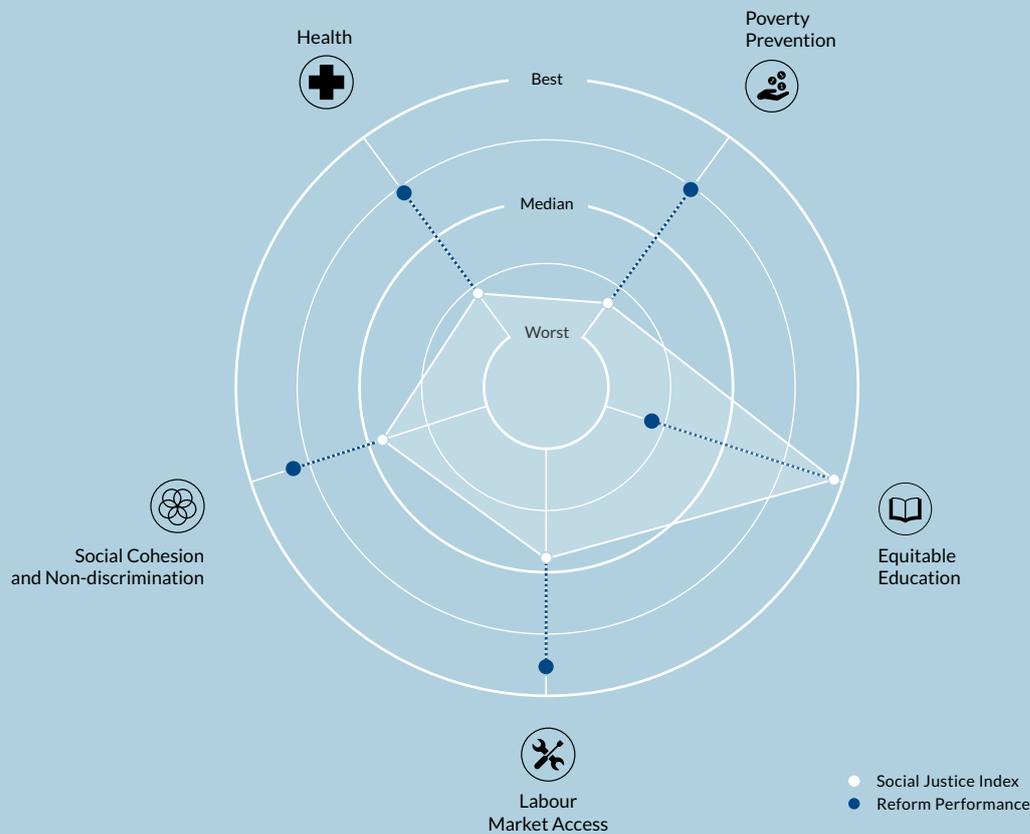


Findings by Country

Lithuania

How does the country rank in the EU?



Overall Findings

Need Lithuania has a high need for policy reform, assessed by the experts at 2.28 (rank 15/23). The highest need is seen in the Health sector (2.65). Compared to 20 other EU member states, Latvia's need for policy change in this area is the third highest. This is not surprising, as Lithuania's place in the 2015 Social Justice Index (SJI) in this dimension was also very low, ranking it 22nd out of 28 countries. In this regard, the 2015 SJI report points out that the provision of health care services varied across Lithuanian counties, and that out-of-pocket payments continued to be frequent.

Based on the experts' evaluations, the second-most pressing issue is the reform of Labour Market Access (2.43, rank 13/19). According to the 2015 SJI report as well as the experts' assessments, youth, low-skilled workers and the long-term unemployed face the greatest challenges in accessing the labour market, with the SJI report explicitly stating that low-skilled unemployment in the country is one of the highest in the EU.

The third-highest need for policy reform is seen in Poverty Prevention (2.28, rank 20/27). The 2015 SJI puts a special emphasis on poverty preven-

Overall Reform Performance Ranking



Overview of Reform Barometer Scores

	Performance			Quality					
	Score	Rank	Rank	Need	Activity	Gap	Rank	Score	Rank
Lithuania Overall	+0.42	5 /20	5	2.24	51%	2.24	N 15 /23 A 6 /23	+0.84	4 /20
Poverty Prevention	+0.40	7 /24	7	2.28	37%	2.28	N 20 /27 A 15 /27	+1.06	5 /24
Equitable Education	+0.00	17 /21	17	1.81	10%	1.81	N 8 /22 A 21 /22	+0.00	17 /21
Labour Market Access	+0.51	3 /17	3	2.43	69%	2.43	N 13 /19 A 4 /19	+0.74	6 /17
Social Cohesion and Non-discrimination	+0.51	3 /12	3	2.03	51%	2.03	N 5 /18 A 6 /18	+1.00	2 /12
Health	+0.59	6 /19	6	2.65	72%	2.65	N 18 /20 A 6 /20	+0.82	5 /19

tion as one of Lithuania’s principal social justice challenges, stating that 27.7 percent of the population was at risk of poverty in 2014. Elderly people were especially at risk of severe material deprivation. The experts also assessed that senior citizens are the group most at risk of poverty (2.82).

Although the experts assess that policy change is slightly less needed with regard to Social Cohesion (2.03) and that Lithuania performs fairly well in comparison to other countries (rank 5/18), the 2015 SJI suggests that more needs to be done (score 5.82 out of 10, rank 16/28).

In the dimension of Equitable Education, Lithuania achieves considerable success, as the need for policy reform is evaluated at 1.81, which is comparatively low (rank 8/22). This is also in accordance with the 2015 SJI for this dimension, in which Lithuania received a score of 7.22 out of 10 and ranked as second-best after Denmark. In addition to that, the SJI stated that some of Lithuania’s most noteworthy achievements include the low dropout rate (in fact, one of the lowest among EU member states), independence of learning opportunities from socioeconomic background, and strong investment in early education, which has been shown to have significant, lifelong positive effects.

Activity According to the experts, Lithuania has the sixth-highest activity rate overall, with half of the need for policy reform being addressed by the government (rank 6/23). The activity rate is within the top third in three dimensions: Social Cohesion (51%, rank 6/18), Labour Market Access (69%, rank 4/19) and Health (72%, rank 6/20). However, looking at Poverty Prevention (37%, rank 15/27) and Equitable Education (10%, rank 21/22), government activities are below average. At least with regard to the latter dimension, this can be explained by the relatively low need for reform and current success in equitably distributing educational opportunities.

Quality The experts evaluate the quality of the actions that were already introduced as relatively high (0.84, rank 4/20). They expect the government reforms to have quite a positive effect on the three most pressing challenges: preventing poverty (1.06, rank 5/24), ensuring better access to the labour market (0.74, rank 6/17) and improving health care (0.82, rank 5/19).

Dimension Findings



Poverty Prevention

Need Poverty Prevention remains one of Lithuania's most pressing issues. According to the 2015 SJI, families with many children, people living in rural areas, young people, disabled people, unemployed people and senior citizens are at high risk of poverty. Based on the experts' assessments, the most urgent actions are needed to prevent poverty for elderly people (2.82), single parents (2.81) and children (2.71).

Activity The activity rate overall is relatively low in this dimension. The experts assess that 37 percent of the need with regard to preventing poverty was addressed by the government (rank 15/27). However, activity varies widely, on the one hand, between the demographic groups – from 6 percent (foreign-born population) to 49 percent (senior citizens) – and, on the other hand, between targeting certain demographic groups versus targeting the total population (68%).

Though the activity rate is much higher for certain demographic groups, it is still below the EU average. For instance, the action taken on preventing poverty for senior citizens and children – two of the most at-risk groups in Lithuania – was estimated to be at 49 and 47 percent, respectively; however, in most other European countries the activity rate was much higher than this. Governmental action on preventing poverty for single parents, who also belong to the at-risk groups, was assessed at only 21 percent. And for foreign-born people, only 6 percent of the need was met.

The activity rate for the total population, however, is significantly higher (68%), both in comparison to the above-mentioned activity rates targeting specific demographic groups as well as to other EU countries (rank 7/27). This shows that the actions taken were mostly targeted at the total population rather than at certain demographic or societal groups.

For example, the experts reported that policy reforms introduced by the Lithuanian government included the amendments to the 'Law on Cash Social Assistance for Poor Residents'. It gives municipalities greater authority over the provision of social assistance benefits, thereby decentralizing the system. Furthermore, the amendments aim to make more efficient use of

expenditure in order to reduce dependence on social assistance benefits and to stimulate participation in the labour market.

Quality The experts expect the policy changes introduced to have a positive effect in the fight against poverty (1.06, rank 5/24). This holds true for preventing poverty for the total population (0.87) as well as for certain demographic groups seen as being at risk, such as senior citizens (0.96) and children (1.33).

Equitable Education

Need Equitable Education is one of the dimensions in which Lithuania achieved substantial success. With one of the lowest early dropout rates in Europe, the experts assess the need for reform in this policy objective to be comparatively low (1.6, rank 8/22). Though more needs to be done to ensure that learning success is independent of children's socioeconomic background (2.17), Lithuania also performs fairly well in this regard when compared to other EU countries (rank 4/22).

Just above the EU median is the need to improve the quality of teaching (1.85, rank 11/22) and to ensure equal opportunities within the education system (1.92, rank 11/22). However, for the latter policy objective, the need varies greatly across the different educational levels. While the need in primary education was just 1.50, it was assessed at 2.18 for pre-primary education. Multiple experts stated that the accessibility of preschool education was a pressing challenge, as many children in rural areas did not have a preschool within their proximity.

Looking at the structural conditions regarding financial and human resources for Lithuania's education system, the need for reform here is the highest one of the six policy objectives within this dimension (2.28). It is also considerably higher compared to other EU member states, being the third highest (rank 20/22).

Activity According to the experts, little has been done to improve the education system in Lithuania. The activity rate is assessed at 10 percent, ranking Lithuania second to last (rank 21/22). The lowest activity is observed with the policy objective of improving the structural conditions regarding financial and human resources (5%), where some activity is seen for early education (29%) but none for any other educational level. And while some actions have been taken to improve the quality of teaching in early education (29%), pre-primary and primary schools (23% each), none has been taken in regards to secondary education or higher levels. Low levels of activity have also been assessed by the experts concerning equal opportunities (17%), the independence of learning success from socioeconomic background (16%), the rate of early school leavers (0%) and the integration of refugees (9%). This, however, needs to be viewed within the context of an overall low need for action.

Labour Market Access

Need The overall need for policy reform targeting Labour Market Access is relatively high (2.43, rank 13/19). The experts assess that policy change is

needed to increase employment opportunities, especially for young people (2.75), the low-skilled (2.63) and senior citizens (2.25). Fewer improvements have to be directed towards the employment of women (1.38), foreign-born people and refugees (0.71 each). Overall, the reduction of unemployment needs less reform in Lithuania when compared to other EU member states (1.87, rank 3/22). In stark contrast, there is an acute need to reduce the number of people who are employed with equivalised disposable income below 60 percent of the national median (3.00). On this policy objective, Lithuania is the worst performer in relation to 18 other assessed EU member states.

Activity The aforementioned urgent need to decrease in-work poverty is already met by an activity rate of 75 percent for this policy objective (rank 5/18). And 59 percent of the need for policy reforms to increase employment was addressed, ranking Lithuania 8th out of 22 assessed countries. All experts reported that government action was taken targeting youth employment, and that 86 percent of the need to bring long-term unemployed people back into the labour market was tackled. Less action was taken addressing the unemployment of women (30%) and low-skilled workers (29%).

Quality The experts rate governmental action as being of high quality (0.74, rank 6/17). They particularly expect to see a reduction of in-work poverty (0.67 rank 8/14) and a fall in unemployment (0.89, rank 5/19), especially for young people (1.26, rank 2/17).

Social Cohesion and Non-discrimination

Need The need for policy reform, as assessed by the experts, varies greatly across the individual policy objectives. While the need to decrease the number of young people not in education, employment or training (NEET rate) (1.67, rank 2/15), to advance gender equality (1.60, rank 4/17) and to improve integration policies (2.00, rank 6/14) is comparatively modest, the need to decrease income and wealth inequality is acute (2.83). On this policy objective, Lithuania ranks last out of 22 assessed countries.

Activity Of the aforementioned acute need for reform targeting income and wealth equality, 53 percent is being addressed through government action. This is the sixth-highest activity rate out of 22 countries.

Health

Need The need for reform in the Health sector was assessed as particularly high (2.65), ranking Lithuania third to last in this policy dimension. Furthermore, the need is high (2.33 or more) across all of the seven assessed policy objectives, ranking Lithuania below average for each. The most pressing issues are the improvement of public health (2.88, rank 20/24) and health care governance (3.00).

Some experts stressed that primary health care needs to be improved. One expert wrote: “There have been some new quality indicators for primary health care, such as avoidable hospitalization for main ambulatory care sensitive conditions, national preventive programmes (cervical cancer screen-

ing, breast cancer screening, colon cancer, cardiovascular disease prevention). There have been some fresh incentives for primary health care, increasing the comprehensiveness of services at [the] primary health care level. But there is too little attention paid to capacity-building and still too few incentives to get a better performance among primary health care services.”¹

Regarding health governance, one expert stated that more cooperation is needed at the organisational level of the health care system. Policies must strengthen inter-agency cooperation and coordination to allow for a better provision of health care services.

Activity While the experts described a high need for reform in the Health dimension, they are confident that the government is already addressing a lot of the issues (72%, rank 6/20). With regard to the efficiency of the health system as well as its outcomes performance, all experts assessed the government as taking action in tackling these issues (100%).

For instance, the experts reported that the Lithuanian government has initiated the restructuring of health care institutions. Two specific aims were to reduce the number of in-patient beds by strengthening out-patient care as well as to cut the number of health care institutions. However, the experts assessed that more needs to be done, as these reforms were only partially successful and health care providers lacked the incentives to reform. Some experts also stated that the methodology for assessing the need for hospital beds has to be reviewed.

Looking at the most pressing issues – public health and health governance – 74 and 75 percent, respectively, are being addressed through policy reforms (rank 10/24 and 6/19). The lowest activity rates can be observed for improving access to health care (30%, rank 14/19) and for ensuring the sustainable and fair financing of the health system (50%, rank 9).

Quality The experts assess the quality of the introduced policy reforms to be relatively high (0.82, rank 5/19). They are particularly optimistic about the influence of the reforms in health care governance and the quality of health care, expecting them to have an above-average impact compared to other EU member states (1.00).

¹ Arnoldas Jurgutis, Faculty of Health Sciences, Klaipeda University