

HELLENIC REPUBLIC

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PRESS RELEASE

Publication of GNCHR Report on the right to social security (5.5.2016)

The Greek National Commission for Human Rights (GNCHR), as an independent body advisory to the greek State on issues pertaining to Human Rights protection, in the context of its institutional role, since 2010 has repeatedly underscored through its decisions and recommendations the economic crisis impact on a whole series of rights, one of them being the right to social security.

With this Report, the GNCHR underlines anew that its specific observations on the impact of continuing austerity measures also regard the social security right and still remain topical. In particular, the GNCHR stressed that the long standing application of austerity measures, gradually becoming permanent, undermines human rights protection finally driving to their non fulfillment, underestimates the State's capability to guarantee basic economic and social rights due to drastic cuts in social expenditure, destructures the Social State and intensifies the downgrading of people's living standards; as a result, an increasing part of the population becomes poorer and miserable; the social gap is getting deeper and the social fabric is broken down, as stressed by international supervisory Bodies.

Taking into account that the right to social security remains topical in the light of additional limiting interventions, the GNCHR takes steps to remind the basic axes of the social security right and sets the framework for social security protection; in addition, it outlines the fundamental elements and the principles governing such protection. Acknowledging the impact from case-law on the Greek social security law making, this analysis allows for summarizing the basic axes that should govern the social security right protection, observing the parameters to be taken on board:

A. An available right

1. A strong institutional framework

- To ensure a powerful and cohesive legal and institutional framework that would include the social security law principles, as set out by the case-law.
- To prepare cohesive and coordinated social security policies.

2. A social security system

- To safeguard a social security system governed by law, on the basis of long term strategies and with the support of a suitable and adequately funded institutional framework.
- State care for compulsory social security (main and supplementary pension) through the establishment of relevant state bodies, the appointment of governing bodies, the exercise of supervision on their activity, their property management and the establishment of related rules.

The Greek National Commission for Human Rights (GGNCHR) is the independent advisory body to the Greek State on matters pertaining to human rights protection. It was established by Law 2667/1998 and is functioning in accordance with the UN Paris Principles. Thirty-two institutions whose activities cover the field of human rights are currently represented in the GGNCHR (independent authorities, departments of university-level educational institutions, trade union confederations, NGOs, political parties and ministries).

3. A sustainable social security system

- To ensure the social security system's sustainability by respecting solidarity between the generations, without deregulation of social rights.
- State care for the social security capital protection and the coverage of insurance organizations deficit (on the basis of State Council case-law) by regulating provisions for the protection and utilization of their assets and the beneficial management of their reserves, setting the related retirement requirements, providing for social resources and directly participating in the financing of said bodies through the state budget. The funding obligation of social security organizations cannot be replaced by welfare benefits.
- Sustainable management of the social security system (on the basis of ILO recommendations) by preserving its economic balance, ensuring effective collection of social security contributions and taxes taking into consideration the country's economic situation and protected persons groups, the elaboration of actuarial and economic studies to evaluate the impact from any change in allowances, taxes or contributions, the granting of benefits as enshrined in ILC 102 and avoiding any additional encumbrance on low income persons.

B. An adequate right

1. A satisfactory living standard

• Through social security benefits, to ensure a satisfactory living standard for insured persons, as close as possible to the one acquired during their working life.

2. Social solidarity

• To manifest social solidarity via social security and to exercise social policy; in particular, to achieve income redistribution in order to mitigate social disparities and inequalities.

3. Exceptionally adverse financial conditions

- Under exceptionally adverse financial conditions, social benefits will be curtailed only under certain conditions. In other words:
- It should be evidenced that the state is no longer able to provide adequate funding to social security organizations and that there is no possibility to safeguard their sustainability with other means (modification of retirement prerequisites, effective management of reserves and assets, provision for social resources, increase of social security contributions).
- The fundamental Constitutional principles should not be infringed. The possibility of cuts in social security benefits is not unlimited but is primarily delimited based on the principles of social solidarity (article 25, para. 4 of the Constitution) and equality in public burdens (article 4 para. 5 of the Constitution), requiring equal distribution of the fiscal adjustment burden among all citizens; cuts in insurance benefits are also delimited by the proportionality principle (article 25 para. 1 of the Constitution), whereby a specific measure should be "truly suitable and necessary to deal with the problem".
- The core of the social security right should not be violated; in other words, a retiree should be awarded such benefits that would allow a dignified life, securing not only physical integrity (nutrition, clothing, housing, basic household goods, heating, hygiene and medical care of all degrees) but also participation in social life as close as possible to the corresponding working life conditions.
- The repeated cuts of retirement benefits require a substantiated study by the legislator, in the framework of correct law-making. This study is different than the actuarial one and should ascertain and showcase in a documented, scientific and judicially controllable way that taking such measures is compatible with the respective constitutional commitments, deriving from social security institution, the principles of equality and proportionality and the protection of human value.

C. An accessible right

1. Coverage and eligibility criteria

- To ensure a public, compulsory and universal character of social security.
- Reasonable and transparent prerequisites for social security.
- To make sure that any disruption, reduction or suspension of benefits is based on reasonable causes, subject to lawful procedures and foreseen by national law.

2. Equality and non discrimination

■ The social security system should be governed by the principle of equal treatment. The State shall be bound on the one hand not to introduce or to abolish any law provisions and policies leading to discrimination and on the other hand to assume the positive obligation of taking special measures by priority to protect the most vulnerable groups.

3. Economic affordability

• To ensure the economic affordability of retributive benefits. Contributions should be a priori determined, while direct and indirect charges linked to these contributions should be affordable to all, without undermining the insured persons' economic and social rights satisfaction.

4. Physical accessibility

• To secure, without discrimination, physical accessibility to all social security benefits taking special care of vulnerable social groups.

5. Effective participation

■ To guarantee effective participation of all social security beneficiaries in the social security management system during the planning, application and evaluation of social security programs and the reform thereof. To take special measures for the support, encouragement and the broadest possible participation of the most vulnerable and disadvantaged groups.

6. Transparency and access to information

• To secure every person's and organization's right to request and receive information, in a transparent and clear way, on all social benefits. The same applies for the reforms of the current social security schemes with the aim of making their impact comprehensible to all.