

Greece

Trends, Recent Developments, Active Inclusion and Minimum Resources

First Semester Report 2006

D. Ziomas (Responsible-Coordinator),
N. Bouzas, D. Ntontis
EKKE



On behalf of
European Commission
DG Employment, Social Affairs and Equal Opportunities



Table of contents

Summary	3
1. The economic and social context situation: situation and key trends in areas of social policy concern	4
1.1 Macroeconomic and labour market developments.....	4
1.2 Developments in key social indicators.....	7
1.3 Social Policy developments and their implications for poverty and social exclusion	12
1.4 Progress of implementation of the main legislative reforms and institutional arrangements identified in the NAPs for social inclusion	13
1.5 Progress of implementation of the main policy measures under each of the 4 Common Objectives.....	14
1.6 The role of the European Structural Funds.....	18
1.7 The synergy between NAPincl and NAPempl	19
1.8 The impact of the NAPincl on regional and local levels of governance	19
1.9 The challenges ahead.....	20
2. Active Inclusion and Minimum Income	21
2.1 Description of the situation.....	21
2.2 Challenges ahead	27
2.3 Administration, monitoring and evaluation of policy	28
2.4 Good practices	29
Annex	30

Summary

Undoubtedly, over recent years, there has been a growing recognition in Greece by consecutive Governments of the need to adjust social policy and, in particular, to reform the traditional mode of functioning of social welfare and service provision. Indeed, efforts have been increasingly under way for social policy adjustments in order to improve its ability to meet existing and emerging needs of all those citizens at risk of social exclusion and poverty. These efforts are clearly reflected in the substantial increase in social protection expenditures observed since the mid 1990's, and in the measures and actions presented in the third Greek NAPincl 2005-2006, the vast majority of which were also included in the first NAPincl 2001-2003 and the second NAPincl 2003-2005.

The employment policy mix pursued over recent years in Greece reflects a shift of emphasis on improving the employability of the social vulnerable groups instead of relying on income support measures and other traditional passive measures. A substantial increase in the number of structures and programmes providing community social support and care services distributed around the country has also been observed, though ensuring their financial sustainability, when the ESF's funding comes to an end, constitutes a challenge ahead. Income support measures have been extended over the last few years to cover more social vulnerable groups, although continue to be short of forming a "safety net".

Despite, however, these positive developments and the fact that Greece has lived through a period of sustained economic growth over the most recent years, their impact on alleviating poverty and social exclusion has been rather negligible. For, very recent data reveal that the standard at-risk-of-poverty rate in Greece not only remains high but it continues to present the most unequal income distribution among the EU-15 Member States. Moreover, the contribution of the various employability and accompanying supportive measures to improving the employment situation in Greece, appears to be rather limited, given that employment rates continue to remain at low levels, especially for young people and women.

It seems that social policy inadequacies have a significant bearing upon this situation. Governance in the social policy related areas remains weak and short of ensuring coordination and synergy among different Government departments. Apart from the fact that no particular links are evident between the various measures implemented under the NAPincl, and especially between benefits/allowances and actions aiming at labour market insertion of welfare recipients, appropriate institutional mechanisms required to promote synergy and close interaction between the various measures are still missing in Greece. Overall, it appears that integrated policy approaches to the problems of poverty and social exclusion are hard to come by in Greece.

The issue of the quality of services offered remains an open question, while the level of cash benefits continues to be low. On the whole, the system of social provision remains largely based on a "no-means tested" approach and it lacks a policy mix that combines cash benefits and labour market activation measures. Besides, no clear commitment to a form of "guaranteed minimum income" or an equivalent "safety net" has been recorded so far in Greece.

The inadequacies identified above, remain, undoubtedly, among the main challenges facing social policy in Greece. However, no major policy initiatives appear to have been taken, thus far, to tackle these challenges

in a consistent way. Moreover, it should be noted that, apart from certain new legal arrangements which are considered positive developments, no real social policy changes neither any new policy measures have been introduced over the period 2005-2006 in the context of poverty and social exclusion in Greece.

1. The economic and social context situation: situation and key trends in areas of social policy concern

1.1 Macroeconomic and labour market developments

Over the last decade, Greece has lived through a period of sustained economic growth. Real GDP has been kept growing at an accelerated pace, especially since 1996, having achieved in 2000 a rate of growth of 4.5% which continued at similar levels through 2005 (5.1% in 2001, 3.8% in 2002, 4.8% in 2003, 4.7% in 2004 and 3.7% in 2005)¹, despite the slowdown in the world economy. These annual real GDP growth rates for Greece, especially during the period 2001-2005, outstrip by far the respective EU-25 averages (1.9% in 2001, 1.2% in 2002, 1.2% in 2003, 2.4% in 2004 and 1.6% in 2005)². That is, while most of the EU-25 economies have been confronted during the last few years with a steady diminishing trend of their output growth, Greece's output growth performance has been kept steadily high. Furthermore, Eurostat's projections, for the years 2006 and 2007, indicate that the Greek GDP growth rate will remain at high levels: 3.5% in 2006 and 3.4% in 2007, and certainly higher than the respective EU-25 projected averages (2.3% in 2006 and 2.2% in 2007).³

These high growth rates, however, have not been followed by a decline in public deficit and in public debt. For, public deficit has shown a worsening, having reached -6.6% of the GDP in 2004⁴, while public debt continues to remain at high levels (i.e. 109.3% of the GDP in 2004)⁵. This development has put a pressure on the Government over the last two years to ensuring that the policy measures taken will reduce drastically the level of both deficit and debt. According to the updated Greek Stability Programme, submitted to the European Commission in December 2005, public deficit and public debt are expected to drop to -2.6% and to 104.8% respectively in 2006.

The sustained economic growth that Greece has lived through over recent years is reflected in the GDP per capita expressed in Purchasing Power Standards (PPS), which shows a steadily improvement: from 66.2 in 1999 it increased to 68.6% in 2003 (EU-15=100). Yet, it remains the second lowest among the EU-15 countries. It should be noted that based on the data expressed in relation to EU-25=100, the Greek GDP per capita in PPS, though steadily increasing, is still below the EU-25 average and certainly far below the EU-15 average: it stood at 81.1% in 2003 against 109,1% for EU-15 and at 82% in 2004 against 108,6% for EU-15⁶. Furthermore, forecasts for the period 2005-2007 indicate that the gap between Greece's GDP per capita in PPS and the respective EU-15 average is getting narrower, though at a slow pace: that is, in 2005

¹ Eurostat, Structural Indicators Database.

² Eurostat, Structural Indicators Database.

³ Eurostat, Structural Indicators Database.

⁴ European Commission/Eurostat: *EC economic data pocketbook (quarterly)*, 4/2005, p. 74

⁵ European Commission/Eurostat: *EC economic data pocketbook (quarterly)*, 4/2005, p. 76

⁶ Eurostat, Structural Indicators Database

it stands at 83,6% against 108,2% for EU-15, in 2006 at 84,6% against 108% for EU-15 and in 2007 at 85,4% against 107,5% for EU-15⁷.

Turning into examining the labour market situation, one observes certain positive developments, which are mainly the result of the good economic performance that Greece has been experiencing over the recent period. The employment gains observed, however, have not been as high as it would have been expected. In fact, it is only since 2003 that some encouraging signs with regard to employment gains are being observed. The annual growth rate of occupied population in 2003 was 1.5%, while in 2004 this rate increased substantially reaching 3.4%. Yet, estimations for the year 2005 indicate that employment is expected to increase only by 0.9%, the same as the estimated EU-25 respective average⁸.

Positive is also the development with regard to the employment rate. This has shown, since 2001, an increase by 3.8 percentage points, while, partly as a result of this, the difference between the respective rates of Greece and the EU-25 average has been shortened by 2.8 percentage points over the same period⁹. Yet, and although it exhibits a steady, but slow, trend of catching-up with the respective EU-25 average, it continues to lag behind by 3.7 percentage points (60.1% in 2005 against 63.8% for EU-25). Note should be made of the fact that when comparisons are made on the basis of full-time equivalent rates, it appears that the relative gaps in total employment rates are even narrower, reflecting the low incidence of part-time employment in Greece.

The gaps between Greece and EU-25 appear to be much greater in the employment rates for young people (25.3% against 36.9% for EU-25 in 2003; 26.8% against 36.8 % for EU-25 in 2004; 25% against 36.8% for EU-25 in 2005)¹⁰ and for women (44.3% against 55% for EU-25 in 2003; 45.2% against 55.7% for EU-25 in 2004; 46.1% against 56.3% for EU-25 in 2005)¹¹. This means that young people and women in Greece are still at a disadvantage in the labour market. The employment gender gap, in particular, remains very high. As regards the employment rates for people aged 55-64, these appear to be more or less the same between Greece and EU-25: 41.3% against 40.2% in 2003; 39.4% against 40.5% in 2004 and 41.6% against 42.5% in 2005¹².

The unemployment rate in Greece, although it has shown a decline since 2000, remains still higher than the EU-25 respective average rate. That is, after reaching a peak of 12.7% of the labour force in 1999, it fell to 9.7% in 2003 (in relation to 9% for EU-25), but it showed a small upturn in 2004, reaching 10.5% (in relation to 9.1% for EU-25), which was followed by a downturn again in 2005 standing at 9.8% (against 8.7% for EU-25)¹³. Unemployment in Greece continues to affect mainly young persons and women as well as other vulnerable population groups (i.e. disabled, immigrants etc.). The unemployment rates of young persons and women continue to be significantly higher than the EU-25 respective averages, as the table below shows.

⁷ Eurostat, Structural Indicators Database

⁸ Eurostat, Structural Indicators Database

⁹ Eurostat, Structural Indicators Database

¹⁰ Eurostat, Queen tree database

¹¹ Eurostat, Queen tree database

¹² Eurostat, Queen tree database

¹³ Eurostat, Queen tree database

Table 1: Unemployment rates

TOTAL	2003	2004	2005
EU-25	9%	9.1%	8.7%
Greece	9.7%	10.5%	9.8%
MEN	2003	2004	2005
EU-25	8.1%	8.1%	7.9%
Greece	6.2%	6.6%	6.1%
WOMEN	2003	2004	2005
EU-25	10.2%	10.3%	9.8%
Greece	15%	16.2%	15.3%
YOUNG PERSONS (less than 25 years old)	2003	2004	2005
EU-25	18.8%	18.9%	18.5%
Greece	26.8%	26.9%	26%
YOUNG PERSONS (MEN)	2003	2004	2005
EU-25	18.4%	18.4%	18.2%
Greece	18.9%	19.1%	18.7%
YOUNG PERSONS (WOMEN)	2003	2004	2005
EU-25	19.2%	19.4%	18.9%
Greece	36.6%	36.3%	34.8%

Source: Eurostat, Queen Tree Database

It should be noted that the difference between the unemployment rates of men and women in Greece, though it has shown a slight decrease in 2005, it remains still high: 15.3% for women in relation to 6.1% for men¹⁴. As far as the unemployment rate of older workers (aged 55-64) is concerned, available data, based on the Greek Labour Force Surveys, show that this has remained low over recent years: that is, 3.5% in 1998 (q2) and 3.4% in 2005 (q2).

The long-term unemployment rate in Greece remains still high, despite its drop over recent years, and certainly much higher than the EU-25 respective average (5.1% against 3.9% for EU-25 in 2005)¹⁵. The tables below confirm this situation.

¹⁴ Eurostat, Queen tree database

¹⁵ Eurostat, Queen tree database

Table 2: Long-term unemployment as a share of active population

TOTAL	2003	2004	2005
EU-25	4.1%	4.1%	3.9%
Greece	5.3%	5.6%	5.1%
MEN			
EU-25	3.6%	3.6%	3.5%
Greece	3%	3%	2.6%
WOMEN			
EU-25	4.7%	4.7%	4.5%
Greece	8.9%	9.4%	8.9%

Source: Eurostat, Queen Tree Database

Table 3: Long-term unemployment as a share of unemployment

TOTAL	2003	2004	2005
EU-25	44.8%	45.3%	45%
Greece	54.9%	53.1%	52.2%
MEN			
EU-25	43.9%	44.5%	44.5%
Greece	48%	44.9%	42.3%
WOMEN			
EU-25	45.8%	46%	45.5%
Greece	59.1%	57.9%	57.9%

Source: Eurostat, Queen Tree Database

1.2 Developments in key social indicators

Data reveal that, over the last decade and especially since 1996, Greece is making serious efforts to extend and improve its social protection system in terms of both quantity and quality. Part of this effort is reflected in the substantial increase of the social protection expenditures as a percentage of GDP, which in 2001 appears to have reached the same level as the respective EU-15 average, as *Table 4* below shows.

Table 4: Expenditure on social protection as % of GDP, Greece, EU-15, EU-25 averages, 1992-2003

	1992	1994	1996	1998	2000	2001	2002	2003
Greece	21.2	22.1	22.9	24.2	26.3	27	26.4	26.3
EU-15	27.6	28.4	28.4	27.5	27.2	27.5	27.7	28.3
EU-25					26.9	27.1	27.4	28

Source: Eurostat, Queen Tree Database, Population and Social Conditions Theme

It should be noted that the substantial increase observed during the period 1992-2001, is mainly due to the fact that the per capita social protection expenditure at constant prices increased in Greece by an average of 5.6% per annum, which was three times more than the respective EU-15 average of 1.9% per annum¹⁶.

When measured as expenditure per capita in Purchasing Power Standards (PPS), it is found that the expenditure on social protection in Greece remains below the EU-15 (and EU-25) average. That is: 4084.3 PPS against 6441.2 PPS for EU-15 (5576 PPS for EU-25) in 2001 and 4567.1 PPS against 6926.2 PPS for EU-15 (6012.2 PPS for EU-25) in 2003¹⁷. This low level of the per capita social protection expenditure (in PPS) is largely due to the fact that Greece still lags behind as regards its GDP per capita in Purchasing Power Standards (PPS) in relation to the respective EU-15 average as well as to the EU-25 average¹⁸.

Looking into the various categories of social protection expenditures, as these are presented in the Table below, one observes certain developments. The expenditures devoted to “old age and survivors pensions” as a percentage of total social expenditures have shown over recent years a decrease in Greece, reflecting a tendency to move towards the EU-25 respective average. Nevertheless, almost half of social expenditures are devoted to old age and survivors pensions, so the remaining resources are still limited for the rest of the functions of the social protection system. Moreover, one notes an upward trend in the expenditures devoted to “family/children” category, which is gradually catching up with the respective EU-25 average. On the other hand, the expenditures concerning the category “housing and social exclusion” have shown a decrease in Greece, but it is higher than the respective average of EU-25. As regards the “unemployment compensation” category, the expenditure devoted remains still below the EU-25 respective average.

¹⁶ Abramovici G, (2004), pp.2

¹⁷ Abramovici G, (2004), pp.3

¹⁸ Eurostat, Queen tree database

Table 5: Social protection expenditures by category (% of total social protection expenditures)

Category of expenditure		2001	2002	2003
<i>Old age and survivors pensions</i>	EU-25	44.4	44	43.9
	Greece	49.9	49.3	49.2
<i>Unemployment compensation</i>	EU-25	6	6.1	6.3
	Greece	5.8	6.2	5.5
<i>Housing and Social exclusion</i>	EU-25	3.4	3.4	3.3
	Greece	5	4.6	4.5

In general it may be said that this evolution of social protection expenditures in Greece shows in quantitative terms a convergence trend to the respective EU mean average. Yet, the issue of quality in terms of efficiency and efficacy of social protection expenditures is still an open one, given that their increase over recent years appears to have had, thus far, only a limited impact on the distribution of income and in combating poverty. As ECHP data for 2001 reveals, the decrease in the percentage of poverty risk, which was due to social transfers (i.e. income transfers except pensions), was only 3 percentage points in the case of Greece, whereas the respective average for EU-15 was 9 percentage points¹⁹.

Recent data, based on the “Statistics on Income and Living Conditions” Survey (EU-SILC 2003 and 2004), show that in 2003 the relative reduction of poverty rate in Greece increased slightly to 3.3 percentage points (24.3% before social transfers-except pensions- and 21% after all social transfers), whereas in 2004 this reduction was found to be only 2.7 percentage points (22.7% before social transfers-except pensions- and 20% after all social transfers). This implies that the impact of social transfers on reducing the poverty risk in Greece remains constantly limited. And this happens, despite the fact that social protection expenditures have been on the increase over recent years. Questions are thus raised, once again, as to the efficiency and efficacy of social protection expenditures.

Overall, the standard at-risk-of-poverty rate in Greece has remained over recent years among the highest in the EU-15 Member States. In particular, according to Eurostat’s statistical data for 2001, based on the “European Community Household Panel” Survey (ECHP), Greece exhibited a high percentage of population (20% in 2001, the same as in 2000) with income less than 60% of the national median, which was well above the respective EU-15 average (15%). For the year 2002, data show that the standard at-risk-of-poverty rate in Greece increased slightly, reaching 20.4%²⁰. A point here that needs to be stressed is the fact that the poverty rate for EU-15 exhibited a downward trend during the period 1997-99 (from 18% to 15%), while during the same period the poverty rate for Greece remained almost unchanged. Moreover, the findings based on the latest data of “Statistics on Income and Living Conditions” Survey (EU-SILC 2003 and 2004), show that the standard at-risk-of-poverty rate in Greece remains still at high levels: that is from 20% in 2001 has gone up to 21% in 2003 and down again to 20% in 2004.

¹⁹ Dennis I., Guio A-C., (2004), Poverty and Social Exclusion in the EU, Eurostat, Statistics in focus, 16/2004, Brussels, pp.6.

²⁰ NSSG estimation. No comparable data for EU-15.

As regards the at-persistent-risk-of-poverty rate²¹ in Greece, according to the latest available comparable data for the years 2000 and 2001, as released by Eurostat, it was found to be higher than the EU-15 respective averages: this rate was 13% in 2000 and 14% in 2001, while the respective rates for EU-15 was only 9% for both 2000 and 2001²². Available data for 2002, suggest that the at-persistent-risk-of-poverty rate has remained at high levels, although it has been reduced from 14% in 2001 to 13%²³. Yet, comparisons with the respective rate for EU-15 cannot be made, due to the lack of comparable data for the year 2002.

Furthermore, based on the data regarding the relative position of the population with the lowest equivalised income, Greece presents one of the most unequal distribution of income among the EU-15 Member States, either in terms of the income quintile share ratio (see *Table 6* below) or in terms of the GINI coefficient. For, as the table below suggests, in 2003 and 2004, the wealthiest quintile group of the population (quintile income share ratio) had respectively 6.6 and 6 times more income than the poorest, whereas the respective ratio for the year 2001, based on the data from ECHP Survey, was found to be lower, i.e. 5.7. Even then, however, Greece's ratio (i.e. 5.7 in 2001) presented one of the most unequal income distribution among the EU-15 Member States.

Table 6: Income quintile share ratio, Greece-EU15 average.

	1998	1999	2001	2003	2004
Greece	6.5	6.2	5.7	6.6	6
EU-15	4.6	4.6	4.4	4.6	4.8

Source: Eurostat, Queen tree database
National Statistical Service of Greece

Another way of looking at income inequality is the GINI coefficient. According to statistical data for 2001, the GINI coefficient appeared to be higher in Greece than in EU-25 (33% against 29%). Moreover, income inequality in Greece aggravated in 2003, given that the GINI coefficient increased even further, reaching 35%.²⁴ Latest data, based on "Statistics on Income and Living Conditions" Survey (EU-SILC 2004), suggest that income inequality appears to have been reduced again, reaching the level of the year 2001, i.e. 33%.

However, it is considered necessary to point out that comparisons between the respective indicators for 2001 and 2004 should be interpreted with some caution. For, although the EU-SILC Survey replaced in 2003 the ECHP Survey, the two Surveys, methodologically, are not completely comparable.

Turning into examining the profile of the poor persons in Greece, based on data for 2003²⁵, it becomes obvious that the national poverty rate according to gender is not substantially different (20.5% of men and 21.5% of women are situated below the poverty line). Yet, available preliminary data based on the EU-SILC

²¹ "The share of persons with an equivalised disposable income below the the risk-of-poverty threshold in the current year and in at least two of the preceding three years. The threshold is set at 60 % of the national median equivalised disposable income". Eurostat, Queen Tree Database.

²² 2000 is the latest year for which there do exist comparable data on at-persistent-risk-of-poverty rates.

²³ Eurostat, Queen Tree Database.

²⁴ Eurostat, Queen Tree Database

²⁵ Kikilias E., Gazon E. & Ntontis D., *Regional Aspects of Poverty in Greece*, Institute of Social Policy (INSPO), 1/2005, www.ekke.gr

Survey 2004, suggest that, although the poverty rate for both men and women has decreased, the gap between them has widened (18.9% of men and 21.1% of women).

Furthermore, a number of characteristics of the poor persons in Greece can be singled out. One of them is the fact that the elderly (more than 65 years old) face a higher poverty rate than the average: 28% against 21% in 2003 and 28.2% against 20% in 2004. Available data for 2003, show that the age categories with the lower poverty rate are 25-44 and 45-64 years old. This applies to both the national and regional levels and to both male and female. Another important characteristic is related to the low educational level: 79.3% of the poor persons in Greece, in 2003, are of low educational level. The data for 2003 suggests also that self-employed in part-time jobs exhibit a high poverty rate (39.1%) as well as those in unemployment (31.9%). It should be noted that data for 2004 is not as yet readily available.

Moving on to examine the situation as regards the issue of child poverty in Greece, it should be pointed out that available data is very limited, both at national and European level. According to available statistical data, the child poverty rate in Greece has followed a steady upward trend over the time period 1995-2003, while preliminary data for 2004 suggests that it has declined. In particular, from 19% in 1995 it raised to 21% in 2000²⁶ and to 23.1% in 2003²⁷, while in 2004 the respective rate fell down to 19.7%. Given the serious consequences that poverty has on present and future lives of those children living in poor households, the issues relating to the intra-generational poverty links need urgently to be addressed both scientifically and politically.

Finally, as regards the regional variations of poverty in Greece, data for 2003 reveal that there are regions which exhibit extremely high poverty rates in relation to the country's average of 21%²⁸. Some of these regions are: Epirus (36.2%) and Eastern Macedonia and Thrace (32.2%). A short overview of the regional variations of the poverty rates is presented below. Here again, it should be mentioned that data for 2004 is not as yet readily available.

The regional variations of the at-risk-of poverty rates

Results, based on the latest data of "Statistics on Income and Living Conditions" Survey (EU-SILC 2003), show that there is a three level classification of regions in Greece by means of the poverty rate criterion in relation to the country's average of 21%. The first group, consisting of the following regions: Epirus, Eastern Macedonia and Thrace, Western Greece, Central Greece and Peloponnisos, is characterized by high poverty rates, ranging from almost 30% to more than 35%. The second group, consisting of the following regions: Central Macedonia, Western Macedonia, Thessaly, Ionian Islands, Northern Aegean and Southern Aegean, is characterized by poverty rates of medium level, ranging from 19% to 26%. The third group, consisting of the regions of Attica and Crete, presents low poverty rates, ranging from 12% to 16%.

²⁶ The statistical data for 1995 and 2000 are extracted from:

Hoelscher P. (2004) "A thematic study using transnational comparisons to analyze and identify what combination of policy responses are most successful in preventing and reducing high levels of child poverty", Final Report submitted to: European Commission DG Employment and Social Affairs, March 2004.

http://europa.eu.int/comm/employment_social/social_inclusion/docs/child_poverty_study_en.pdf

²⁷ National Statistic Service of Greece- National Centre for Social Research (2004) "

²⁸ Kikilias E., Gazon E. & Ntontis D., *Regional Aspects of Poverty in Greece*, Institute of Social Policy (INSPO), 1/2005, www.ekke.gr

Moreover, the regions can be divided also into the following three groups as far as the depth of poverty²⁹ or extreme poverty (that is, the share of poor persons with income below the 40% threshold) is concerned in relation to the national average which stands at 46.4%. The first group composed by the regions of Eastern Macedonia and Thrace, Epirus, Ionian Islands, Western Greece, Peloponnisos and Northern Aegean, is characterized by high shares of extreme poverty (ranging from 53% to 66% of the total number of poor persons). The second group composed by the regions of Central Macedonia, Western Macedonia, Thessaly, Central Greece and Attica is characterized by medium shares of extreme poverty (ranging from 38% to 47% of the total number of poor persons). Finally, the third group, composed by the regions of Southern Aegean and Crete, is characterized by relatively low share of extreme poverty (28% to 32% respectively) in relation to the other two groups.

Given the above, it may be argued that, although the good economic performance has allowed Greece to continue to converge with the other countries of the European Union, the economic gains realized so far appear to have been distributed unequally and as a result economic inequalities continue to persist. And of course, social policy inadequacies have a significant bearing upon this situation, as the evidence presented above reveals.

1.3 Social Policy developments and their implications for poverty and social exclusion

It is generally accepted that in recent years, especially since the end of the 1990's, efforts have been increasingly under way in Greece for social policy, including employment policy, to move away from traditional modes of functioning and to make adjustments in order to deal with high unemployment and the emerging new situations of poverty and social exclusion. It may be said that these efforts are partly the result of the influence exercised by the European Employment Strategy and the new Open Method of Coordination for Social Inclusion, while the availability of ESF's financial support under the Greek CSF has played a motivating role towards this direction.

Yet, in spite these efforts and the European policy influence, social policy and in particular the social care and welfare system in Greece, in comparison with most of the EU-15 Member-States, is still in a stage of evolution. For, social policy adjustments made to date appear to be short of meeting the multidimensional needs in the area of poverty and social exclusion in Greece.

In particular, since July 2003, when the second Greek NAPincl 2003-2005 was submitted to the European Commission followed by the NAPincl 2005-2006, no real social policy changes appear to have been made so far, neither any new policy measures have been introduced in the context of poverty and social exclusion in Greece, apart from those presented in the NAPs which –by and large- are under implementation.

Nevertheless, certain legal arrangements which were adopted over the period 2003-2005 are considered initiatives in the right direction. One such arrangement is the institutionalization of “Part-time employment in public services, municipalities and legal entities of public interest” (Law no 3250/2004), which it is expected not only to have a positive effect on part-time employment in Greece, but also to reinforce social services provision at local level. Indeed, the provisions of this Law have a twofold aim: a) to facilitate the recruitment of part-time personnel by public, municipal and non-profit organizations and agencies, which provide

²⁹ Kikilias E., Gazon E. & Ntontis D., *Regional Aspects of Poverty in Greece*, Institute of Social Policy (INSPO), 1/2005, www.ekke.gr

exclusively social support services to those in need (e.g. assistance at home for the elderly and the disabled, etc.) and b) to give priority on the recruitment of certain categories of persons, who have difficulties in obtaining a full-time job.

Apart from the above, certain other legal arrangements are considered as positive developments in the social policy area. These are: a) the adoption of Law no 3226 in February 2004, which provides for “free of charge” legal aid by the State to low income citizens, b) the adoption of Law no 3227 in February 2004 which provides, among other things, incentives in the form of subsidies of social insurance contributions for the recruitment of women, young and older persons in the private sector enterprises, c) the adoption of a new Law on immigration (Law No 3386 of 2005) which introduces, among other things, the elaboration of an Action Programme for the social inclusion of immigrants (third country nationals) and d) the adoption of a Law on the systematization of life-long learning (Law No 3369 of 2005).

1.4 Progress of implementation of the main legislative reforms and institutional arrangements identified in the NAPs for social inclusion

Over recent years, and particularly since 1998, significant changes in various branches of social protection have been under way in Greece, mainly through legislative reforms and institutional arrangements. Most of these reforms have aimed, among other things, to facilitate a more efficient action for the promotion of social inclusion in Greece. Yet, their impact to date on alleviating poverty and social exclusion remains an open question, given that it takes a long time before the laws and the institutional arrangements in Greece are actually enforced and become fully operational. Besides, the capacity of existing mechanisms and institutions, let alone the capacity of human resources, necessary to carry out effectively these reforms, more often than not, prove not adequate enough. The lack of forward planning, together with the lack of coordination between the various Government Departments, are considered among the main factors impeding the prompt and effective implementation of these reforms and institutional arrangements.

This situation is reflected in a number of cases in social policy related areas. For one, the very recent Law on the reorganization of the social care system (Law 3106/2003) with a view to be integrated into the health care system, is yet to be fully operational. Besides, the new Government that took office in March 2004 adopted recently a new bill of Law so as to reorganize the whole system of health and social care in Greece. In particular, Law 3329/2005 provides a series of regulatory measures with the aim to modernise and reshape the National Health System, both organisationally and in terms of the workforce. To this end, among other changes, the existing 17 Regional Health and Care Authorities (PeSYs) have evolved into becoming Administrative Health Regions. Yet, very recently, the Government announced that these newly created administrative structures will soon be abolished and will be replaced by new organisational forms which have not been specified as yet.

Similarly, Law 2956 concerning the large-scale restructuring and modernization of the Greek Manpower Employment Organization (OAED), which was introduced in 2001, had to be modified in 2003 before even its full implementation had been put into effect. Moreover, the Government has once more re-examined this modernization process and has already taken further action to improve OAED's functioning. Needless to say that the modernization process of OAED is still undergoing, not as yet fully completed, and, thus, its impact is yet to be seen. Besides this, OAED's remains still a highly centralised structure, which is reflected in the fact that its local branches continue to have almost no autonomy to select measures, to match local needs or to provide more individualized services to individual clients.

Furthermore, in the recently adopted Law on the re-organization of the National Social Care System (Law no.3106/2003), provision has been made for the establishment of a National Observatory for Persons with Disabilities, which is considered a positive development in the context of policy to promote the social inclusion of the disadvantaged groups of society. Yet, almost three years after its establishment, the operation of this Observatory is still pending.

In addition to the above, one should also mention certain provisions of new legal arrangements that were introduced in 2003 by Law no.3144 on “Social Dialogue for the promotion of Employment and Social Protection”, which constitute, undoubtedly, a positive development. For, among other things, provision was made for the establishment of a National Committee for Social Protection with the participation of Social Partners and non-governmental organizations, which opts to function as a permanent forum of Social Dialogue on issues of social protection. Yet, it should be pointed out that since its establishment in 2003 the Committee for Social Protection has only met three times to discuss issues related to poverty and social exclusion. Responsibility for the administration and functioning of this Committee lies with the Ministry of Employment and Social Protection.

Moreover, this Law provided also for the creation of a new Directorate in the Ministry of Employment and Social Affairs, designed to be responsible for the Social Protection Policies pursued in Greece. This new Directorate consists of three units, one of which is entrusted with the responsibility of coordinating and supporting the elaboration and implementation of the NAPincl, constituting thus a permanent administrative structure. Thus far, however, no system has been developed to monitor progress of implementation and to evaluate the impact of NAPincl measures and actions.

On the other hand, the institutionalisation, through the issuing of Ministerial Decisions, of specific schemes of social support, such as the “Help at Home”, “Child Care and Creativity Facilities” and “Care for the Elderly”, has enabled implementation of such schemes to be on the increase over recent years. These are being implemented in the main by municipal authorities and agencies under the Regional Operational Programmes and the Operational Programme “Employment”, though their financial sustainability, after the ESF’s funding comes to an end, still remains an open question.

1.5 Progress of implementation of the main policy measures under each of the 4 Common Objectives

Undoubtedly, particular emphasis has been placed by both the first and the second Greek NAPincl on measures and actions that serve Objective 1.1 “Facilitating participation in employment”, the vast majority of which are measures included already in the Greek NAP for Employment. When it comes to examining the progress of implementation to date of the various employment promotion and accompanying support measures presented under the NAPincl, according to official data, the vast majority of these measures appear to be well under way. Needless to say that the majority of these measures rely heavily upon the availability of E.S.F.’s financial resources. Yet, the issue of securing the financial sustainability of all these newly created social support structures and services, when the ESF’s funding comes to an end, remains a challenge ahead.

More specifically, the basic employment policy mix open to various vulnerable social groups (disabled, immigrants, unemployed individuals aged 45-64, ex-drug users etc) comprises of the following active

measures: employment subsidies, start-up incentives and quotas, training-retraining programmes and accompanying support services, all of which have been on the increase over recent years. Some of these actions and programmes are financed out of national resources (i.e. wage-subsidy programmes, start-up schemes, etc) whereas a large number of them are financed by the E.S.F under the various Operational Programmes of the Greek C.S.F 2000-2006, as well as under the Community Initiatives.

In general, it may be said that employment policies in Greece towards the social vulnerable groups have shifted significantly during the last few years in favour of active measures. Largely under the influence of the European Employment Strategy, the policy mix has increasingly placed emphasis on improving their employability instead of improving income support measures and other traditional passive policies. Attempts are also under way to establish the preventative and individualised approach as well as to promote the inclusion of persons from socially vulnerable groups in regular employment and training structures.

Yet, in spite the abovementioned positive developments, the contribution of the various employability and accompanying supportive measures to improving the employment situation in Greece, appears not to have a substantial impact. For, employment rates, although presenting a slow upward trend during the period 2003-2005, continue to remain at relatively low levels. Besides, it appears that these policy measures have benefited unemployed with some resources, but they have not really offered any opportunities to the most vulnerable groups. In this respect, it should be emphasized that, thus far, no major policy initiatives such as “make work pay” policies or “welfare to work” policies have been introduced in Greece as opposed to most of the European Union Member-States.

At this point, one needs to highlight a number of drawbacks in this policy area, which continue to prevail in Greece. That is, evaluation studies on the impact of these measures are scarce and hard to come by. In addition, the lack of hard evidence on the number and situation of the various vulnerable social groups raises serious questions regarding both the effectiveness of policy planning and the ordering of priorities in relation to the needs and the number of beneficiaries. Moreover, ensuring a preventative and individualized approach requires properly and adequately resourced Public Employment Services. And although progress has been made towards this direction, it appears that the functioning of the Manpower Employment Organization (OAED), the main public agency responsible for the integration of the unemployed, falls still short of the desirable level. Needless to say that OAED has been since 2001 under a process of re-organisation and restructuring, which is yet to be completed.

Notwithstanding the above, acknowledgement should be made of the fact that certain priority criteria for women’s participation are being increasingly applied in recent years in the majority of employment and training schemes (especially in OAED’s programmes) which have led already to an increase in the share of women’s participation in these schemes. In addition, promotion of investment projects which involve the provision of subsidies exclusively for women’s business – start up and/or for the modernization of existing business run by women has also been on the increase and it is expected to continue. Furthermore, the number of child-care centres, daylong kindergartens, nursery schools and creative children’s centres aiming at helping women to reconcile family life and work have shown a noticeable increase in recent years over the country. Similarly, one observes a substantial increase in the services provided (daycare centres, help at home etc.) to dependant household members (elderly and disabled persons), which, among other things, are expected to facilitate women’s entry/ return into the labour market.

Under Objective 1.2 "Facilitating access to resources, rights, goods and services", particular emphasis has been placed on the so-called Cash Benefit Policy, entailing a wide variety of categorical cash benefits to a large number of beneficiaries, which has been gradually extended over recent years to cover more social vulnerable population groups. Yet, given that in Greece there is not in force any minimum guaranteed income scheme, these cash benefit measures appear not to constitute a coherent safety net for the individuals and families living under conditions of extreme hardship. Apart from the fact that there is no general scheme for long-term unemployment compensation in Greece, benefits on the whole appear to be low, while there is no evidence that they cover all groups experiencing poverty. Besides, lack of information on the part of beneficiaries and existing bureaucratic procedures hinder access to existing benefits by eligible persons. It may be said that certain categories of socially vulnerable persons are over-provided for, while others receive very little.

As regards, in particular, the three targeted income support schemes which were introduced, on a pilot basis, in the first NAPincl and which were modified to continue through the period 2003-2005 and 2005-2006, no complete information is available as to their progress of implementation in terms of the number of persons or families that have benefited to date, let alone as to their impact on alleviating poverty and social exclusion.

At this point, it should be stated, once again, that Greece to date has neither adopted an official poverty line nor a minimum guaranteed income³⁰. This, in turn, explains the co-existence of a great variety of scattered and un-coordinated income transfer schemes to certain population groups (e.g. persons with disabilities, unemployed, ex-prisoners, uninsured women, etc.). So, although there exists a wide variety of categorical cash benefit schemes, which have been extended over recent years, these appear not to constitute a coherent safety net for the individuals and families living under conditions of extreme hardship.

Moreover, note should be made of the fact that no particular links have been established between the various income support measures and the measures implemented under the other Objectives such as employment programmes, social support related actions, integrated programmes, etc. Again, the need for coordinated planning and implementation of the measures relating to combating poverty and social exclusion is of utmost importance.

As to the rest of this Objective's measures (rights, goods and services) these are based mainly on general reforms of systems (e.g. education, health, social protection, etc), most of which have been carried out by legislative and institutional arrangements, although their impact on facilitating better access to goods and services is still to be seen. Moreover, one needs to highlight the establishment over the country of a large number of Social Support Offices (about 100 in total), constituting a Network of Social Support Services, which began to operate in 2005 by providing a range of social support services at municipal level. As to the measures facilitating access to other goods and services such as housing, social tourism, etc, their significance is considered rather limited.

As regards the measures presented under Objective 2, "To prevent the risks of exclusion", although they cover most population groups at risk, they appear to be fragmented and not linked to any measures presented under the rest of the Objectives. Some of the programmes presented such as the "Social Support and Training Centres for disabled individuals", the "Development and expansion of the "PSYCHARGOS"

³⁰ EC (1999) "MISSOC: Social protection in the Member States of the European Union- Situation on January 1999 and evolution" DGV, Unit V/E/2, Brussels, pp. 503-585.

Mental Health programme” and the “Integrated urban development interventions”, gather innovative elements especially by being based on an integrated approach. These programmes are now under implementation, exhibiting a moderate pace of progress.

Under Objective 3, “To help the most vulnerable”, a small number of measures are proposed, mainly through the provision of support in intercultural educational problems, while there is no evident link between the actions foreseen and the accompanying social support services that are needed for the specific groups. The policy pursued is based more on a target group approach rather than on a structural reform to prevent exclusion. Most of the measures are targeted at specific population groups although not all groups are covered. Here again, there are only a few measures, which could be characterised as innovative, being underpinned by an integrated approach. One such programme that can be singled out is the Integrated Action Plan for ROM (gypsies) which entails measures relating to infrastructural investment combined with investment in human and social capital. Implementation of these integrated programmes is now under way, although it is difficult to assess whether the targets set in 2003 for some of them have been achieved.

As far as the action taken with regard to Objective 4 “To mobilise all relevant bodies”, it may be said that the issue of mobilization of various stakeholders and their participation in areas of public policy decision-making processes is, in substance, still underplayed in Greece. For, the very centralised system and the dominance of closed procedures characterising the Public Administration in Greece, although steps have been made over recent years to change this, continue to impede the active involvement and participation of various stakeholders. Besides bottom-up and user-oriented approaches, open procedures and social dialogue processes that would enhance participation of various actors, are still not adequately developed in Greece, particularly in the context of poverty and social exclusion.

Nevertheless, the recent law on “Social Dialogue for the promotion of Employment and Social Protection” is considered an initiative in the right direction, since it is expected to enhance participation of various stakeholders (including NGO’s) by promoting a continuous process of dialogue and negotiation on crucial policy areas such as employment and social protection. Yet, as stated in the previous section, since June 2003, when this Law came into force, the action taken to promote public dialogue and stakeholders’ participation in the context of social inclusion processes is considered very limited. It may thus be said that promoting mobilization and enhancing participation of different actors, as well as ensuring coordination among them, remains a challenge ahead, which needs to be addressed in a consistent and systematic way.

As regards the progress made to improving governance in the social policy area, no real action has been taken over the last year, neither in terms of establishing mechanisms for the systematic monitoring, evaluation and coordination of measures, nor in terms of promoting social dialogue through the National Committee for Social Protection. And this, in spite the fact that in the NAPincl 2005-2006 it was clearly stated that a National Council for Social Protection would be established to replace the existing National Committee for Social Protection, so as to become the main field of social dialogue and at the same time to undertake the responsibility for the following up and the evaluation of actions in the social protection area in Greece. Thus far, however, the establishment of the National Council for Social Protection is pending, while the existing Committee remains rather inactive.

1.6 The role of the European Structural Funds

Throughout the NAPincl references are made to the Greek CSF 2000-2006 and to the EQUAL Community Initiative, but no figures or financial data are provided at the level of objectives or measures regarding the contribution of the Structural Funds or of the ESF in particular. However, a large number of measures especially those under Objectives 1.1, 2, 3 and less so under Objective 4, implicitly entail ESF contribution.

Undoubtedly, the ESF is active in Greece in the area of social inclusion mainly through the strengthening of employability and promotion to work of vulnerable groups, including facilitation of access to the education and health systems, as well as through the establishment of a large number of structures and programmes providing community social support and care services.

The ESF's support is reflected mainly in the co-financing of the Operational Programmes "Employment and Vocational Training", "Education and Initial Training" and "Health and Welfare" and of the thirteen (13) Regional Operational Programmes. The Regional Operational Programmes, in particular, include measures such as: human resources development measures; accompanying support measures for the promotion of local employment initiatives; improvements in health, welfare and environmental infrastructure; integrated interventions for urban and rural development; specific measures for improving and extending social support and welfare services provision; specific measures for increasing the labour market participation of immigrants and ethnic minorities.

Support is also provided by the ERDF for related infrastructure and equipment. In addition, the EQUAL OP for Greece aimed at promoting and testing new ways of combating the discrimination and inequalities faced by the most disadvantaged in the labour market (young people, women, those without educational qualifications, ethnic minorities, people with disabilities, older workers, refugees, ex-offenders, drugs and alcohol abusers and asylum seekers) relies heavily on the ESF's support. A number of integrated programmes for the development of agricultural areas are also being implemented under the Operational Programme "Rural Development and Rural Restructuring" aiming at preventing the risk of social exclusion in mountainous and disadvantaged areas. Furthermore, a certain number of actions concerning mountainous areas of the country are being implemented under the Community Initiative "LEADER+".

Overall, it may be said that apart from a wide range of financial benefits (cash benefits) presented under Objective 1.2, the majority of the measures under the NAPincl appear to rely heavily upon the availability of European Structural Funds and especially ESF's financial resources. Yet, no data is available, based on specific evaluations, as to the impact that the ESF's co-financed programmes had on the employment and social inclusion of the vulnerable social groups in Greece. For, the data available refers to the number of beneficiaries of the various programmes and actions implemented, as well as to the proportion of the financial resources used, and not to the actual change that has been brought about as regards their employment status and living conditions in general. Needless to say that empirical evaluation studies as regards the situations of poverty and social exclusion, are hardly available in Greece. It is thus evident that conducting special surveys on a number of aspects of poverty and social exclusion, for which there is no information or only limited information so far in Greece, should be given a high priority.

Moreover, improving human resource capacity building at regional and local levels should also be given a high priority. For, although it is recognized that social infrastructure at local level is of vital importance in successfully implementing actions against poverty and social exclusion, as clearly stated in the Greek

NAPincl, institution building, to ensure that the institutional structure provides appropriate support for an integrated policy approach, with active partnerships among local actors and between levels of Government, is still at an early stage of evolution.

1.7 The synergy between NAPincl and NAPempl

As mentioned earlier, the vast majority of the measures implemented under the Objective 1.1 of the NAPincl are also included in the Greek NAP for Employment. Yet, given the lack of coordination between the various Administrative Departments in Greece, and especially the lack of a monitoring mechanism of the measures and actions of the NAPincl as well as of the NAPempl, synergy between the two distinct but related National Action Plans is hard to come by.

In this context, it should be pointed out that, up to now, elaboration of the two NAPs continues to be made separately by two distinct groups of experts and policy makers. Note also should be made of the fact that the NAPincl continues to be based upon a number of measures and actions included in the NAPempl, while the reverse is hardly the case. Moreover, no plans have been presented for the establishment, in the near future, of appropriate monitoring mechanisms which will ensure close and systematic linkage, and thus synergy, between the two distinct NAPs.

1.8 The impact of the NAPincl on regional and local levels of governance

It goes without saying that the centralized character of policy making in Greece, particularly in the social protection and employment areas, impedes the development and implementation of specific integrated plans for social inclusion at the regional or local level. For, the responsibility for the planning and implementation of measures such as: income support schemes, pensions, housing arrangements, actions to prevent early school leaving, actions to combat child poverty etc., continues to lie with the central Government. As a result, Regional Authorities, and all the more Local Authorities, are restricted to the planning and implementation of a limited range of social policy related measures and actions. This means that the measures implemented by the Regional Authorities have a limited potential to respond to all six key priorities for social inclusion. This, in turn, implies that these measures alone cannot form an integrated action plan for social inclusion at regional level and, thus, it is unlikely to have a significant impact upon reducing the problems of poverty and social exclusion.

Furthermore, it should be noted that, responsibility for employment remains centralized, although over recent years there appears to be a slow move towards devolution of central government functions. While the regional and local levels still have relatively few powers in the area of employment, some projects have been implemented by local authorities, notably under European Community Initiatives, such as the EQUAL program, Article 6 of the ESF, etc. Nevertheless, local branches of Public Employment Services in Greece, have almost no autonomy to select measures, decided at national level, to match local needs or to provide more individualized services to individual clients. Besides, the competencies of the local authorities in Greece do not include welfare support.

Besides the above, it should be underlined that, in Greece, there is little tradition of coordination and cooperation among the various Government Departments, let alone between the central and the regional or

local administrations. Indeed, there are no clear vertical links between local/regional and national levels to ensure that the national action and local actions are mutually reinforcing, neither effective horizontal administrative and institutional arrangements at local level (i.e. partnerships and institutional coordination) to integrate the efforts of all actors at the point of delivery.

However, one needs to point out that changes over recent years in the legal framework of Health and Social Care Provision have paved the way for the provision of health and social care services at an integrated manner, which is long awaited in Greece.

Nevertheless, there is still need to move towards more responsibility for Regional and, especially, Local Authorities for the delivery of customer-tailored services closer to the needs of vulnerable social groups and, in particular, of those in unemployment and those in poverty and at high risk of social exclusion. This means that action should be devolved down to the lowest level possible and that central, regional and local administrations will need to work together in partnership with each other and non-statutory agencies.

To this end, efforts in Greece need to be directed to ensuring coordination and synergy between different Government Departments and Agencies as well as between the Central Administration and the Regional Authorities, based on an overall strategy in relation to the economic developments prospects, the labour market and the social fabric of a particular region.

Overall, it may be argued that the preconditions for the development of a comprehensive and coherent approach to the local dimension of poverty and social exclusion are still grossly inadequate in Greece.

1.9 The challenges ahead

As it has been the case with all the Greek NAPs for Social Inclusion that have been presented to date, there exist certain challenges which continue not to be adequately identified in the National Action Plans, and thus no specific measures are proposed to tackle them. In some cases, where measures are proposed, it is not so clear whether these represent a realistic response to the challenges to be addressed, nor as to how the stated objectives can come about. There is thus a need to address these challenges through a more consistent and appropriate policy action.

Among these challenges, the following can be singled out:

- Improving governance in the social policy related areas remains a major challenge that requires to be given first and foremost priority for action.
- Developing a comprehensive and coherent approach to the local dimension of poverty and social exclusion remains a challenge that needs to be addressed through the devolvement of social policy and, in particular, labour market policy responsibilities, to regional and local levels.
- Early school leaving, with strong intra-generational poverty links, remains a challenge ahead that needs to be better targeted, while lifelong learning requires further development and integrated action, especially for vulnerable groups.
- The reform of the social security system remains a major challenge, while ensuring a “safety net” for all groups experiencing poverty needs to be given particular attention. In this respect, the system of social benefits needs to be modified so as to provide incentives and occupational integration.

- The persistence of regional inequalities, though identified, remains also a challenge that needs to be addressed through specific and targeted policy measures, underpinned by an integrated approach.
- Integrating immigrants and promoting multiculturalism require consistent application of an inclusive policy approach, which goes beyond the adoption of legal arrangements.
- Finally, consistent application of a gender mainstreaming approach and widening accessibility to all areas of economic and social life for the various categories of persons with disabilities needs to be maintained.

2. Active Inclusion and Minimum Income

2.1 Description of the situation.

Benefits and allowances.

It should be stated right from the outset, that, thus far, Greece has not yet put in force the EU Recommendation 92/441/EEC of 24 June 1992, concerning the implementation of a Minimum Income Scheme (MIS) for all people in need. In this respect, it is not feasible to comment on the Minimum Income (MI) as the basic ingredient of the active inclusion policy implemented in Greece, let alone on its relations to labour market activation policies, empowerment and access to basic services.

The lack of a universal MIS in Greece, is partially counterbalanced by a complex system of a great number of various benefits and allowances aiming at the financial support of specific population groups or groups living under certain socio-economic circumstances. A summary table of a wide range of welfare benefits and allowances, including the number of recipients and the amount of each benefit/ allowance, which are in force in Greece is presented in Annex. On the basis of the data presented in this table, a number of useful remarks can be made:

First, the majority of benefits / allowances appear to be flat rate ones. Only five benefits/ allowances are means-tested. These latter benefits/ allowances are: *Revenue support to permanent resident households in mountainous and disadvantaged areas*, *Support for long term unemployed persons aged 45-64 years old*, *Pre-school and school benefit to families with children up to 16 years old*, *Special allowance after the end of unemployment benefit period*, and *Special allowance after having remained for three months in the unemployment registers*. In addition to these, there exist five benefits / allowances which are lump-sums and cover various socio-economic situations, such as damage from natural disasters, inability to cover with their own means some emergency, repatriation and maternity for uninsured mothers and mothers insured under the social security fund IKA.

In general, one notes that the economic situation of the welfare recipients is not –by and large- an eligibility criterion. That is, poor and rich persons receive the same amount of money, if suffering from the same disease or are victims of a disaster, though the marginal utility of money is higher for poor persons as compared to the marginal utility of rich persons. Overall it appears that the existing benefits and allowances have not been designed to upgrade the income of welfare recipients up to a certain predefined level of income and, thus, these do not act as minimum income schemes.

Second, it is not possible to detect the employment situation of the welfare recipients- with the exception of the unemployed persons- given that such data are not published. In this respect, it is quite difficult to calculate the take up rates of all benefits and allowances, since we do not know the magnitude of the number of certain population groups. For example, there are no published data on the number of people suffering from severe diseases (e.g. blindness, deafness, etc.), while in the case of the unemployed persons there are two estimations as regards their number. One of these is based on the data of the quarterly Labour Force Survey provided by the National Statistical Service of Greece and the other one is based on the registered unemployment held by the Manpower Employment Organization.

Furthermore, when examining the case of single parent's households, one finds that they are estimated to be approximately 62.000 in 2001³¹ with exceptional high poverty rates³², while available administrative data shows that only 225 of them received benefit for single parent families in 2003 (See Table in Annex).

Third, the country's redistributive system is a centralized one, given that the whole responsibility of all facets of the provision of benefits and allowances is entrusted to only two Public Administration Departments, namely the Ministry of Employment and Social Protection and the Ministry of Health and Social Solidarity.

Fourth, the amounts of benefits and allowances on the whole are undoubtedly low. Given this, it can hardly be supported that these may act as obstacles to the labour market inclusion of the welfare recipients. Some of these benefits, such as those provided to unprotected children, lone mothers, etc, reflect rather an act of "public philanthropy" rather than an income support measure.

In attempting to examine whether these benefits/ allowances contribute to the rise of employment rates of welfare recipients or to the avoidance of poverty, it becomes evident that no firm answer can be given. The main reason being that the overriding objectives of these benefits and allowances are neither the avoidance of poverty or extreme poverty nor the improvement of the labour market situation of welfare recipients. In the case that such an objective is achieved, it happens rather by chance and it is not the outcome of targeted planning. This is congruent to the fact that Greece, thus far, has not adopted an official poverty line, implying thus that poverty and extreme poverty are not officially defined and their reduction does not constitute the main objective of social policy measures. Similarly, the provision of benefits and allowances does not aim, by design, at the improvement of labour market situation of the welfare recipients. However, one needs to point out that such an approach, combining benefits and labour market activation, can only be applied to those welfare recipients who can be employable, even after special treatment and the provision of supportive services, and not to those who suffer from severe illness.

In general, it may be said that the provision of benefits and allowances in Greece is not connected directly with measures and actions aiming at the empowerment and labour market insertion of welfare recipients, in the sense that welfare recipients are not "obliged" to be linked with the labour market. In other words, it

³¹ Lehmann P., Wirtz Ch., 2004, Household formation in the EU-Lone parents, Eurostat, Statistics in Focus, POPULATION AND SOCIAL CONDITIONS, THEME 3-5/2004, Table 3 , p.2.

³² For 1998, the poverty rate for lone parents with all children 0-17 years old was 42. 2 per cent: ³² Matsaganis M., O'Donoghue C., Levy H., Coromaldi M., Mercader-Prats M., Toso S., Tsakoglou P., 2004, CHILD POVERTY AND FAMILY ASSISTANCE IN SOUTHERN EUROPE, Paper prepared for 28th General Conference in the International Association for Research in Income and Wealth Cork, Ireland, 22-28 August 2004, Table 1, p.22, <http://www.iaiw.org/papers/2004/holly.pdf>

becomes evident that the system of benefits in Greece has not altered, thus far, so as to provide incentives to occupational integration.

Labour market trends.

It is well established that the employment rates of the Greek population continue to lag behind the average EU employment rates, especially of women and young persons as well as of members of various vulnerable social groups. In 2005, the employment rate for the age group 15-64 was 60.1 % in Greece and 63.8% in EU-25, the employment rate of men was 74.2 % in Greece and 71.3% in EU-25, and the employment rate of women was 46.1% in Greece and 56.3% in EU-25³³. The gap appears to be much narrower as regards the employment rate of the age group 55-64: 41.6% in Greece and 42.5% in EU-25. Here again, although the employment rate of men aged 55-64 was 58.8% in Greece and 51.8% in EU-25, the respective rate of women is much lower in the case of Greece, i.e 25.8% in relation to 33.7% for EU-25³⁴.

As regards the recent evolutions in the domain of unemployment, the unemployment rates in Greece remain higher than the respective rates of EU-25³⁵, although a slight downward trend has been observed over the last year³⁶. Moreover, it continues to affect disproportionately women, young persons and especially young women who are graduates of secondary school and some members of vulnerable groups such as persons with disabilities, ex drug users, lone parents, etc.

The activity and inactivity rates of working age population in Greece are respectively lower and higher than the respective rates for EU-25³⁷. In other words, a sizable proportion of the Greek working age population is furthest from the labour market, implying thus that more resources (human and material) are needed in order to attract more people in the labour market.

Given the above, it may be said that unless concentration of effort is put to increasing the employment rates of those who are furthest from the labour market, Greece's task to catching up with the Lisbon's Strategy Employment targets by 2010 appears to have a very limited perspective to be achieved. For, given that the employment rates of men are already higher than the target set (with the exception of young men's employment rates which are still low), policy design and action should be directed towards improving the employability of specific categories of population, such as the women, young persons, older women and people from various vulnerable social groups. This, in turn, implies, among other things, that particular attention is paid on developing and implementing a policy mix which combines labour market and active inclusion measures.

³³ Data extracted from: EUROPEAN COMMISSION (EC), 2005, Indicators for monitoring the 2004 Employment Guidelines 2005 compendium, Employment, Social Affairs and Equal Opportunities DG, Brussels, p.10.

³⁴ Eurostat: Structural Indicators database

³⁵ In 2004, the unemployment rate in Greece was 10,5 % against 9,0 % in EU -25: EC, 2005, Indicators for monitoring the 2004 Employment Guidelines 2005 compendium, Employment, Social Affairs and Equal Opportunities DG, Brussels, p. 9.

³⁶ 9.8% in 2005: Eurostat, Queen tree database

³⁷ In 2004, the activity rate in Greece was 66,5 % against 69,7 % in EU- 25: EC, 2005, Indicators for monitoring the 2004 Employment Guidelines 2005 compendium, Employment, Social Affairs and Equal Opportunities DG, Brussels, p. 46.

Supportive services- active labour market measures for vulnerable groups.

Under the consecutive Community Support Frameworks for Greece over the period 1994-2006, a number of structures (including infrastructures) have been established aiming at the provision of supportive services and employment support to specific population groups such as –*inter alia*- unemployed persons, people with disabilities and persons who are users of psychiatric services etc.

In particular, unemployed persons, who receive or do not receive unemployment benefits, are given a better opportunity to re-design their occupational prospects through the advice, empowering and counseling offered by specialized personnel of the Manpower Employment Organization's Centers for Employment Promotion, which are situated all over Greece. To date, 119 such centers have been established and the perspective is that these centers will evolve into becoming one-stop-shops in order to provide a better service to the unemployed persons.

People with disabilities, whether they are eligible or not for disability benefits, can get supportive services, medical treatment, rehabilitation services, labour market counseling and professional training in the Centers for Education, Social Support and Training of persons with disabilities. To date, 20 such Centers³⁸, out of the 24 planned, are in operation aiming not only at the avoidance of institutionalization of persons with disabilities, but also at their social inclusion.

For psychiatric services users, a ten year programme is under way aiming at their de-institutionalization and their socioeconomic re-integration, through the provision of sheltered housing in the community, as well as through the provision of support for their active engagement in various types of employment (e.g. protected employment, employment in the free market or participation and employment in productive cooperatives).

Under the framework of certain Operational Programmes (Sectoral or Regional) of the Greek CSF 2000-2006, a number of measures and actions reflect the policy mix defined as active inclusion policy in the sense that these measures entail empowerment, labour market activation programmes and access to basic services. Yet, these do not include income support schemes, given that such an expenditure is not eligible under the Operational Programmes.

The above can be illustrated in the following example: the O.P. "Employment and Vocational Training 2000-2006"³⁹ includes a number of integrated measures in favour of 3000 unemployed persons of certain vulnerable groups (Gypsies, Greek Muslims and repatriated Greeks). These measures provide, in particular:

- a) training courses, which entail a training allowance of 5 Euros per training hour, and
- b) supportive services, which entail actions such as empowerment, vocational counseling and facilitating access to basic services.

It should be noted that those participants of the training courses who are eligible for unemployment benefit, are not entitled to receiving it while attending the training course.

³⁸ http://www.konstandaras.gr/corpsite/display/dsp_Entity.asp?en_id=599

³⁹ Ministry of Employment and Social Protection, <http://www.posonolotahos.gr>

Training is offered by certified agencies (KEK), while supportive services are provided by specialized agencies. Note should be made of the fact that the implementation of integrated measures in favour of vulnerable groups relies heavily upon the engagement of a great number of NGO's, as well as upon the close collaboration between all the agencies involved.

Under the same Operational Programme, action is under implementation which aims at the provision of supportive services to 15.000 persons of various vulnerable groups: persons with disabilities, persons with psychiatric disorders who live in the community, repatriated Greeks, immigrants, refugees, prisoners and ex-prisoners, special cultural groups, ex-drug addicts, HIV patients and women who are threatened by labour market exclusion. This action aims, in particular, to upgrade their social and professional skills through empowerment, vocational guidance and access to basic services.

Similarly, Regional O.Ps and Community Initiatives such as the EQUAL O.P. include integrated measures aiming at the labour market inclusion of persons of various vulnerable groups, reflecting thus, to some extent, an active inclusion policy action which is targeted to persons furthest from the labour market, who might be welfare recipients or not.

However, turning into examining the potentiality of the social economy sector to promote the active inclusion of vulnerable social groups, it should be underlined that, thus far, in Greece, there is not a real notion of a social economy. The potentiality of the sector in facilitating and promoting the active inclusion of vulnerable social groups, especially into the labour market, has not been exploited as yet. For, it is not recognized as a specific social and economic sector as yet, and thus there is a lack of any dedicated institutional or legal framework for action or for the functioning of social economy organizations. The only exception being, the recently established Social Cooperatives for persons with mental health problems. It should be noted that in these Cooperatives the majority of employees are persons with mental health problems, who in addition to their salary, they are allowed to receiving any welfare benefit that they are entitled to.

Socioeconomic situation.

Greece's output growth performance has been kept steadily high over the last ten years. Yet, as already noted in an early section, this positive development has not led to the desirable employment gains nor to a reduction of poverty. The country's poverty rate remains stable -at least during the time period 1998-2003- approximately 20%, which is well above the respective EU average. In this respect, during the time period 1998-2003, the percentage of working poor remains steadily higher than the EU average one⁴⁰, while it seems to be an ascending tendency in child poverty⁴¹. Moreover, older people living in rural areas, retired persons, unemployed persons, lone parents and people with low qualifications are permanently the victims of poverty. The inability of economic growth to reduce poverty in Greece brings to the front the issue of

⁴⁰ In 1998 the percentage of working poor was 13 % in Greece and 7 % in EU – 15, while the respective numbers for 2001 was absolutely the same ones: EC, 2005, Indicators for monitoring the 2004 Employment Guidelines 2005 compendium, Employment, Social Affairs and Equal Opportunities DG, Brussels, p. 56.

⁴¹ Child poverty rates were 18 % in 1995 and 21 % in 2000: Hoelscher P., 2004, A thematic study using transnational comparisons to analyse and identify what combination of policy responses are most successful in preventing and reducing high levels of child poverty, Final Report, Submitted to: European Commission DG Employment and Social Affairs, March 2004.

For 2003, the child poverty rate was estimated at 20, 6 % (provisional data): Bouzas N., 2006, Child poverty in Greece: Investigating the policies, (Forthcoming).

social justice, while there are no optimistic perspectives or any clearly stated objectives regarding the reduction of poverty rates and social inequalities in the near future.

Combating economic inequalities which stem from the functioning of the economic system, through redistributive policies and especially through the provision of benefits and allowances (pensions not included), seems not to be very effective in Greece in terms of poverty rates reduction over recent years. For example, according to the latest data, Greece exhibits the lowest drop of the at-risk-of-poverty rate after the calculation of social transfers in comparison to the EU-25⁴². The low impact of social transfers in reducing poverty may be the result either of bad/mis-targeting in the sense that the benefits and allowances are received by not eligible persons / households, or of the inadequacy of resources devoted to the support of persons / households in need.

Similarly, the conclusions of a study on the impact of family assistance on child poverty in southern Europe reveal that *“too many poor families with children are ineligible for income support (as in Greece and Italy) or receive low benefits (as in Spain and Portugal)⁴³”*. In any case, the effectiveness of money transfers to the households with children in terms of reducing child poverty seems to be very low in southern Europe, while the most successive system in reducing child poverty seems to be the Danish one, which *“clearly emerges ahead of the others in terms of generosity: it would be the costier, but also the one with the highest impact on child poverty in all countries of southern Europe⁴⁴”*.

2.2 Challenges ahead

Summing up the conclusions of the analysis presented under the previous section, it must be clear by now that Greece is the only country among the old EU-15 Member-States which has not as yet put in force a “Guaranteed Minimum Income Scheme”. Moreover, it has become apparent that no direct links have been established between the provision of benefits/allowances and the economic and labour market situation of welfare recipients, while in the cases of welfare recipients who suffer from severe diseases one observes a complete absence of such links. It seems, therefore, that the system of social benefits in Greece needs to be altered in an appropriate and consistent way so as to provide incentives for facilitating labour market integration of welfare recipients.

The absence of an official poverty line in conjunction with the unknown economic situation of welfare recipients does not allow the assessment of the impact of this kind of money transfers on the reduction of poverty rates. However, the available estimations of the impact of social expenditures on the poverty of general population and the child poverty, reveal an inefficient social policy system. The over centralized

⁴² GUIO A.-K., 2005, INCOME POVERTY AND SOCIAL EXCLUSION IN THE EU25, EUROSTAT, Statistics in focus, POPULATION AND SOCIAL CONDITIONS, 13/2005, Brussels, figure 6, p.5.

⁴³ Matsaganis M., O'Donoghue C., Levy H., Coromaldi M., Mercader-Prats M., Toso S., Tsakloglou P., 2004, CHILD POVERTY AND FAMILY ASSISTANCE IN SOUTHERN EUROPE, Paper prepared for 28th General Conference in the International Association for Research in Income and Wealth Cork, Ireland, 22-28 August 2004, p. 16, <http://www.iarw.org/papers/2004/holly.pdf>

⁴⁴ Matsaganis M., O'Donoghue C., Levy H., Coromaldi M., Mercader-Prats M., Toso S., Tsakloglou P., 2004, CHILD POVERTY AND FAMILY ASSISTANCE IN SOUTHERN EUROPE, Paper prepared for 28th General Conference in the International Association for Research in Income and Wealth Cork, Ireland, 22-28 August 2004, p.16, <http://www.iarw.org/papers/2004/holly.pdf>

administration of the social policy system and especially that of income redistribution, seems to be unable to cope with the persistent high unemployment and poverty rates that Greece is faced with over the last ten years. The improvement of social policy efficiency in terms of reducing poverty rates and increasing labour market participation of welfare recipients in order to catch up with the Lisbon's Strategy employment targets seems to be a difficult task, demanding an absolutely different approach. This approach should ensure that any person in need will be able to have enough money to live, supportive services for his/ her empowerment, connection with labour market activation policies and access to basic services. Such a policy mix can be found in some measures/ actions of ESF's co-financed programmes, as it was stated in an earlier section of this chapter, while this is not the case for all welfare recipients. This implies that receiving welfare benefits/ allowances does not form an eligibility criterion for participating in active inclusion measures/ initiatives.

On the other hand, it should be pointed out that the fear of losing the low, but secure, benefit/ allowance seems to be an obstacle to the labour market inclusion of vulnerable groups. Some persons are not persuaded enough to be confronted with the risk of losing their benefit for a short-period training allowance or for insecure/ low salary from employment. A radical rearrangement seems to be needed regarding the linkage between the entitlement of benefit/ allowance and the participation in training or employment. In this respect, a number of various alternative solutions have to be examined in order to transform welfare benefits/ allowances to incentives for labour market participation of vulnerable groups. For instance, welfare recipients may continue to receive benefits / allowances if their revenues from training or employment are under a certain income threshold or these benefits/ allowances could be reduced down to a certain level if the welfare recipients' income exceeds a predefined amount of money. And although these alternative solutions mentioned above can be considered only as indicative examples, one needs to underline that the rearrangement of the linkage between the provision of welfare benefits / allowances and participation in training or employment is an issue that requires specific policy action design and action in order to increase the low labour market participation rates of vulnerable social groups.

As a concluding remark it may be said that the elaboration, implementation and expansion of active inclusion measures all over labour market interventions in Greece constitutes a challenge that needs to be given a high priority for action. It requires, however, the development of a highly decentralized and efficient public administration, more resources devoted to the support of people in need, more comprehensive designing and targeting of programmes and initiatives and above all, a decisive government in order to direct the needed changes in this area.

2.3 Administration, monitoring and evaluation of policy.

According to the explanations presented in the National Action Plan for Social Inclusion 2003-2005⁴⁵, at that time it was not feasible to introduce a generalized guaranteed income scheme, because of three obstacles: mistargetting, the bureaucracy caused, the threat to individual rights.

- *"Information on income can only be derived from income tax. If this information is supplied 'blind', i.e. not supplemented by other details (e.g. age, existence of children, home in disadvantaged region) or possibly liabilities, then it can lead to payments to many whose 'real' situation is far*

⁴⁵ Ministry of Labour and Social Security, 2003, National Action Plan for Social Inclusion ,2003-2005, July, Athens, p. 29-30.

removed from their apparent plight. It is significant that, below the same dividing line, the tax figures show a threefold number of individuals at risk.

- *Payments to large numbers of people (or the verification process), if not carefully planned, would lead to bureaucracy and widespread inconvenience. This could end up deterring those in real need, while many of those not really in need would carry on claiming.*
- *Finally, unless great caution is exercised, the systems designed to combat abuses may lead to breaches of individual rights.*
- *It is, therefore, our conclusion that in a premature and 'blind' generalized guarantee, the major losers would be precisely those in real need. The idea of constructing an effective welfare state would also suffer in credibility.*
- *A genuine and functioning safety net cannot simply be legislated. It must proceed on the basis of programmes already in place, enriching the benefits already offered. At the same time it must be creating the administrative capacity and social infrastructure needed for its own steady and effective expansion to meet more needs. In this way there can be properly coordinated progress towards the shared final objective: the meaningful provision of functioning social guarantees”.*

Regardless of the official explanations for the unwillingness or the inability of the public administration to implement a universal Minimum Income Scheme, it has been estimated that the cost of the implementation of a guaranteed minimum income scheme could be approximately 0.23% of the Greek GDP or less than 1.0 % of the total expenditure on social benefits⁴⁶.

Undoubtedly, the provision of benefits and allowances is based upon a very centralized administration system with inadequacies in gathering and publishing data regarding the socioeconomic characteristics of welfare recipients. Given this, it is difficult to monitor either their economic situation or their labour market inclusion, especially in the case of welfare recipients, the benefits of which are provided by the Ministry of Health and Social Solidarity. Overall, it appears that there are no evaluation attempts as to the impact of the various benefits and allowances that are in force in Greece. And this is considered one of the main inadequacies of social policy in Greece, which impedes a better policy design and targeting and thus the likely effectiveness of social policy related interventions carried out to date.

2.4 Good practices

The “PSYCHARGOS” Mental Health Reform Programme 2001: Deinstitutionalization and socioeconomic integration of persons with mental health problems

This is an Integrated Action Programme, which aims at the de-institutionalisation and the socio-economic integration of persons with mental health problems: a) by creating of prevention led and therapeutic mental health services and facilities based in the community or in general hospitals and b) by providing pre-training, training, employment opportunities, temporary housing, psychological support, health care, access to cultural events, etc, being based on an individualised approach. Regarding the actions envisaged to be implemented in promoting employment opportunities, the setting up of **Social Co-operatives**, among other actions, is considered an innovative measure per se. Overall, it may be said that this programme represents

⁴⁶ Matsaganis M., 2001, Prerequisites to Minimum Income Reform in Greece, Paper presented at the International Seminar: Improving Minimum Income Systems in The EU, Held in Hoger Instituut voor de arbeid, Katholieke Universiteit Leuven, 9-10 February, p.10.

a new pathway to social inclusion for this vulnerable population group, while its coverage is spread all over Greece.

The ultimate aim of this Programme is to succeed by the year 2010 in closing down some of the large Psychiatric Hospitals of the country and in reducing significantly the size of the remaining hospitals by limiting at the same time the scope of their operation and by upgrading the services provided. Moreover, it is envisaged that efforts will be continued and maintained for the creation of alternative forms of employment and particular for the creation and further development of **Social Co-operatives** all over Greece.

It should be pointed out that the wide range of actions implemented under the "PSYCHARGOS" Programme serve to a great extent all four Nice objectives of the European Process for Social Inclusion and, in particular: facilitating participation in employment, facilitating access to services, preventing the risks of exclusion and helping the most vulnerable as well as mobilising all relevant bodies.

ANNEX

Table: Number of welfare recipients(1) and amount of benefit/allowance by category of benefits

<i>Benefits / Allowances</i>	<i>Amount</i>	<i>Number of person who receive the benefits</i>	<i>Eligibility criteria</i>	<i>Responsible organization</i>
MEANS-TESTED				
Revenue support to permanent resident households in mountainous and disadvantaged areas, with a yearly family revenue under GRD 750.000	EUR 600 for family revenue under EUR 1,500, and EUR 300 for family revenue between EUR 1.500 and EUR 2,200 (yearly)	47000 in 2003	Families residing permanently in mountainous or otherwise disadvantaged areas-- including single-parent families—with an overall annual revenue under EUR 2200.	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
Support for long-term unemployed persons aged 45-65	EUR 200 per month		1) Families with revenue EUR 5000 (maximum) (*) - that limit is increased by EUR 587 for every child under 18, 2) Persons who can demonstrate that they had been unemployed in the entire 12 month period prior to submitting the application	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION (the benefit is paid by the Greek Manpower Employment Organization)
Pension insurance of aged unemployed persons			Unemployed persons (men over 60 and women over 55) will bw insured in the IKA-ETAM social security funds	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION (General Secretariat of Social Security) - Their contribution will be paid by OAED
Pre-School and School Benefit to Families with Children up to 16 years old	The amount of support will be EUR 300 yearly for each child who is a student of grades 1 through 9	13000 in 2003	Families (including single parent families) with yearly revenue under EUR 3000	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
Kidney patients' nutritional allowance	EUR 58 (minimum) to EUR 87 (maximum)		Citizens with renal failure	
Special allowance after the end of the unemployment benefit period	The allowance amounts to EUR 147.16 (equal to 13 days of basic unemployment benefits)		Unemployed persons who are not engaged in seasonal work after the end of the unemployment benefit period, provided they remain unemployed for one additional month, and provided their yearly income does not exceed EUR 7043.29	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION

GREECE

<i>Benefits / Allowances</i>	<i>Amount</i>	<i>Number of person who receive the benefits</i>	<i>Eligibility criteria</i>	<i>Responsible organization</i>
MEANS-TESTED				
Special allowance after having remained for three months in the unemployment registers	The allowance amounts to EUR 169.80	5105 persons	Unemployed persons who do not qualify for regular unemployment benefits, and who have worked a minimum of 60 days within the year prior to their enrolment in the OAED unemployment registers. Additionally, they must remain in the OAED unemployment registers for three months and their yearly income must not exceed EUR 7043.29	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
Subsidy for employer's social security funds		100000 workers	This applies for full time employees with monthly wages not in excess of EUR 600	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION (General Secretariat of Social Security)
Subsidy for employee's social security funds			Full-time salaried employees who work all working days in a month and receive the minimum wages under the national collective labour agreement as unskilled workers	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION (General Secretariat of Social Security)
FLAT-RATE				
Social Support for Thalassaemia, AIDS and other patients (**)	EUR 357 (for haemophilia and AIDS) and EUR 171 for the other conditions		Persons suffering from thalassaemia, congenital predisposition to haemorrhage, or AIDS, provided they do not receive any other economic support from any other source for their illness	MINISTRY OF HEALTH AND SOCIAL SOLIDARITY- MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
Allowance to blind persons (**)	The monthly allowance ranged from EUR 154 to EUR 375		Citizens who are entirely blind to light or who have visual acuity under 1:20, when there is no correction or cure for their condition	
Allowance to deaf persons (**)	the monthly allowance was EUR 154		Persons who are deaf or have a serious hearing deficiency, provided their condition is congenital and has therefore prevented them from developing the ability of speech. They must also fall into one of the following categories: Young persons aged 19 – 25 who are students; persons aged 19 – 65 who are unable to work due to their condition; young persons up to 18 years of age; and persons over 65 years old.	
Supplement to quadriplegic and paraplegic persons who are insured in the public sector social security fund (**)			Persons who are insured under the public sector social security fund, and are quadriplegic or paraplegic, provided they do not reside in an institution or receive any other economic support for their condition from public sector agencies	

GREECE

<i>Benefits / Allowances</i>	<i>Amount</i>	<i>Number of person who receive the benefits</i>	<i>Eligibility criteria</i>	<i>Responsible organization</i>
Allowance for Serious Mental Retardation (**)	the monthly allowance in 2002 ranged from EUR 159 to EUR 241		Citizens with serious mental retardation, with intelligence quotient under 30, and children up to the age of two and a half years, in whose case the IQ can not yet be determined	
Special allowance for released prisoners	EUR 169.8 in 2003	1210 persons	This allowance will be paid to recently released prisoners with no recidivist behaviour	
Unemployment benefit	The daily benefit ranges from EUR 11.32 to EUR 11.97, and is increased by 10% for each dependent family member	259003 in 2001	Employees whose employment contract has expired or has been terminated by the employer, and who have been insured in the unemployment branch of OAED (The requirements are different if they are receiving the benefit for the first time, or for the second and subsequent times)	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
Allowance for young persons aged 20-29	EUR 73.37 per month	1940 persons	Persons aged 20-29 who are entering the labour market for the first time, who seek work but remain unemployed, and have been enrolled in the OAED unemployment registers for one year	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
Special seasonal benefit		170000 persons	Unemployed workers in certain occupational categories that are seasonal in character	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
Large family allowance	This monthly allowance amounts to EUR 36.29 for each dependent child and the minimum monthly allowance amounts to EUR 67.50	86.610 (***)	Large households with at least four children under 23 and single	MINISTRY OF HEALTH AND SOCIAL SOLIDARITY
Allowance for a third child	This is a monthly benefit amounting to EUR 145.13.	51.830 (***)	Mothers with a third child under 6 years of age	MINISTRY OF HEALTH AND SOCIAL SOLIDARITY
Lifelong pension for mothers of four or more children	This monthly benefit amounts to EUR 83.45	192.208 (***)	Mothers from large families	MINISTRY OF HEALTH AND SOCIAL SOLIDARITY
Benefit for single-parent families		225 families with 250 children		MINISTRY OF HEALTH AND SOCIAL SOLIDARITY (This measure is implemented by the regional branch agencies of the National Social Care Organisation)

GREECE

<i>Benefits / Allowances</i>	<i>Amount</i>	<i>Number of person who receive the benefits</i>	<i>Eligibility criteria</i>	<i>Responsible organization</i>
Family benefits provided by OAED	The amount of the monthly benefit depends on the number of children for whom the family is entitled to a benefit (starting at EUR 5.87 for one child), and is increased when the beneficiary is widowed, or has a disabled spouse, or a spouse serving his compulsory military service		Salaried employees of any private employer. Other beneficiaries include repatriated Greeks and mothers who do not work and their husband is in prison or is serving his compulsory military service	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION
LUMP-SUM				
Social Assistance Benefit	a)EUR 586,94 and b) EUR 4,402.05		a) Citizens who have suffered damage from natural disasters, with several additional conditions: the damage must be on their primary home, they must be in a state of poverty, and they must be Greek citizens or aliens who reside permanently in Greece, and b) Persons who were injured or became handicapped as a result of the disaster, and to families who lost one of their members in the disaster	
Emergency allowance (**)	EUR 234.78		Citizens who are unable to cover with their own means some emergency (due to illness, death et al.)	
Special allowance for repatriated Greeks	EUR 283 in 2003	6106 persons in 2001	This allowance is paid to political refugees who had to leave Greece during the 1946 – 49 civil war, or to ethnic Greeks from the countries of eastern Europe, provided that they are unemployed and registered in the OAED registers	
Maternity allowance	This lump sum allowance amounts to EUR 440.20		Uninsured mothers and also to working women who are not entitled to such an allowance from their insurance fund	MINISTRY OF HEALTH AND SOCIAL SOLIDARITY
Supplementary maternity benefits			Working women insured under the IKA social security fund, after the delivery of a baby and on the condition that they have collected the IKA benefit for having been on maternity leave	MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION

GREECE

Social security for persons working in the employer's home (home assistants etc)				MINISTRY OF EMPLOYMENT AND SOCIAL PROTECTION (General Secretariat of Social Security)
--	--	--	--	--

(1) Pensioners are not included.

(*) Before April 2003, the eligibility limit was EUR 3000

(**) The number of benefited persons with disabilities was 160.000 in 2005

(***) Data for 2005: Κυριακάτικη Ελευθεροτυπία, 7 Μαΐου 2006, σελ. 64

Source: National Action Plan on Social Inclusion 2003-2005,
National Action Plan on Social Inclusion 2003-2005, Annex III