Vocational training	8	1460	674	0
Professional rehabilitation	32	95	46	57
Supported employment	519	2581	2726	2132
Subsidised employment	3	896	716	826
Support for the acquisition of professional skills	116	242	298	192
Public works	396	1389	1655	1072
Job rotation	4	54	57	42
Support for the new job places	64	41	28	371
Promotion of subsidised employment	15	12	8	16
Local employment initiatives projects	49	29	18	17
Support for self-employment			2	338
Support for territorial mobility of the unemployed			48	45

Source: Lithuanian Labour Exchange

The research of the active labour market policy measures "demonstrated that the most disadvantageous individuals with the least opportunities on the labour market, i.e., those who should primarily benefit from the ALMP measures, do not receive assistance conforming to their needs in order to get integrated in the labour market. On the other hand, involvement of individuals with complex psychological and social problems into the measures would impair economic efficiency of ALMP." (Moskvina 2008: 20)

As in her dissertation has concluded Julija Moskvina ALPM measures are not adapted react individually. "Generally speaking, the analysis of ALMP implementation disclosed insufficient individual work with unemployed and lack of consistency in the provided assistance." (Moskvina 2008: 21)

The Government policy pursued to simplify procedures of redundancy. The changes to the Labour Code have made it easier for employers to affect redundancies. The employer was able to dismiss the employee given a month's warning, if this period is foreseen in the collective agreement. In other case the employer has to give a warning in writing as previously two months before. The period during which the employer has to inform about the reduced salary was also shortened from one month to two weeks. If it is fixed in the agreement the employer does not need to settle with redundant employee immediately. According new provision of Labour Code the employer has to do it in three months. Previously the employer was obliged to settle with the employee on the day of redundancy.

In the field of public works the adopted changes of the Law on Support of Employment were orientated to extend the range of public works and the participants' list and to determine additional source of financing. It was expected that proposed changes would foster the creation of more temporary jobs, will help to save the jobs and this would allow partially compensate the decline of job places. The aim of the public works – to create the opportunities not only for unemployed or the employees who have been given a notice of dismissal, but also for employees of the companies that are having economic difficulties, in the case of compulsory idle time or working part time to employ temporarily. The public works were organised not only for maintenance of the social infrastructure of the local community, but also for retention of jobs in the companies, institutions, organisations or other organisational structures, regardless the form of the ownership. The duration of the public works in 12 months cannot be longer than 6 months. They were organised by local Labour Exchange offices together with municipalities and employers. For financing the public works the subsidies for the employers were given by the local labour exchange office (50%) and municipality (50%).

In the projects of the public works that are funded by the funds of EU Structural Fund, the local Labour Exchange office has subsidized the whole wage. The employer will be paid for every employed person a wage subsidy, which is calculated according to the Government approved minimum hourly rate (LTL 4.85 – Euro 1.4) and for partial financing of compulsory state social insurance contributions. The public works for unemployed can be combined with vocational training, when the unemployed does not have necessary qualification or skills required to carry out these works and when he is lacking the qualifications and skills for employment under open ended contract of employment after carrying out public works. Furthermore, it was foreseen the payment of training scholarship for the employees who have been given a notice of dismissal and for part time workers.

Persons who have the professional qualifications were given the opportunity to improve the job search or new activities (e.g. self-employment) skills, with the help to consolidate the professional qualifications and organise the measure of support for the acquisition of professional skills.

For employers, who participate in the support for the acquisition of professional skills and are employing people, are paid subsidy of 50% of wages and compulsory social insurance contributions. It could not exceed two Government approved minimum monthly salary sizes. The duration of measure is up to 3 months.

For persons without professional qualifications were provided the career guidance and counselling services, the opportunity to qualify and to strengthen professional skills.

Support for self-employment was organised for jobseekers registered at the Local Labour Exchange office, aiming at supporting of job creation for employment of other unemployed. The support for self-employment was organised, when the job is created by persons that have established very small enterprise (less than 10 people). The subsidy for job creation was paid when the unemployed, who started own business, not later than 30 months from the last day of registration at the local labour exchange office, creates for the first time a job for employment of unemployed, which is sent form local labour exchange office. The amount of the job creation subsidy for one job creation cannot exceed the sum of 40 Government approved minimum monthly salaries. The employers must pay 30% of job creation costs and to maintain the created (adapted) job not less than 36 months from the employment of unemployed sent by the local labour exchange office.

The MSSL has approved the new structure of Lithuanian Labour Exchange. In the conditions of economical difficulties the former structure was not suitable for solving the tasks of Lithuanian Labour Exchange. It is foreseen that Lithuanian Labour Exchange will reduce the number of employees by 20%.

Entrepreneurs, having business ideas and ability to deliver entirely new products and services had the possibility to apply for financing and to receive a grant (up to LTL 17 200 for creation of one workplace). Contracted employers would undertake the obligation to use the newly created jobs to employ socially vulnerable persons. In 2009 167 eligible applications were received.

Employers who wish to give jobs to young people with no work experience were able to use the support from the European Social Fund. They were able to receive subsidies and use them to pay up to 50% of a young person's salary and obligatory social insurance contributions calculated from the salary. These privileges were granted to the employers who will participate in a new project of the Lithuanian Labour Exchange entitled Be Active in the Labour Market and will employ youth under 29 years of age registered at the Lithuanian Labour Exchange. LTL 22 million has been allocated for the implementation of this project.

1. Reliefs to Employers. The reliefs for employers include social insurance tax reliefs to employers who contract and employ persons without any working experience. Contribution was reduced from 31% to 7.7%. At the 01/10/2011 this relief was applied with regard to approx. 34,000 employees (employed for the first time). Employers who have employed young persons (below 29 years of age) according to acquired qualifications are granted wage subsidies (for the term of up to 6 months).

2. Entrepreneurship Promotion Fund. 138 novice entrepreneurs have already used soft loans – microcredits of up to LTL 84,000 – to start their business. The total amount of extended business loans reaches LTL 8.44 million. At least 5,000 residents of the country will take part in training, and 1,200 of them will be granted loans. Funds of up to LTL 50 million from the European Social Fund are planned to be granted by 2015.

3. Voucher System. In order to strengthen the cooperation between LLE, employer and employee, the voucher system was introduced. The new model for the organisation of vocational training of the unemployed is better adapted to the needs of the labour market. An employer, a labour exchange, and a person seeking employment wishing to participate in it conclude a trilateral agreement under which the labour exchange undertakes to select a training programme aimed at acquiring relevant qualifications and to pay for the training and the employer commits itself to give the trained person a specific job. Having been allotted a specific amount equal to a fixed training price, the unemployed will be able to apply to one of the certified training establishments. The employee is trained or retrained according to the employer's needs. The employee's training costs are covered by the LLE. The employer commits to employ the person trained according to his needs. About 70 enterprises operating in the country have joined pilot projects. 85% of those who have participated in voucher programme were employed.

In Lithuania a minimum monthly wage is regulated by the decisions of Government. The Government usually fixes minimal wage after the consultations with representatives of employers' organizations and trade unions at the Tripartite Council of the Republic of Lithuania. From August 1, 2012 after four years MMW was increased by LTL 50 (EUR 14.5) to LTL 850 (EUR 246). The same level of minimal wage is for all sectors of economy and all age groups of employees without exceptions. The incomes of minimum wage earners are mostly affected by an increase in the state regulated minimum wage levels. During the last decade MMW fluctuates around 40 per cent of average wage.

According to Statistics Lithuania, in 2009 the MMW or less was paid to 19.6% of employees in the country; part-time employees accounted for more than half. Compared with 2008, the proportion of employees receiving the MMW has increased by 6.4 percentage points. This increase was influenced by the adjustment of wages, which were cut in many companies and organisations due to a difficult economic and financial situation. It is wide spread opinion about hidden extra payments for part of minimum wage earners with intention of tax evasion.

2.3 Access to Quality Services

2.3.1 Health Care[5]

According to experts mainly due to the same Government the changes in health care and long term care were minor. In the health care the major objectives during the reported period (2009-2011) remain the same: "new pharmaceutical policy; reorganisation of the hospital network; reform of budgetary health institutions; maintaining the same level of funding for public health and health care during the financial and economic crisis". (Jankauskienė and Medaiskis 2012: 19)

The outlines for the reorganisation of health care and the programme for the restructuring of health care institutions were discussed and approved in 2009. The actions planned for Lithuania by National Lisbon Strategy Implementation Programme include: (1) Changes in management and financing; (2) Development of primary health care, outpatient care and nursing; (3) Reorganisation of inpatient institutions; (4) Changes in price policy on pharmaceuticals; (5) Strengthening public health and involvement of people.

The Programme of the 15th Government of the Republic of Lithuania emphasizes four key objectives: (1) Reorganisation of the health care system according to the conceptual design of the contemporary public health as well as strategic principles pertaining to the European Union public health policy and the World Health Organisation strategy Health for All in the 21st Century; (2) Introducing more rational management and funding of the public health system to improve accessibility and quality of services; (3) Design of friendly and patient-focused health care system that would respect patient rights, ensure accessibility and quality of services and involve the public in decision-making; (4) Defeating bureaucracy and corruption in the health care system.

The Ministry of Health has transferred these strategic aims into the following actions: (1) after the operational analysis to optimise quantity and functions of institutions subordinate to the Ministry of Health; (2) design the plan of instruments for improvement of accessibility of medicinal products and reduction of prices; (3) design and sign off the programme for development of e-health in 2009-2015; (4) effectively absorb the aid of the European Union structural funds; (5) revisit and regulate workloads of health care professionals; (6) design the action plan for reorganisation of the health care system.

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5 *The analysis of health care is based on Annual National Reports on Pensions, Health Care and Long-term Care (Jankauskienė and Medaiskis 2010; Jankauskienė and Medaiskis 2011; Jankauskienė and Medaiskis 2012).*

Realization of the plan started in 2009 when seven public health institutions were restructured. The first steps for restructuring of inpatient health care institutions as well as the reorganisation of policy for the reduction of prices for pharmaceutical products were undertaken. During the financial and economic downturn, the funding of the health care system for 2009 remained at the same level as in 2008. However, political obligations conditioned the increase in wages of medical doctors, which, in turn, reduced the funding available for health care services. Collection of premiums for the Health Insurance Fund was reorganised by introducing a separate health insurance tax amounting to 9% of personal income tax and increasing the amount of the premiums payable for the state insured. A number of instruments were applied to balance the budget of the compulsory Health Insurance Fund. Funding for prevention programmes as well as nursing and long-term care was increased rather than reduced. (See: Jankauskienė and Medaiskis 2010)

In 2010 the restructuring of health care institutions, efforts to balance the budget of health insurance, and measures to reduce the prices of pharmaceuticals, financing of prophylactic health programmes devoid of deterioration of health care accessibility for residents should be named among the positive aspects in particular. The Lithuanian method for the collection of health insurance premiums contains a built-in variable for the estimation of premiums for state insured (the list of which covers vulnerable groups of the population), which allows regulating the State Health Insurance Fund without substantial legislative adjustments. (See: Jankauskienė and Medaiskis 2011)

In 2011 the Ministry of Health in Lithuania continued to implement three strategic goals of the reform: new pharmaceutical policy; reorganisation of the hospital network; reform of institutions subordinated to the Ministry of Health and maintaining the same level of funding for public health and health care during the crisis. (See: Jankauskienė and Medaiskis 2012)

Despite the steps that taken to improve health care system country experts emphasizes the following challenges to be addressed: "the most problematic issues in the health of the population and health sector are the public health primary prevention problems related to the healthy lifestyle of the population and work of other than health care sector institutions as well as involving the population to care about their health themselves. Involving other sectors in health promotion, promoting healthy lifestyle and protecting people from unhealthy environment as well as reducing inequalities are the major goals of the new National Health Programme. Health care access in terms of organisation of health care is also on the agenda. Long waiting times at the family doctor or for specialised care, patients' requirement of increased doctors' time and attention to their specific problems, existing local inequalities in access of emergency services, as well as illegal payments to the medical staff are all aspects to be discussed prior to preparing new plans." (Jankauskienė and Medaiskis 2012: 3)

2.3.2 Long Terms Care

Lithuanian social protection policy is lacking single definition of the 'long-term care' concept. The services that are interpreted as long term care are provided by health services and financed through the SHIF, from the budgets of municipalities, by state and by the recipients of the services themselves. In the case of inpatient care, the health services finance long-term stays amounting up to 120 days per year. Services related to TB, mental health, palliative care and rehabilitation of patients are financed by the SHIF. (See: Jankauskienė and Medaiskis 2010: 35)

In the system of long-term care the changes during the reported period were minor. Country experts assessing the socio-economic impact of social protection reforms in their annual Reports repeat the same statement that in Lithuania the system of long-term system did not change[6]. But the lack of changes does not point that the situation in the system is perfect.

In 2008, the Ministry of Social Security and Labour commissioned the research "analysis of social care conformity with the conditions of the licensed activity". The result shows the lack of specialists able to ensure a high quality of social care. The layout of premises in many social care establishments is inadequate for the provision of high quality social care services (in particular, they lack facilities for encouraging the skills of personal independence, i.e. occupation, organisation of pastime activities, kitchens for individual cooking, etc.). Social care establishments do not have adequate equipment and facilities (for calling the staff, vehicles for disabled, etc.). (See: Ministry of Social Security and Labour 2009: 123).

Firstly analysing the long term care the changes connected with county administration reform could be reported. The data in the Table 2.2 demonstrate that after the liquidation of County Governor administrations the number of county (state) child care institutions decreased from 33 in 2006 to 7 in 2011 (-26). Accordingly the number of children in state (county) child care homes has decreased from 2772 in 2006 to 441 in 2011 (Table 2.2). In the majority of cases these child care homes moves under administration of municipalities. The number of municipality child care homes increased from 23 in 2007 and 2008 to 58 in 2011 (+25) (Table 2.2), i.e. mainly in the same amount as the number of the decrease of state (county) child care homes. These changes are directly connected with the changes in administration of child care homes. The shift from county or state administration to the municipality administration could be considered as increasing decentralization of the system of children care. In general this shift could be evaluated as positive.

6 *"The system of long-term care in Lithuania remained unchanged in 2009." (Jankauskienė and Medaiskis 2010: 35) "The system of long-term care in Lithuania remained unchanged in 2010." (Jankauskienė and Medaiskis 2011: 26) "The system of long-term care in Lithuania remained unchanged in 2011." (Jankauskienė and Medaiskis 2012: 27)*

Table 2.2. Number of care institutions and number of children in them

		2006	2007	2008	2009	2010	2011
Infants' homes	institutions	5	5	5	5	5	5
	children	416	391	372	336	339	362
Secondary, special schools and centres for special training	institutions	50	44	45	43	39	37
	children	4278	3717	3574	3202	2166	1753
Care homes for children and disabled youth (boarding school)	institutions	4	4	4	4	4	5
	children	733	724	711	701	713	709
Socialization centres (special correction care homes)	institutions	4	4	4	4	7	6
	children	120	127	92	112	181	163
State (county) child care homes	institutions	33	33	33	32	7	7
	children	2772	2643	2554	2267	464	441
Municipality child care homes	institutions	21	23	23	32	60	58
	children	942	1023	993	1176	2860	2698
Non-governmental child care homes	institutions	14	15	15	20	17	18
	children	404	445	453	543	486	555
Families (family care homes)	institutions	36	35	37	37	39	47
	children	277	258	276	279	302	373
Temporary child care homes	institutions	13	13	13	0	0	0
	children	313	336	316	0	0	0
Care groups in pre-school education institutions	institutions	24	19	21	19	19	14
	children	236	192	204	211	138	0
In total	**institutions**	**204**	**195**	**200**	**196**	**197**	**197**
	children	**10491**	**9856**	**9545**	**8827**	**7649**	**7054**

Source: Lithuanian Statistics

Another important issue of children care is debate on deinstitutionalization of children care. In autumn 2005 influential NGOs, namely, Global Initiative on Psychiatry, Association of Phone Psychological Support Services, Lithuanian Welfare Society for Persons with Mental Disability "Viltis", Centre for Child Support, Child's Rights Ombudsman's Office and Human Rights Monitoring Institute formed a coalition with the aim to produce an in-depth assessment of child's rights in the residential care and specialized education institutions of Lithuania.

With the support of the European Commission and Nordic Ministers Council, during the years 2005-2006, an expert team visited 20 facilities throughout the country. Research revealed that life in the institutional environment interferes with successful socialization, which is the ultimate goal of upbringing. On the contrary, dependence on institutionalized care develops and children lose the skills they had before their placement. Experts state that this is due not only to individual faults of the staff of institutions, but mostly to the long standing system problems. The outdated institutional care model is an excellent breeding ground for all types of violations and reform must be considered immediately.

Independent experts in their well-known report have stressed that the point of view to the institutional care must be ultimately changed and its mission should be formulated according to the UN Convention on the Rights of the Child. In the course of the immediate reform big residential care homes should be replaced by family care or at least small family-type care homes that would ensure adequate socialization and would prepare children for independent life within society. (See: Global Initiative on Psychiatry and others 2005)

Our calculations based on the data of Lithuanian Statistics demonstrate that the part of children cared in institutions is significantly decreasing. From 2006 to 2011 the part of children in institutions has decreased by 25% (Table 2.3). Unfortunately there is no deeper analysis what these numbers hides. In any case the processes similar to deinstitutionalization are taking place but we doubt if it could be considered as a result of deliberate policy. The decrease of the percent of children in child care institutions does not mean that children with special need are receiving adequate social services. This issue needs further analysis.

Table 2.3. The number and the percentage of children in care institutions

	2006	2007	2008	2009	2010	2011
Number of children in care institutions	10,491	9,856	9,545	8,827	7,649	7,054
Total number of children (0-18)	774,442	748,311	725,806	706,736	687,648	661,505
Percent of children in child care institutions	1.35 %	1.32 %	1.32 %	1.25 %	1.11 %	1.01 %

Source: Lithuanian Statistics

The data demonstrates that in the case of long term care of elderly County reform has not only increased the number of residents in the municipality care institutions, but also stimulated the expand the role of non-governmental care institutions for the elderly and number of residents in them (Table 2.4). In general this trend towards decentralization and liberalization of care of elderly is positive. It creates more preconditions to adapt to local needs.

Table 2.4. Number of care institutions for the elderly and number of residents in them

		2006	2007	2008	2009	2010	2011
State (county) care homes	institutions	8	8	8	8	3	2
	residents	1806	1723	1738	1670	213	112
Municipality care institution	institutions	55	55	56	54	57	55
	residents	2141	2169	2170	2146	2702	2846
Other care institutions	institutions	2	3	5	5	3	2
	residents	211	222	242	264	482	315
Non-governmental care institution	institutions	35	35	35	36	42	41
	residents	836	857	897	925	1079	1140
In total	institutions	**100**	**101**	**104**	**103**	**105**	**100**
	residents	**4994**	**4971**	**5047**	**5005**	**4476**	**4413**

Source: Lithuanian Statistics

Lately, the social security sector has prioritised outpatient services, i.e. a strategy for the development of social services provided at a patient's home. Therefore, the burden of long term inpatient nursing and long-term care — especially in rural areas — was placed on the shoulders of the health care sector.

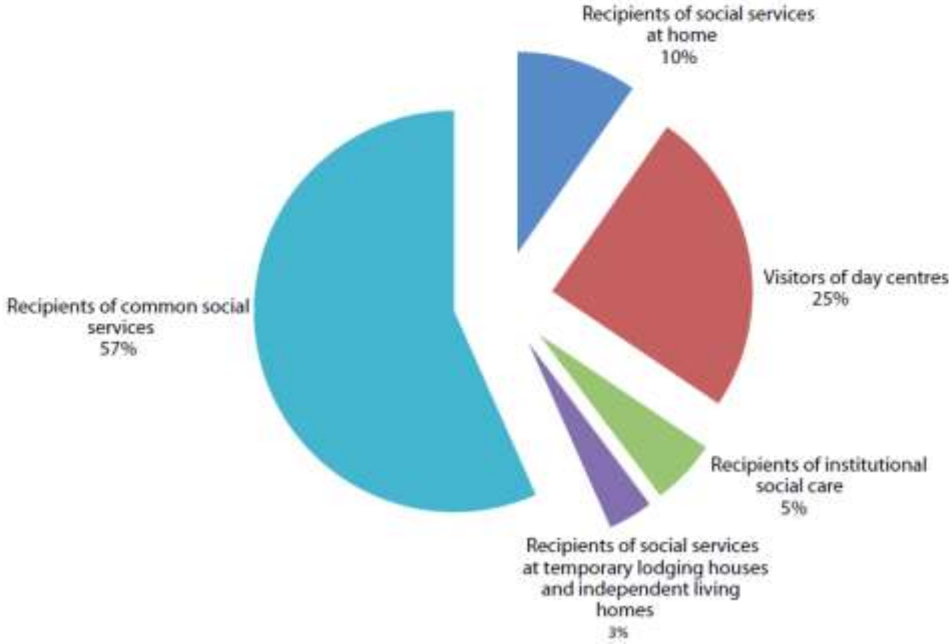
Long-term care services in social care homes for the elderly and disabled are partly paid by the persons themselves. As a rule, not more, than 80% of a person's income are taken as payment. This percentage is increased, in the case when a person's means are above the normative. The normative is approved according to the local average house prices (as a normative the price of 12 square meters of living space is used). In most cases the difference between the cost of care services and personal payments is covered by the state and local budgets. According to the evaluation of the Social Services Supervision Department, in 2009, patients themselves covered about 34% of expenditures of social care homes subordinated to counties. (See: Jankauskienė and Medaiskis 2010)

2.3.3 Social Services

In 2010, there were about 760 establishments of different subordination providing social services. According to the data from the Department of Statistics under the Government of the Republic of Lithuania, these establishments regularly provided social services to 91,200 persons with disability, elderly persons, children deprived of parental care, individuals and families at social risk and other persons. Approximately 27,600 individuals and 4,800 families were provided with social services at home. Moreover, 161,400 persons used common social services (free catering, provision with essential items, personal hygiene products, and transport services).

Major share (57%) of recipients of social services used common social services, 25% of recipients attended day centres, 10% received assistance at home. Institutional social care was provided to 5% of recipients of social services; about 3% of recipients used the services provided by temporary lodging houses, crisis centres or independent living homes (Figure 2.2).

Figure 2.2. Recipients of social services in 2010



Source: Ministry of Social Security and Labour 2011: 178

In 2010, infrastructure of social services changed. The key changes were related to the county reform and the transfer of the rights and duties of founders of certain social care institutions. County governor administrations played a significant role in the management of social services: while pursuing the social services policy in accordance with the Law on Social Services, they have been delegated the functions of establishing, reorganising and liquidating social services establishments and ensuring their functioning, preparing and implementing of county social services programmes and projects. Part of functions of county administration related to the organisation of social services has been delegated to the Ministry of Social Security and Labour, and other functions have been delegated to municipalities. The provisions not only seek to reduce administration costs, but also to establish municipal responsibility for the organisation of the provision of social services and the principle that social services must be organised and provided so as to ensure accessibility of these services to individuals (families) as close to their place of residence as possible.

For several years Lithuania leads the list of the countries with the highest level of emigration. One of the consequences of current migration patterns is family separation. A survey carried out in 2007 by the Office of the Ombudsman on Children's Rights found that 5% of all Lithuanian children under 18 have at least one parent living abroad (OECD, 2010).

Some research is available which includes children who are experiencing the emigration of their parents. This has revealed that the majority of Lithuanian transnational families are nuclear families rearing one child (Maslauskaitė, Stankunienė, 2007). In almost one fifth of these families the migrant member of the household is the mother, while in the majority of the cases it is the father. Trans-national families with a migrant mother are more often families with one child of older age compared to the families with a migrant father. The duration of the trans-national living most frequently encompasses the time span from one to three years. It is important that along with the expected importance of economic motives, the motives of social injustice play a very significant role in the decisions to migrate. The decision to migrate not always includes considerations and calculations of rewards and losses attached to the migration. In some cases the decision is taken very spontaneously and on a short notice, having no awareness of possible consequences.

In such transnational families children are most vulnerable and in most cases they do not receive appropriate parental care. Parents frequently diminish, neglect or even ignore the challenges generated by trans-national living arrangement for the children and the misconception of this situation has an impact on the fulfilment of their parental roles. Children of trans-national families suffer from disruptions in emotional, intellectual and social behaviour, but this state is often neglected or underestimated by the parents (Maslauskaitė, Stankūnienė, 2007, p. 190).

3. Financial Resources

3.1 National Resources

The main national financial resource for financing activities that are similar activities of active inclusion is Employment Fund that functions under the Ministry of Social Security and Labour. The table 3.1 and the table 3.2 show the main financial flows of the Employment Fund. The main income of the Fund is allocations from the State Social Insurance Fund Board (Table 3.2). The amount of income during the crisis has increased. As far as unemployment benefits are paid from the Employment Fund raising level of unemployment forced the increase of the Allocations from the State Social Insurance Fund Board.

Table 3.1 Income and allocations of Employment Fund (in LTL thousands)

		2007	2008	2009	2010	2011
	Income	378343.3	355133.6	639323.0	503605.4	455109.4
1	Allocations from the State Social Insurance Fund Board	321200.0	329660.0	627400.0	491847.0	447447.0
2	Income of Lithuanian Labour Exchange	1669.3	536.5	170.3	352.3	300.0
3	Other	55474.0	24937.1	11752.7	11406.1	7662.4
	Expenditure	328541.5	351595.4	630920.2	496604.3	455109.4
1	Active Labour Market Measures	136767.0	86415.4	11215.5	17282.1	37662.8
1.1	Vocational training of unemployed	25196.1	22875.6	0.0	2.4	0.0
1.2	Supported employment	94988.1	49331.7	93.1	8688.7	20000.0
1.3	Support for creation of job places	19921.1	12956.5	10625.7	8534.1	17662.8
1.4	Territorial mobility of unemployed	0.0	0.0	3.4	56.9	0.0
2	Unemployment benefits	98448.1	152852.8	538460.8	399182.9	342658.3
3	Maintenance of Lithuanian Labour Exchange	66447.2	77335.1	67346.9	46883	65777.1
4	Other	26879.2	34992.1	13897	26255.3	9011.2

Source: Ministry of Social Security and Labour

During the crisis the allocations for Active Labour Market Policy Measures have decreased dramatically both in absolute numbers (Table 3.1.) and in percents (Table 3.2.). In 2007 the allocations of the Employment Fund for Active Labour Market Policy Measures have amounted until 41% of the expenditures of the Employment Fund, in 2009 these allocations have decreased to 1.8%. Quite different story are assignments for Unemployment Benefits: in 2007 30% of Employment Fund expenditure were allocated for Unemployment Benefits; in 2009 the allocations for Unemployment benefits have increased up to 85.3%.

It is necessary to bear in mind that 2009 year was the first year after the Recommendations 2008 were announced. Later the expenditure for Active Labour Market Measures begun to increase (3.5% in 2010; 8.3% in 2011), but this percents and amounts (Table 3.1) are significantly less than in the period before crisis, namely in 2007 or in 2008.

We consider that these shifts have at least two reasons: the first is economic crisis; the second is the policy of the new Government which came into the power in the fall of 2008.

It is important to mention that after 2009 the allocations for maintenance of Lithuanian Labour Exchange are few times bigger that allocations for the Active Labour Market Policy Measures (Tables 3.1 and 3.2).

Table 3.2 Income and expenditure of Employment Fund (in %)

		2007	2008	2009	2010	2011
	Income	100	100	100	100	100
1	Allocations from the State Social Insurance Fund Board	84.9	92.8	98.1	97.7	98.3
2	Income of Lithuanian Labour Exchange	0.4	0.2	0.0	0.1	0.1
3	Other	14.7	7.0	1.8	2.3	1.7
	Expenditure	100.0	100.0	100.0	100.0	100.0
1	Active Labour Market Measures	41.6	24.6	1.8	3.5	8.3
1.1	Vocational training of unemployed	7.7	6.5	0.0	0.0	0.0
1.2	Supported employment	28.9	14.0	0.0	1.7	4.4
1.3	Support for creation of job places	6.1	3.7	1.7	1.7	3.9
1.4	Territorial mobility of unemployed	0.0	0.0	0.0	0.0	0.0
2	Unemployment benefits	30.0	43.5	85.3	80.4	75.3
3	Maintenance of Lithuanian Labour Exchange	20.2	22.0	10.7	9.4	14.5
4	Other	8.2	10.0	2.2	5.3	2.0

Source: Ministry of Social Security and Labour

3.2 Use of EU Structural Funds

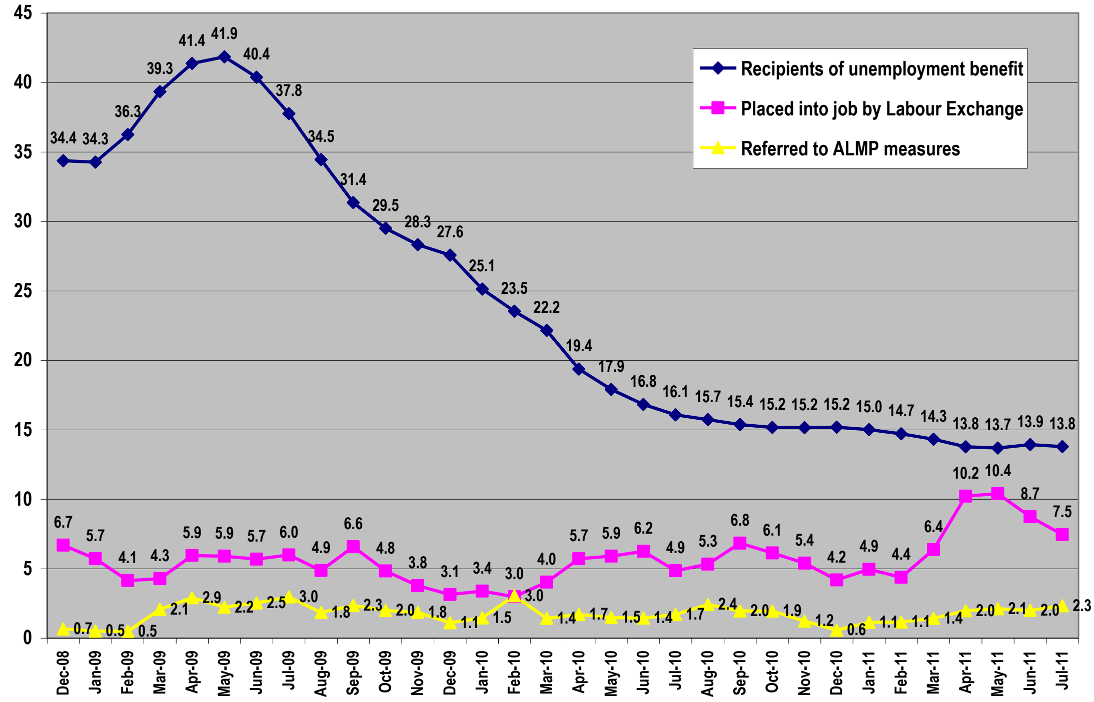
After the 2009 the main sponsors of measures of active inclusion have became the EU structural funds. The analysis of the projects presented in table 3.3 demonstrates that support of EU structural funds was at least few times bigger that the support of Employment Fund. After 2009 activities of the Employment Fund were dominated by distributing of unemployment benefits.

The analysis of the projects shows that according to the activities of the projects could be grouped into three groups:

- Support for social enterprises and people with disabilities;
- Support for public jobs;
- Projects that include vocational training, subsidized employment, job rotation and territorial mobility.

The Figure 3.1 demonstrates that despite all activities of the Lithuanian Labour Exchange percent of unemployed referred to the Active Labour Market Policy Measures is quite small. Per month it amounts up to 2-3% of all registered unemployed.

Figure 3.1. Percent of unemployed registered by Labour Exchange: who receives the unemployment benefits, who are placed to job by Labour Exchange, and who are referred to ALMP measures; end of the month



Source: Lithuanian Labour Exchange

Table 3.3. The projects financed by EU structural Funds (Human Resources Development Operational Programme 1.1. Attraction and Retention of People in the Labour Market)

Date of the end	Priority according the operational programme	Project title	Budget in LTL thousands	Main results
Nov., 2009	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Support for Social Enterprises	10 900	For one year 1011 disabled employed in social enterprises receive salary compensations. For one year 103 assistants assisted 722 persons with higher level of disabilities to accomplish job functions. 183 disabled persons have participated in vocational training.
Dec., 2009	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Support for Temporal Employment	18 460	16 thousand of unemployed and those who received dismissal slips have possibility to participate in public and green jobs.
June, 2010	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Increasing the Possibilities of Employment	117 778	10.1 thousands of unemployed and those who received dismissal slips have possibility to participate in vocational training. 14.2 thousands of employed have received employment subsidies. 9 hundreds of employed have participated in job rotation programme.
Jan., 2011	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Provision of the Services for Professional Rehabilitation	14 000	627 disabled have recovered lost job skills. 204 of them have employed.

Feb., 2011	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	The Support for the Employment of Disabled	28 120	For one year 2810 disabled employed in Social enterprises receive partial salary and insurance compensations. For one year 101 assistants assisted 879 persons with higher level of disabilities to accomplish job functions. 104 disabled persons have participated in vocational training.
May, 2011	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Increase of the Employment of Unemployed	140 000	In project activities have participated almost 30 thousands of participants. 12.3 thousands of the participants have accomplished the programmes of vocational training. 9 thousands have participated in programme supporting the acquisition of professional skills. 11.6 thousands of the participants of the projects were employed.
Nov., 2011	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Do not Lose Job Skills	42 000	32192 of unemployed have participated in public jobs. 9070 of them have received the permanent job contracts.
Jan., 2012	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Be active in Labour Market	22 000	6.1 thousands of unemployed have participated in active labour market policy measures. 3170 in subsidised employment. 5 thousands of participants get permanent employment.
Jan., 2012	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	The Support of Social Enterprises of Disabled	16 400	For one year 3048 disabled employed in social enterprises receive partial salary and insurance compensations. 982 persons have received job assistance.

Jan., 2012	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Temporary Jobs	29 075	11 147 from 1551 enterprises that face economic difficulties have participated in public jobs. 6556 project participants have received permanent job.
Apr., 2012	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Support for Employment and Mobility	87 889	6570 participants have participated in vocational training. 11 063 have participated in subsidised employment, 839 in job rotation and 635 have received support for territorial mobility.
Jan., 2013	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Promotion of Integration	125 321	The project plans to involve into vocational training 8.5 thousands of unemployed and those who received dismissal slips. 11.7 thousands of unemployed will participate in subsidised employment. 3 hundreds of unemployed will receive support for territorial mobility.
Jan., 2013	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Temporal Employment	47 699	The project plans to send 33.7 thousands of unemployed to public jobs. From the beginning of the project 20 664 are already sent.
Feb., 2013	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Integration of the Disabled	46 103	For one year 2950 disabled employed in social enterprises receive partial salary and insurance compensations. 400 persons have received job assistance.

March, 2013	Human Resources Development Operational Programme 1 priority Quality Employment And Social Inclusion	Support for the Disabled	27 430	469 project participants have already completed the vocational rehabilitation programme, acquired new skills or restored their gained skills. 213 persons with disability returned to the labour market after the vocational rehabilitation programme. More than 50 per cent of them concluded open-ended employment contracts, thus increasing the likelihood to retain jobs for a longer period.

Source: Lithuanian Labour Exchange

http://www.ldb.lt/Informacija/ESParama/gyvendinti%20ES%20projektai/Sarasas.aspx

4. Monitoring and Evaluation

The fact that Lithuania instead of elaborated strategy for active inclusion has a set of different documents that includes different strategies and programmes requires the short discussion on the issue of monitoring and evaluation. The documents that are shaping active inclusion could be grouped at least into two groups: strategies and programmes of national origin and EU initiated documents (NR-SPSIS/2008-2010, NRP/2008-2010, NRP/2011, NRP/2012). Both groups of the documents are issued according national legislation, but EU initiated documents were elaborated in the framework of Open Method of Coordination (hereinafter – OMC). It means that they being part of national legislation at the same time are integral part of OMC process.

According to Lithuanian legislation strategic documents ought to pass the process of evaluation. The process of evaluation pretends to be systemic and objective. According to the results of evaluation the decisions concerning implementation of the strategic programmes are accepted. It means that both groups of the documents as far as they are strategic documents ought to pass this process of evaluation. The Government has adopted the Methodology of Strategic Planning that includes the chapters of monitoring and evaluation. (The Government of the Republic of Lithuania 2010) The criteria of evaluation are grouped into three groups: (1) the criteria that demonstrates the implementation of the priorities; (2) the criteria that demonstrates the changes of public opinion; (3) the criteria that demonstrates the effectiveness of the activities. Unfortunately we do not succeed to find the evaluations of the implementation of the documents mentioned above.

But there were at least two evaluations of the OMC process in Lithuania. (Look: Nakrosis 2006; Poviliunas 2009). Both evaluations have stressed the weaknesses of the OMC mechanisms. These weaknesses could be shifted to the documents that are parts of the OMC process.

The research team led by V. Nakrosis have concluded: "Overall, the mechanisms of OMC influence are weak (in particular compared with the influence of the EU before accession) and their effectiveness is relatively small in Lithuania. Despite learning at the EU level, its results are poorly transferred to the national level. Also, peer pressure is small. The European Commission itself gave up its "naming and shaming" strategy. Lithuania seeks to influence recommendations of EU institutions, thus reducing the influence of peer pressure. It is sought in Lithuania to use the leverage effect, but co-operation with the European Commission is rather formal." (Nakrosis 2006: 6)

The inclusion of the relevant actors is not satisfactory. "In the field of direct implementation of the Social OMC the inclusion of stakeholders lacks transparency in the procedure of stakeholders' selection, representation of the different interests, especially socially excluded groups, is insufficient and stakeholders are not deeply involved. Therefore the stakeholders' participation is superficial; it is limited to the levels of information and consultation and rarely reaches the levels of involvement or cooperation, not to speak of empowerment." (Poviliunas 2009: 1)

The authors of this report have also evaluated the preparation of NR-SPSIS/2008-2010, NRP/2008-2010, NRP/2011, and NRP/2012. (Look corresponding reports) The conclusions concerning monitoring and evaluation are very similar to the assessment of OMC process.

5. Recommendations

5.1 Priority Actions for Integrated Comprehensive Active Inclusion Strategy

Activation measures for long-term recipients of social assistance benefits. The number of recipients of social assistance benefits dramatically increased since beginning of the economic crises. Long term beneficiaries of social assistance benefits are most complicated group from the point so active inclusion. Unfortunately there are no active inclusion measures that are assigned to this stigmatized group of population.

We do recommend to elaborate activation programme for long term SAB receivers, which would joint efforts of central government, municipalities, labour exchange, educational institutions and others stakeholders.

Retraining and health preventive services for people in preretirement age. From January of 2012 the retirement age are increased by 4 months for female and 2 months for male per 2012 year. Different researches demonstrate that in Lithuania level of ageism, i.e. discriminating against individuals or groups because of their age is high and still increasing. (See: Rapoliene & Juozulynas 2009: 144). It is necessary to take steps in order to decrease level of discrimination.

5.2 Priority Actions under Each of the 3 Strands

Adequate income support

We recommend introducing of **housing benefit for low income families** (compensation of dwelling rent expenditures). This measure could increase the mobility of potential employees. Therefore this measure will have positive influence from the viewpoint of inclusive labour markets.

We recommend restoring of **universal family allowance** LTL 52 per every child. After introducing of Fiscal Consolidation Package in 2009 "children money" get into the group of means-tested benefits. As means-tested benefit it fosters poverty trap and decreases incentives to work. Therefore the restoration of universal family allowance would add the inclusive labour market.

Inclusive labour markets

We propose to reform the way how Minimum Monthly Wage is increased. Instead of sporadic, unpredictable and inadequate rise of MMW we recommend relating it with economic situation in the country (average monthly salary, inflation level, etc.) and to discuss its amount on regular basis.

Access to quality services

For several years Lithuania leads the list of the countries with the highest level of emigration. One of the consequences of current migration patterns is family separation. A survey carried out in 2007 by the Office of the Ombudsman on Children's Rights found that 5% of all Lithuanian children under 18 have at least one parent living abroad (OECD, 2010). It is necessary to develop **care, educational and psychological services for children of emigrants as well as of returnees**.

5.3 Priority Actions at EU Level

We propose **introduction of minimum income or social protection floor**. The issue of minimum income floor is widely discussed. Even in Lithuania on the July 4, 2012 the Ministry of Social Security and Labour is organizing the discussion with the stakeholders and academicians about the recommendation of International Labour Association on social protection floor.

Introduction of minimum income floor by setting uniform rules for minimum income guarantees across the EU. It could be three types of income: minimal wage, minimum income threshold for means-tested benefit and minimum pension for elderly. These three types of income as the relative amounts could be calculated according to the general or uniform rules, but set up on the basis of the national economic parameters.

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Summary Tables

Table 1. To what extent has an integrated comprehensive active inclusion strategy been developed in Lithuania?

	Comprehensive policy design			Integrated implementation			Vertical policy coordination			Active participation of relevant actors		
	Yes	Somewhat	No	Yes	Somewhat	No	Yes	Somewhat	No	Yes	Somewhat	No
For those who can work			**x**			**x**			**x**			**x**
For those who cannot work			**x**			**x**			**x**			**x**

Table 2. To what extent have active inclusion policies/measures been strengthened, stayed much the same or weakened since 2008 in Lithuania?

	Adequate income support			Inclusive labour markets			Access to quality services		
	Strengthened	The same	Weakened	Strengthened	The same	Weakened	Strengthened	The same	Weakened
For those who can work			**x**		**x**			**x**	
For those who cannot work			**x**		**x**			**x**	