

SOZIAL POLITIK

TOMORROW'S WORLD OF WORK

SOCIAL SECURITY AND JUSTICE

LIVING AND WORKING WITH A DISABILITY

VOCATIONAL TRAINING AND STUDIES

Foreword

Accident protection at work, health insurance for all, unemployment benefit if you lose your job, or an old-age pension: we take these benefits of the social welfare state for granted. Things were different about 150 years ago. Back then, there was no safety net for accidents, illness, unemployment or old age. In situations like these, the family was the only means of support. Frequently, this still meant poverty and a struggle to survive.

In contrast, today we are protected against major life risks by our social welfare state. The social welfare state is funded by contributions to the social insurance systems and taxes. This makes it possible to achieve abalance between young and old or between healthy and sick people. The most important objectives of the social welfare state are to make this balance fair and to guarantee social protection.

However, the social welfare state needs to be adapted to current challenges. How is the digital transformation changing existing occupations and

businesses? Which new occupations are emerging? How will we work together in the future? What effects does society's age structure have on the social welfare state? These questions are important for all of us – this Pupils' Magazine is designed to impart knowledge and stimulate discussion.

We try to use language that speaks to everyone. That is why we want to write in a way that is as gender-sensitive and accessible as possible. It is not always possible to implement everything equally and to the full extent. In this magazine we use collective nouns that are gender neutral. They refer to all genders unless specifically stated otherwise. Even if certain writing conventions express better that we mean all people (including non-binary people), for some readers this may be at the expense of readability. People who find reading difficult can understand the content better if the text flows rather than always listing all genders and pronouns. For people with visual impairments who use software to have the text read out to them this also facilitates listening and comprehension.

Contents

<u>Tomorrow's world of work</u>	p. 6
<u>Digitalisation</u>	p. 8
<u>Practical aids in starting a career</u>	p. 10
<u>Learning through exchange</u>	p. 13
<u>Social Europe</u>	p. 14
<u>Labour law</u>	p. 16
<u>Right of co-determination</u>	p. 18
<u>Living and working with a disability</u>	p. 22
<u>The principle of the social welfare state</u>	p. 28
<u>Unemployment and unemployment insurance</u>	p. 32
<u>Provision for old age</u>	p. 36
<u>Life risks</u>	p. 38
<u>Social justice</u>	p. 41
<u>Poverty and wealth</u>	p. 44

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Your time at secondary school is coming to an end – what now? Many people find it difficult to decide on a future career and education. How are young people to find a job that not only offers a good income and security, but is also fun and meaningful? Making the right choice is no easier today than in the past.

But no matter which vocational training or study programme you initially choose – lifelong learning in your occupation will be very important going forward. New technologies will change the face of everyday working life in virtually

all occupations in future. Keeping knowledge and skills up to date is therefore becoming increasingly important in the digital age. New job opportunities and other career possibilities open up for those who take advantage of skills development and further training programmes.

Many paths lead to the labour market. Careers advisers at the employment agency are available to help young people with career orientation. Support is also available on some central portals (p. 10–11).

No worries about starting a career

What do young people expect from professional life?

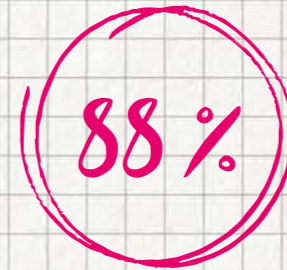
Secure job



Able to do something I find fulfilling



Feel you're making a positive contribution



Enough leisure time alongside work



Source: Shell 2019 Youth Study, representative survey of 12-25 year-olds



Tomorrow's world of work

Not without education and training

Skilled workers are needed – especially to master the digital and ecological transformation.

In recent years, employment has risen continuously and the number of vacancies is higher than it has been for a long time. People are saying that it has gone from an employers' market to an employees' market. According to a survey by the Institute for Employment Research (IAB) in Nuremberg, there were a total of 1.75 million vacancies nationwide in the period from January to March 2023. This is the highest number ever reported since records began in 1989.

It is clear that businesses continue to need the workers of tomorrow. The **demand for skilled labour** is particularly high in some occupations. This is true for IT experts, carers for the elderly or numerous skilled trades, for instance. In **many other occupations, too, businesses are noticing**

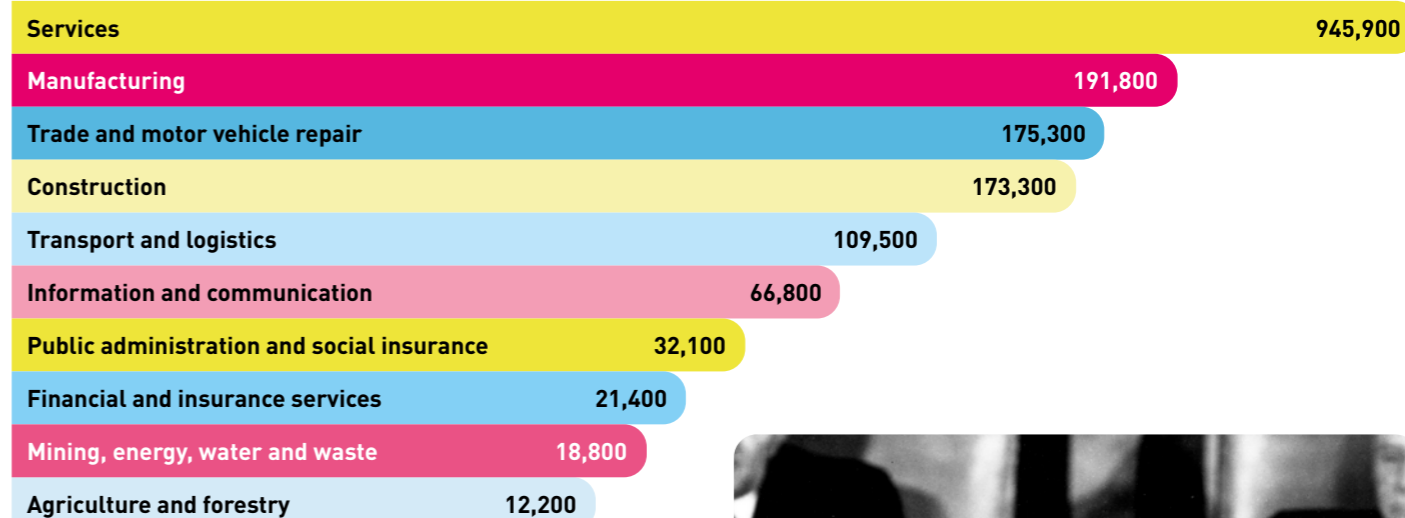
that they are not finding staff as easily as they used to. At the same time, many workers are now entering retirement or will be retiring in the coming years (p. 36). This combination poses a threat to the economy: if positions cannot be filled, work piles up and at some point businesses will have to turn down orders. **Automation can help in some occupations:** if a robot performs supporting activities, workers can concentrate on other tasks.

Digitalisation will also require workers to have new skills, however. According to a forecast by the Organisation for Economic Co-operation and Development (OECD), more than every second job in Germany will change substantially over the next 15 years as a result of digitalisation. Added to this, Germany is using greener technologies more. As a result, the use of coal for energy production is gradually declining, for example.

Electric cars are replacing vehicles with combustion engines. To shape this structural change, more is being invested in skills development. Employees and companies will receive more support in the selection and funding of suitable further training programmes. Workers without qualifications who want to get a professional qualification have a legal right to funding for this. In addition, there is also likely to be an increased demand for measures that help people start a career or retrain for an occupation of the future.

1,747,100*

is the number of vacancies the Institute for Employment Research (IAB) recorded in Q1 2023. These were distributed across the economic sectors as follows:



Source: Institute for Employment Research, IAB Job Survey

*Quarter 1 2023; extrapolation based on preliminary figures

"There is only one thing in the long run more expensive than education: no education"

”

John F. Kennedy,
US President from 1961 to 1963



Lifelong learning

School, internship, vocational qualification and then you're all done? Not likely. Further training has always been an important part of professional life. **In the future, though, job requirements will change even more quickly** because new technologies are being added or value chains are changing. This is shifting the focus much more on continuing education and training (CET): "The importance of lifelong learning is increasing with the ongoing digitalisation of the economy and society," says Friedrich Hubert Esser, who heads the Federal Institute for Vocational Education and Training (BIBB).

What does this mean? The basis for successfully starting a career is a dual or school education, a dual study programme or a university degree. After that, new educational modules are available: the chambers of industry and commerce offer certificate courses where workers can receive training in special subjects over several

weeks. In just a few weeks or months, it is possible to gain a recognised additional qualification as an online marketing manager, data protection officer or e-recruiter. In the skilled trades sector, too, compact CET opportunities and new pathways are available – through to doing a higher education degree course without a university entrance qualification (Abitur) (p. 11). Digital platforms, in particular, make it easier to **do courses online while working.** This makes you more flexible and lets you design your learning individually.

Studies show that the participation rate of low-income earners and workers in small- and medium-sized enterprises in further training programmes is still too low. The **Federal Programme to Develop Further Training Alliances** improves the regional collaboration above all of businesses, education centres and advisory facilities to increase the participation of employees in further training.



Digitalisation

Work 4.0: entering a new world together

Digitalisation is turning the world of work upside down: new tools and new teams are changing workers' everyday lives. While this development is causing unease in some companies, it offers great opportunities, especially for people just starting their career.

Our colleague "cobot" comes by for a practice session: eleven mechanical engineering companies around the city of Arnsherg have jointly bought a robot that can work closely with humans - and can be re-tooled for new tasks with simple components. Every few weeks the robot, which costs 35,000 euros, is moved from one factory to the next. The robot is then ready for a project with trainees at the new site. At Ideal-Werk, a welding machine manufacturer in Lippstadt, five trainees from different fields were tasked with designing a steel grid: First they developed the

design together, then they calculated the costs and time required. Finally, they programmed the robot. At the start, the trainees' calculations were wide of the mark - but in a final push

11.3 million

workers subject to mandatory social insurance contributions in Germany work in an occupation in which most of the activities could, theoretically, be performed by computer or computer-controlled machines. The Institute for Employment Research (IAB) comes to this conclusion on the basis of the technological possibilities available in 2019. However, just because a job can be automated to a large degree does not necessarily mean it will actually be automated or be automated immediately. The "Job-Futuromat" tells us to what extent a certain job can be automated:

job-futuromat.iab.de

towards the finishing line they managed to overcome all the challenges. "The project was a complete success for us because we learned to work together as a team", one participant proudly reports.

The project highlights the transformation taking place in the world of work: instead of rigid structures, flexible teams that are formed for a specific task are becoming increasingly important. New technologies are changing the traditional way work is done. These changes are described by the term "Work 4.0". Today's employees are in the midst of these changes, while people beginning their careers experience the change right from day one.

Change is happening faster because of digitalisation. It is responsible for several change factors at the same time:

- **Business models:** New digital marketplaces are emerging - for shoes and books, but also for mobility, hotels or tools. At the same time, businesses have to decide whether to still sell products or to rent them out to users for a certain period of time. This will change job profiles in many firms.
- **Collaboration:** Cars are now computers on four wheels - that's why not only design engineers but also IT, design and cost accounting staff are involved in their development right from the start. The same applies to many other products. Experience from the COVID-19 crisis has demonstrated that digital collaboration via video conferences, for example, is now common practice for many workers.
- **Development:** As it is possible to compare products worldwide, competition is greater. New developments have to be completed faster than before. In the past, people would work on an idea for several months. Today, a new function is added in one week, while the design is refined in the next. This "agile working" approach speeds things up.

Young people have good chances on the labour market of the future: they lay the foundations for this with a solid education - whether in the dual system combining work and study or at a university. Completely new job profiles could, of course, emerge in the future - such as a drone pilot or a 3D printing engineer. **Vocational schools, universities and businesses are constantly working to teach newcomers to the labour market the most up-to-date specialist knowledge possible.**

- **Technology:** A whole range of new technologies are changing the world of production: for example, cobots are making it easier to work in industry because they can do the heavy lifting for workers. 3D printers can ensure that individual components can be produced at relatively low cost. Software is able to perform routine tasks in accounting or human resources, for example. Work of the future will therefore be quite different: **in the future, many standard tasks may be performed by machines and computers.** This development is frightening for some people: they are worried that their job may disappear.

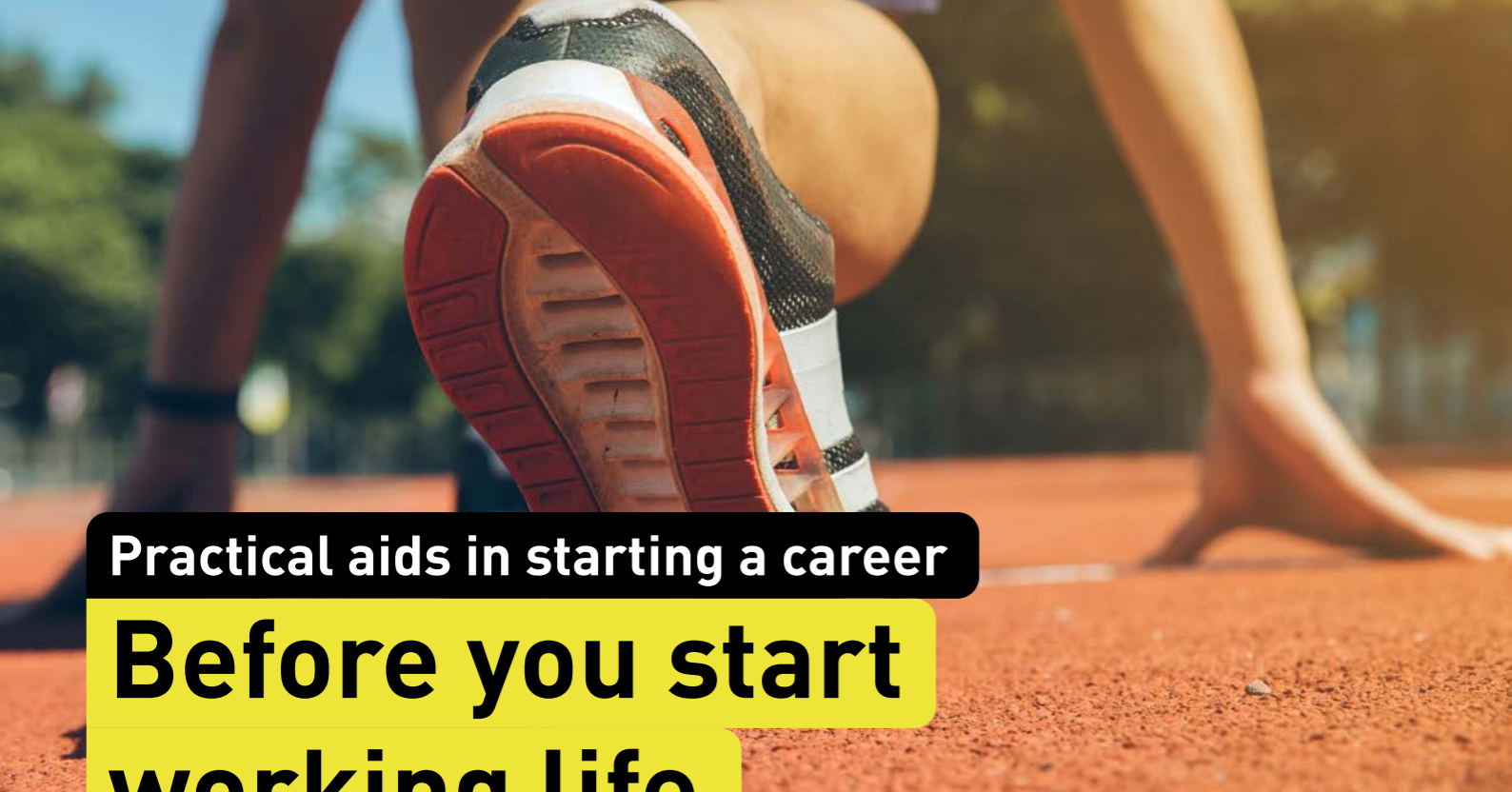
There are similar pros and cons when it comes to flexibility: many people like the fact that they can answer an e-mail quickly from home without having to drive to the office. Others fear that the boundaries between work and free time will become blurred.

Of the 324 recognised dual training occupations in Germany, roughly a dozen are modernised every year. Training regulations have been reformed to meet current economic and technological requirements - and thus made "future-proof". **"We won't run out of work, but it will change - constantly",** says Labour Minister Hubertus Heil.



The platform economy

In the future, more self-employed persons could work in a number of sectors where they are only booked for individual jobs, in contrast to employees in the conventional sense. As digital platforms are often used for these jobs, this is often also referred to as the "platform economy". It offers a lot of flexibility: businesses only pay for individual jobs and not for the entire working day. The advantages for platform workers are that they generally get to choose their working hours and the volume of work they take on. In practice, however, platforms often specify how the jobs are to be done. At the same time, the use of methods from algorithmic management - so the digital management of work performance - also offer increasing opportunities for control and surveillance by employers. Furthermore, self-employed platform workers do not have rights that employees always have: if they get sick, they don't get any money, and they have to save for their pension themselves. So far, in most cases it has also not been possible for self-employed persons to form trade unions and enter into collective agreements in order to jointly negotiate working conditions. And if there's a crisis and no more work comes in, they completely lose their source of income. This means that as a society we need to think about how we can make new forms of work fair for everybody. The Ministry of Labour and Social Affairs wants to design this "New Work" well. Businesses should be able to take advantage of the potential of the platform economy, but at the same time good working conditions and social protection should also apply in the platform economy.



Practical aids in starting a career

Before you start working life

On your marks: ready, set, train!

Most young people learn an occupation after school. They start their vocational training either at a company and a vocational school (dual training system) or solely at a school-based educational institution like a full-time vocational school.

An online planet as a portal to the world of occupations

A universe of support on the topic of career choice, including self-assessments, application tips, explanations of terms, answers to legal questions and dates for training fairs, awaits pupils on the "planet-beruf" portal.

planet-beruf.de

Which companies are there locally?

Is there a training place nearby for your preferred occupation? Anyone interested can find out at the online job exchange of the employment agency.

jobboerse.arbeitsagentur.de

Occupational experience abroad

Some trainees gain experience abroad during their training. In addition to Erasmus+ (p. 13), the "Training-Worldwide" internship programme promotes international exchanges.

ausbildung-weltweit.de

Occupations from A to Z: it's amazing what's out there!

From aircraft mechanic to zoologist – you can browse through the list of the over 300 possible recognised training occupations.

t1p.de/bibb-Ausbildungsberufe

Careers advice: individually and in a classroom setting

Careers advisers at the vocational information centres (BIZ) of the employment agency help you choose a career and study programme. They also come to school and advise the whole class.

arbeitsagentur.de/bildung/berufsberatung

Atypical jobs instead of stereotypes

Clichés about men and women are persistent: many boys still prefer to choose a supposedly male occupation and girls a supposedly female occupation. But a lot of companies are looking for applicants from each gender, as younger pupils will learn on open day events like Girls' Day or Boys' Day. The Federal Institute for Vocational Education

and Training (BIBB) provides information on the advantages of choosing a career and study programme away from typical patterns.

klischee-frei.de

Off to study

What used to be an exception just a few years ago has now become very commonplace: nearly a third of trainees go on to study at university. Furthermore, the percentage of pupils starting university studies directly after graduating from secondary school has increased in recent years.

Dual studies: trainees who study

Some people combine both in their dual studies: they learn an occupation at a company and study at a university at the same time. The portal of the Federal Institute for Vocational Education and Training (BIBB) provides information on this increasingly popular combination.

ausbildungplus.de

Opportunities without a university entrance qualification (Abitur)

The CHE Centre for Higher Education provides information on study opportunities with a vocational qualification and without the Abitur.

studieren-ohne-abitur.de

University wanted

Those interested in higher education can find out which study opportunities are available at universities and universities of applied sciences and what they have to bear in mind when applying on the joint portal of the Länder and the Federal Employment Agency or on the website of the German Rectors' Conference.

studienwahl.de
hochschulkompass.de

Overview of places of study

Where are the various universities located?

A map of German universities, along with an overview of the various study programmes on offer, can be found here:

t1p.de/studieren-landkarte-deutschland



"The exciting thing about my occupation is that you not only get to work with your hands but you actually get to create something. The before and after effects of each individual project never cease to amaze me."

Esther Sabzevar, 22, trainee tiler (tiles, paving and mosaics)

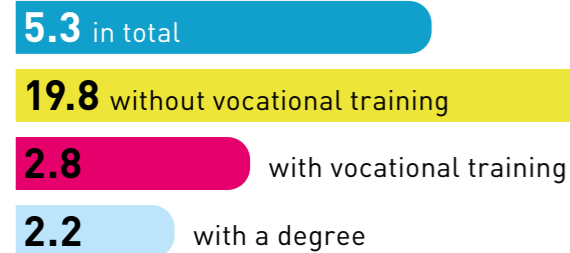
"Opticians are the best at reading people's characters – we've a good understanding of human nature! I find my job exciting because I get to work with people and also get to work with my hands."

Morteza Ahmadi, 25, trainee optician

Learning pays

Anyone who completes a vocational training programme or a degree can expect to earn a higher income. Jobs as an auxiliary usually pay less. Qualifications also affect unemployment. The risk of being unemployed increases significantly for those who do not have a qualification.

Unemployment rate as a percentage of the entire civilian labour force, 2022



Source: Federal Employment Agency, labour market statistics, 2022

Volunteering

How about taking a gap year after school and trying out something new, while helping others or the environment? Around 100,000 young people take this opportunity each year through the volunteer service. The period of volunteering is generally for twelve months.

People can undertake a year of voluntary work in the social or ecological sector (Voluntary Social Year/Voluntary Ecological Service Year) before the age of 27. On completion of school, the Federal Volunteer Service is possible at any age.

While the voluntary service is not paid, volunteers mostly receive pocket money from the assignment sites. In some cases, food and board are also covered. The assignment sites also pay the social security contributions for the participants. It is also possible to do voluntary service abroad.

jugendfreiwilligendienste.de
bundesfreiwilligendienst.de

Help launching your working career

The transition from school to training and the world of work is not easy for some young people. Often, more help is needed if people have learning difficulties, face language barriers, or experience health or social problems. A range of support services are available here, including pre-vocational training programmes, a longer internship as part of introductory training or assisted vocational training.

The local employment agencies are the first contact point for young people, their parents and companies providing

training. Special agencies dedicated to advising young people on their future career paths are now also available in many areas. Employment agencies, job centres and youth welfare offices form a local network for this purpose to jointly support young people transitioning from school to working life.

arbeitsagentur.de/bildung
arbeitsagentur.de/institutionen/jugendberufsagenturen
bildungsketten.de

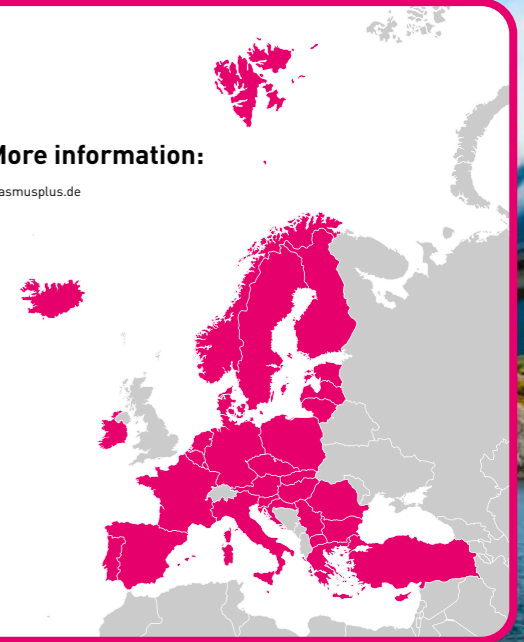


Possible destinations

The countries in the Erasmus+ programme:

More information:
erasmusplus.de

Belgium, Bulgaria, Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden, and the following non-EU countries: Iceland, Liechtenstein, North Macedonia, Norway, Serbia and Turkey.



Learning through exchange

Gaining experience with Erasmus+

With its Erasmus+ programme, the European Union supports the social engagement and education of young people abroad. There are opportunities for pupils, trainees, vocational school pupils, students and adults alike – for example, grants to study or work abroad or to complete a combined Master's degree at several international universities.

they make a commitment to the European Voluntary Service or the European Solidarity Corps: for example in the reconstruction of historical sites, in the care of chronically ill people or in cultural projects with children from disadvantaged families.

The voluntary service is generally for a period of between two months and one year. Shorter projects are also possible, however, such as youth exchanges that last a few days. The aim is to facilitate learning opportunities for young people across national borders. Participants in the programme therefore receive money and organisational help for the time abroad.

More than
40,000
 students at German higher education institutions receive support annually through the Erasmus+ programme

Volunteers also receive some money towards the travel costs and living expenses in the exchange country, as well as some spending money, when

EU programme has a budget of over 28 billion euros for the period through to 2027. The political focus is on closer cooperation between the EU Member States: the aim is for countries to share their experience with successful projects in the field of education and schemes for young people.

12 million
 Europeans are to receive financial assistance through to 2027

International exchange programmes also pursue the goal of improving the career prospects of young people in Europe, while helping to lower unemployment and ensure the long-term supply of skilled workers.

On the other hand, educational, sports and youth institutions benefit from subsidies for new projects, partnerships and volunteering. The



Social Europe

Cohesion in the EU

Mutual support and collaboration among the 27 Member States is crucial to building a social European Union (EU) that has the ability to take action and meet future challenges. This collaboration was already important in exiting the COVID-19 crisis, but is also true for important future challenges, including climate action, digitalisation and our post-Brexit relationship with the United Kingdom. The Federal Republic of Germany played an important role in this context between July and December 2020: it took over the EU Presidency and led the meetings in the Council of Ministers where the governments of the

EU countries come together. Germany acted as a mediator between the governments of the Member States to arrive at common positions. Together with the EU Parliament, decisions on new legislation are made at these meetings. In light of the impact of the COVID-19 crisis, Germany placed a particular focus on the social protection of people in the EU. Despite all their differences, the EU Member States are social welfare states that combine economic growth, social security, democracy, freedom and fundamental rights. The EU is not merely an economic area: it is a community of shared values. For this reason, the

Member States agreed on principles of social rights and social protection in 2017 in what is known as the "European Pillar of Social Rights". This includes jointly ensuring fair wages and social protection, establishing good working conditions, shaping the new world of work and working together towards gender equality and the inclusion of disadvantaged groups. As one of the biggest economic areas in the world, the EU also has responsibility at the global level, however: therefore, a priority is also to promote decent work around the world.

"The idea of Europe will only become a reality if living conditions are approximately the same everywhere. Only then will we be partners on equal terms. Is enough being done to this end?"

Leonie, aged 17

"I am European: studying in France, doing an internship in Slovenia, and living and working in the Mediterranean region or in Sweden for a few years. And everything is taken care of: health insurance, pension, unemployment benefit. You won't find that anywhere else in the world."

Aleksey, aged 21

The EU in everyday life



The EU is present in our everyday lives: citizens pay for things in euros in 19 countries. When travelling, your passport can stay in your pocket at the borders between EU countries. What many people don't know is that the vast majority of consumer protection laws in Germany also stem from EU initiatives. Food labels, hygiene and safety standards, health standards for drinking water, patient informa-

tion leaflets for medicines – all this and more is subject to EU-wide regulations. For example, thanks to the EU it generally costs the same to surf the Internet and use your mobile phone in other Member States as it does at home. In May 2018, a new General Data Protection Regulation was also enacted to govern the handling of personal data – including on the Internet.

Help shape Europe? Yes, you can!

The EU's citizens elect the European Parliament every five years. The last **European elections** were held in 2019.

Furthermore, all EU citizens have the right to help shape Europe through a registered **European Citizens' Initiative (ECI)**. If the ECI collects one million signatures from at least seven different Member States within one year, the European Commission must respond to the proposal within three months.

europa.eu

The ESF: the social face of Europe

Since 1957, the European Social Fund (ESF) has been the most important instrument within the EU for the promotion of employment and social inclusion in Europe. In the current funding period 2021–2027, the previous ESF, the previous Fund for European Aid to the Most Deprived (FEAD), the Youth Employment Initiative (YEI) and the measures for Employment and Social Innovation (EaSI) have been merged under the umbrella of the European Social Fund Plus (ESF Plus). The ESF Plus makes an important contribution to the practical implementation of the European Pillar of Social Rights

(EPSR), the EU Charter of Fundamental Rights, the UN Convention on the Rights of Persons with Disabilities and as such to a more social Europe. It improves access to employment and general and vocational education, offers skills development opportunities and supports people's social integration on different levels. In Germany, a total of 6.56 billion euros are available for this from the ESF Plus. This money can be applied for by projects helping unemployed people and young people entering work, migrants, start-ups, small and medium-sized enterprises (SMEs) to

master the challenges of the modern labour market. It focuses on practical help. For instance, it supports people who are hard to reach so that they can return to work, helps with the recognition of foreign qualifications, enables disadvantaged young people to do an internship abroad in the EU or advises SMEs and their employees on dealing with the digital transformation. More information on the wide range of offers from the ESF Plus is available on the website

<http://www.esf.de>



Labour law

The right framework for good work

From initial contact to the final letter: laws and regulations ensure fair behaviour between employers and employees. The problem with the law is that whenever there is a real dispute, professionals – usually lawyers specialised in labour law – often have to look very closely at the details. These are the most important points:

Application

In a job advertisement, businesses' search for workers must be **non-discriminatory**, e.g. gender-neutral – i.e. they cannot advertise specifically for a „female secretary“ or a „male mechatronics engineer“. At the job interview, a lot of **questions** that can be too personal or discriminatory are **prohibited** – such as questions about pregnancy, political party affiliation, trade union membership or one's bank balance. As a matter of principle, employers are required to state if the job is particularly difficult or dangerous.

Employment contract

An employment contract does not have to be concluded in writing, but this is recommended. If there is no written employment contract, a document containing the following information must be presented to the worker on the first day of work: name and address of the parties to the contract, the working time arrangements, the pay and how the pay is made up.

No later than the seventh day, or one month following the beginning of the employment relationship – depending on the particular subject matter – the employer must provide the employee with a certificate containing, among other things, information on the following: where the employee works, what their tasks are, and whether a trial period applies. Recovery leave – at least 24 working days per year given a 6-day working week – must also be set down in writing. For young people, the provisions of the Youth Occupational Safety and Health Act apply here.

In some cases, the information can be replaced by a reference to applicable **collective bargaining agreements** (p. 19), statutory or in-company regulations.



Help on the hotline

Unsure about a matter of labour law? The Federal Ministry of Labour and Social Affairs offers a telephone service.

From Monday to Thursday from 8:00 a.m. to 7:00 p.m. and Friday 8:00 a.m. to 12:00 p.m. experts are available to help out with individual problems:

030 221 911 004

Employers and employees are generally **free to negotiate** working conditions. However, they cannot stray from most labour legislation to the detriment of workers.

Fixed-term employment contracts

Approximately one third of all new employment contracts are concluded as fixed-term contracts. This means that the employment relationship will end after the agreed period. For new hires, this is permitted for a maximum period of two years (**“eased fixed-term contract”**). Young businesses (**“start-ups”**) are also allowed to limit the contractual term of their employees in the first four years.

There are also **fixed-term contracts for an objective reason**: here companies are allowed to employ people for a limited period of time, for example, following a training programme, in a project of limited duration or if the employee is being hired to fill in for another employee.

Protection against dismissal

People cannot just be fired: the **law against unfair dismissal** protects employees from being dismissed without notice or unjustly. **Dismissal for operational reasons** may be justified if the entire company or department has no more orders – and no suitable employment is possible elsewhere in the company either.

Termination of employment without notice may be possible in cases of serious violations of duties: these include verbal abuse, violence, sexual harassment or persistent refusal to work. An action contesting the dismissal can be brought before a **labour court**.

Trainees have **special protection against dismissal** – as do pregnant women, mothers for up to four months after giving birth, people with a severe disability, people performing voluntary military service and employees on parental or family care leave.

Minimum wage and minimum training pay

Since 2015, Germany has had a legally stipulated wage floor, known as the general statutory minimum wage. All employees are entitled to be paid at least this amount by their employer. Exceptions only apply for a few groups of workers, such as some interns. The statutory minimum wage has been 12 euros since 1 October 2022. The minimum wage is regularly adjusted at the suggestion of a commission of the social partners (with representatives from the employers' associations and trade unions (p. 19)). This minimum wage commission is also advised by experts from academia. From 1 January 2024, the minimum wage is to be raised to 12.41 euros and from 1 January 2025, to 12.82 euros. The regulation to this effect will be debated in the Federal Cabinet in November 2023. As higher wages also mean

more contributions towards the social insurance system, the minimum wage also strengthens social protection.

Furthermore, a minimum training pay applies for training contracts concluded from 2020 onwards. It is increased annually. For training relationships started in 2022, the minimum training pay is 585 euros per month in the first year of training. It increases to 690.30 euros (+18 per cent) in the second year of training and to 789.75 euros (+35 per cent) in the third year. From 2024 onwards, the minimum training pay amount will be annually adjusted to the average development of all remuneration for training.

Guidelines for a flexible world of work

Same office at the same time every morning? Many businesses now offer more flexible work arrangements in terms of time and place. Here's what is allowed:

Working day: in principle, an eight-hour working day is the rule under the Working Time Act. However, if there is a lot of work to do, working hours can be extended to up to ten hours per working day. This increase in working hours must be balanced out within six months so that an overall average of eight hours is again achieved. Young people may not be employed for more than eight hours a day or for more than 40 hours a week. The 5-day week applies to them.

Part-time: you already earn enough but you'd like a little more time for your family or continuing education and training? In firms with more than 15 employees, employees have a right to part-time work unless there are operational reasons for not allowing this. At larger companies, work can also be reduced for just a certain period of time. This is called temporary part-time work.

Mobile work: during the COVID-19 pandemic, many workers worked from home, rather than the office, if their job so permitted. For a while, there was even a "work-from-home order" to reduce the number of personal contacts. As a general rule, however, employers are free to decide whether and how frequently their workers are permitted to work from home or remotely. A mobile work bill that was designed to give employees more rights was no longer adopted before the last parliamentary election. The following applies for work-from-home arrangements, however: anyone working remotely must also be available for colleagues during the agreed working hours. Occupational safety and health rules also apply to those working from home.



Right of co-determination

Workers also have a say

A works council represents the common interests of workers vis-à-vis management. Wherever at least five employees work together on a permanent basis, they can elect a works council. They do not have to elect a works council but are entitled to one.

The German Works Constitution Act sets out the various rights of the works council to have a say. For example:

- **Co-determination:** The works council has the greatest influence on arrangements involving working hours, annual leave, overtime and safety and health at work. The employer can only decide on these matters jointly with the works council.

- **Participation:** In the case of deci-

sions involving staff, such as hiring or transferring someone, employers must obtain the approval of the works council. The works council can refuse to give its approval in certain cases. These cases are listed in the Act. If employers want to make the staffing decision despite the works council's refusal, they must get permission from the labour court (p. 19).

- **Consultation:** Dismissal is a decision that has a significant impact on the lives of workers. For this reason, a dismissal is invalid if employers do not consult the works council beforehand. The works council can object to the dismissal, but it cannot prevent it.

Works councils are a lot less prevalent today than they were in the early

2000s. In 2021, 39 per cent of workers in western Germany and 34 per cent of workers in eastern Germany were employed in companies with a works council. These are predominantly large companies, while small firms often do not have a works council. Flexible forms of employment such as mini jobs, temporary work and fixed-term contracts make it difficult to set up a works council.

The Act to Modernise Works Councils entered into force in June 2021. This makes the establishment and work of works councils easier – particularly in smaller companies. This also applies for representation for young people and trainees (p. 19).

Representatives of young people and trainees

Young people and trainees are entitled to have their own representatives at their company. If difficulties arise, youth and trainee representatives serve as the initial point of contact. Those elected as these representatives ensure that the laws, collective agreements and company agreements that are relevant for young people are upheld and respected in practice. Meike Schlabach, a 20 year-old electronics technician, explains what this role involves. When she's not hard at work repairing machines, she's busy as a youth representative at Deutsche Edelstahlwerke (DEW), a producer of specialty steel products in Siegen.

Meike, in addition to your work you also take care of the concerns of the 75 trainees in the company. Why do you make time for this task?

I am the spokesperson for the young people in the company vis-à-vis the trainers and superiors. Even in school I enjoyed the role as pupils' representative, as it has always bothered me when something is not working right. Now it's my job to represent the opinion of the trainees in a friendly, matter-of-fact manner. I often act as an intermediary if there is conflict regarding periods of absence, for example. It's nicer to first discuss matters with peers instead of with the superiors.

Five colleagues assist you in the task, but does it not mean additional stress for you?

Ever since I finished my apprenticeship in January it has

been harder for me to make time for the representative work. I spend a lot of time in meetings to find out what the concerns of the young people are. The company has to allow this during working hours. But it's obviously also important for me to do my own work and not to leave it pile up. Currently, I go to the training workshop before the afternoon shift and ask how things are going. I constantly make notes for our monthly meetings – that way I only need ten minutes to prepare before the meeting starts.

What do you get from working as a representative of young people and trainees?

I've definitely become more confident and think that I can sell my opinion better. Furthermore, there is a whole range of further training courses and policy seminars – the company releases me from my duties to attend them. Even the work with legal texts is more enjoyable than I expected. And of course it's great to see results: for example, we've managed to increase the size of the training workshop and get new drills and benches.

If there is no youth and trainee representative and no works council or staff council, trainees can contact the trade union or training consultants and arbitration committees of the chamber of skilled trades or the chamber of industry and commerce responsible for their company.

Social partners seek joint solutions

Employees in one sector or with similar occupations can organise themselves in a trade union encompassing several companies. This trade union represents their interests and offers services such as legal advice and assistance in court. Employers can also pool their interests. They do this by joining an employers' association. The right of trade union members and employers to collectively represent their interests is called freedom of association and is protected by the German Constitution – the Basic Law.

Trade unions and employers' associations make important agreements for workers at companies and define

the agreed working conditions in collective agreements. The parties to collective bargaining negotiate with each other without the State being allowed to intervene. This is referred to as collective bargaining autonomy: in Germany, it is first up to the parties to collective bargaining to agree on wages and training remuneration or to make industry-specific arrangements governing working hours, annual leave, and compensation for shift work and difficult working conditions.

The aim of collective bargaining is to reach an agreement that is acceptable to both sides. There is a long tradition in Germany of trade unions and em-

ployers' associations seeing themselves more as partners than opponents. As they also work together outside of collective bargaining, they are called "social partners". Both partners are involved in the self-administration of the social insurance system, for example (p. 31). Industrial action, where a party resorts to certain methods in order to increase the pressure on the other side in negotiations, is relatively uncommon. Employees organised in trade unions have the right to strike. If they stop working, companies can react by denying other workers access to the workplace and by refusing to pay them wages (this is called a "lockout").

Inclusion is when everyone can take part, everywhere. An example: children with and without disabilities learn together in school or go to the same sports club. Everyone belongs and everyone can participate.

Whether at the workplace, in school or university, out and about in public life, with the family or

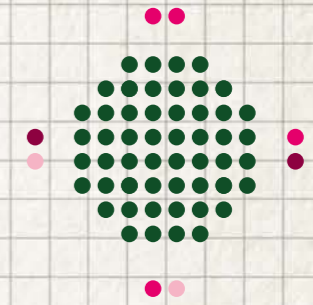
during leisure time: to ensure no-one is excluded on account of a disability, we need support for participation and a common will in society. More information is available, for example, at

einfach-teilhabe.de.

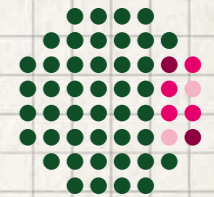
Living and working with a disability

What is inclusion?

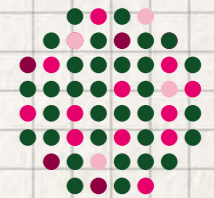
Exclusion
=
removed/excluded



Integration
=
included but apart



Inclusion
=
Included, everyone together





Living and working with a disability

Self-determined living for all

“No person shall be disfavoured because of disability.”

This clause was inserted into Article 3 of the Basic Law in 1994. Various laws and measures are aimed at eliminating unequal treatment. The goal is to enable people with disabilities to live self-determined lives. Germany signed the UN Convention and the Protocol on 30 March 2007. The Ratification Act was adopted by the Bundestag and Bundesrat in December 2008 and entered into force on 1 January 2009.



Inclusion: an international objective

The United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) is committed to the elimination of discrimination against people with disabilities. The UNCRPD therefore demands comprehensive inclusion, i.e. equal participation in society for all people. To date, 187 UN Member States have ratified the Convention on the Rights of Persons with Disabilities.

In the thick of life

Various obstacles can mean that people with long-term health impairments are unable to live and work as independently as other people. These obstacles are also referred to as barriers. They can be found in buildings and means of transport. Websites can also contain barriers, for example, if they cannot be used by people who are blind. People's attitudes can also become an obstacle, for example if human resource managers think that people with disabilities are generally unable to do a good job or to work as much.

It is important to remove barriers so that people with physical, mental, psychological or sensory impairments

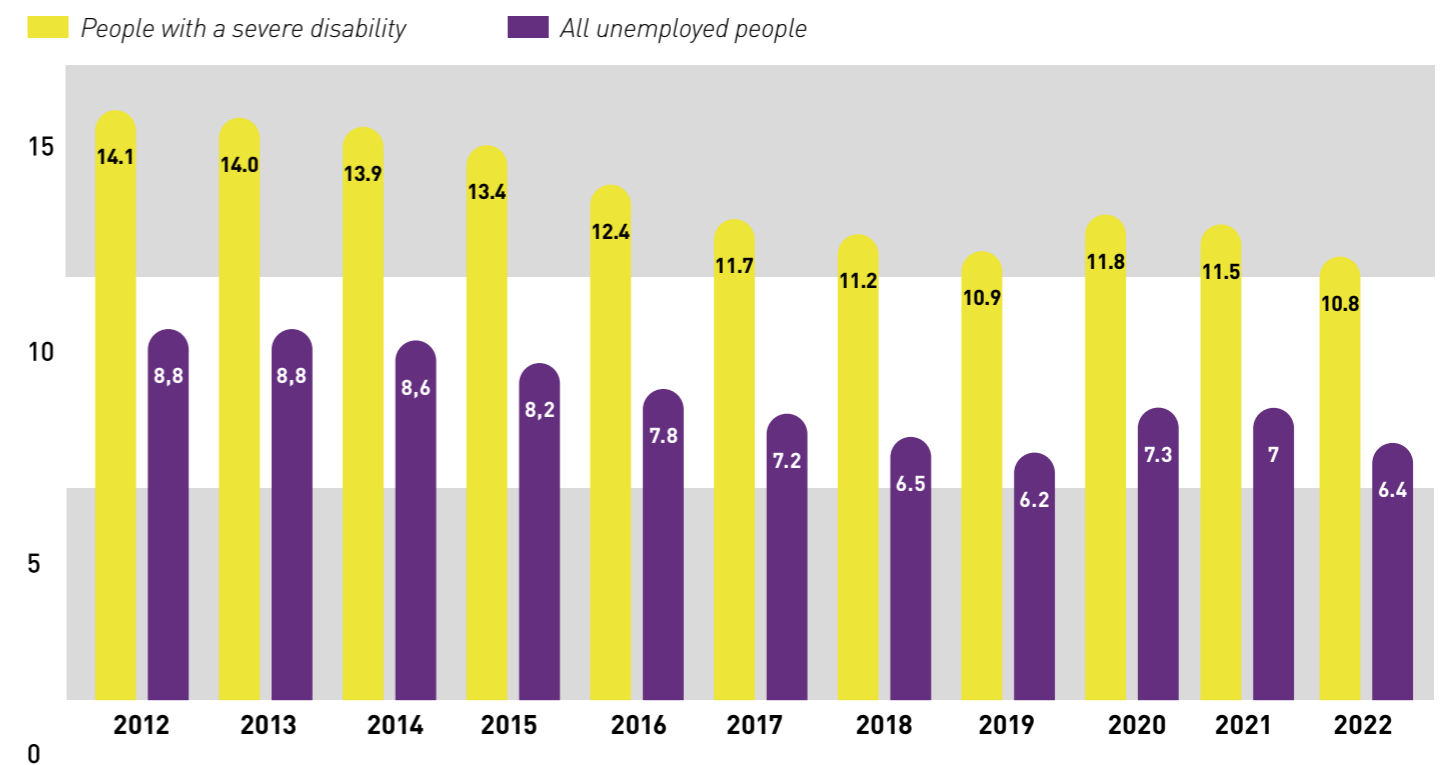
can participate just like everyone else. Being included and taking part in all life situations is what participation is all about.

People with disabilities can, if necessary, receive benefits in kind or in cash to facilitate their participation in society. Whether it's medical rehabilitation, an aid or the conversion of their workplace – what matters is that the support is tailored to meet their needs and enables them to live an independent life. At the same time, people with disabilities can organise what they need themselves. There is something called a personal budget for this. About 7.8 million

people with a severe disability live in Germany. This is about 9.4 per cent of the population. People with a severe disability are those whom the competent authority deems to have particularly serious problems participating in society. In 90 % of cases this is a result of illnesses that occur over the course of a person's life. Only three per cent of persons with a severe disability were born with their disability.

Difference in job opportunities

Comparison of unemployment rates among all people and among people with severe disabilities*, figures in per cent



* Groups of the population taken into account: workers subject to mandatory social insurance contributions, civil servants and unemployed persons. Self-employed and marginally employed persons are not included.

Source: Federal Employment Agency data, Labour Market Analysis, People with Disabilities, Germany 2022

The job has to fit

Of the roughly 3 million persons with severe disabilities aged 15 to 65, about half are gainfully employed. By comparison, the figure for the population as a whole is three people out of four. This means that the employment rate of people with severe disabilities is lower than the employment rate of the overall population. The number of workers with a severe disability has, however, been increasing in recent years thanks to various support opportunities for employers and employees. Working conditions can be adapted to meet the needs of employees, for example through technical work aids or through the organisation

of working time and work. For instance, tasks can be assigned in a team in such a way that everyone can contribute their own strengths.

The majority of workers with a severe disability are employed on the general labour market, with more than two-thirds working for private companies and just under one-third in the public sector. If needed, different forms of help are also available for school-leavers with disabilities to enable them to successfully complete vocational training or a study programme.

“A lot of people don’t take you seriously”



Drees Ringert (*1988) worked as an inclusion officer for Wacken Open Air from 2008 to 2020. The Heavy Metal Festival in Schleswig-Holstein was cancelled twice due to the pandemic. All 75,000 tickets were sold again for the 2022 event.

Drees, you are not only in charge of sponsors for the Heavy Metal Festival in Wacken - you are also the inclusion officer and a permanent wheelchair user yourself. How did this all come about?

I was hired in 2015 to work in the sponsorship department. However, after I had a car accident a few months later it

was no longer possible to do this job on my own for time reasons. That’s why we now have a team taking care of our sponsors. My job as inclusion officer has evolved over time, as my disability has made me keenly aware of barriers of all kinds. That’s my second job at the company, if you like.

Do you feel any difference in the way you have been treated by business partners before and after your accident?

At work not so much. Most contacts are initiated by e-mail or telephone, so people don’t even know at first that I am a wheelchair user. Later on, it doesn’t really play a role then either. In everyday life things are different. You have to assert yourself more often to be respected. A lot of people don’t take you seriously. You have to prove yourself time and again.

Wacken Open Air works with a lot of other people with disabilities in addition to you. Why?

We don’t regard inclusion as a necessary evil. It’s something close to our hearts. For one, we want to make it possible for all fans to attend our events. Secondly, we also want to make it possible for everyone to work for us, if they want to and are able to.

What tasks do your colleagues with disabilities perform?

They work in ticket dispatch, for example, or in the warehouse, where there are always packages to be packed. We also employ a lot of people with disabilities during the festival. They keep our venue and the village of Wacken clean.

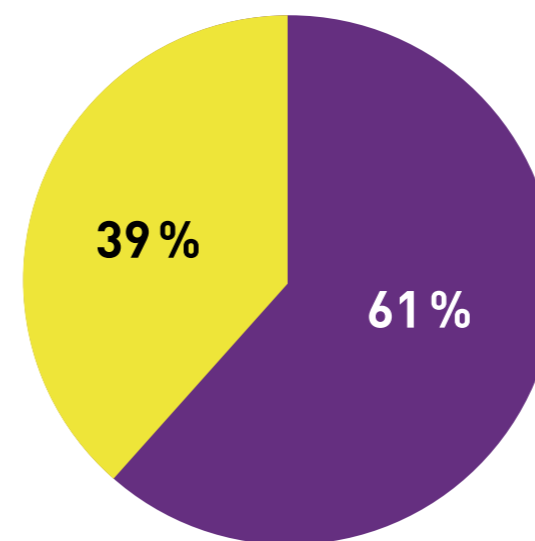
Onus on businesses

Employers with at least 20 workers are legally obliged to have a certain number of their positions filled by people with a severe disability. If this employment obligation is not met – in part or in full – they have to pay a compensatory levy for every compulsory job not filled. This is how lawmakers seek to promote integration on the labour market. Some disability associations and trade unions consider the levy to be too low. They argue that it is too easy for companies to “buy their way out” of the obligation to employ people with disabilities. From 2024 onwards, though, employers who do not employ a single person with a severe disability will have to pay a much higher compensatory levy.

Representatives of persons with severe disabilities defend and promote the interests of workers with severe disabilities in a company and ensure that employers comply with their legal obligations. This includes, for example, monitoring the obligation to employ people with disabilities. Employers also appoint inclusion officers to support them in their tasks. The representatives of persons with severe disabilities are elected by the workers with severe disabilities themselves.

The majority has to pay

- **39 per cent** of employers did not have to pay the compensatory levy
- **61 per cent** of employers had to pay a compensatory levy



A total of 174,919 employers in Germany were obligated to employ people with disabilities in 2021.

Source: Federal Employment Agency data, tables, Persons with severe disabilities in employment (reporting procedure under Book 9 of the German Social Code SGB IX), Nuremberg 2023

From the workshop to the labour market

Depending on the type and severity of the disability, it is not immediately possible for everyone to find employment on the general labour market. About 320,000 people are employed in a workshop for people with disabilities.



Christiane Pollerberg,

Head of the Integration Department at Krefeld Therapeutic Education Centre – district of Viersen:

“Integration must be prepared well.”

My job is to place people with mental, physical or psychological disabilities from our workshops in companies on the general labour market. Generally speaking, the placement success rate is higher now than a few years ago. There used to be this long-standing cliché: “Once in a workshop, always in a workshop.” But that is no longer true.

Jobs are typically found in industry, crafts and trades, and services. Integration at a company or establishment needs to be prepared well, for example through consultations with employees and employers. The requirements of the job should definitely match the skills of the workers. In addition, we continue to provide support to the workers.

Whenever the word „social“ is used, it refers to community – and people living together in a State and society. It also involves paying attention to the common good and protecting weaker members of society. The aim is to fight social marginalisation and enable everyone to take part in society. Therefore, anyone who gets sick or loses their job can rely on assistance from the social welfare state. The community indirectly comes to the aid of the individual through social insurance contributions

and taxes. This creates a balance between young and old, between the healthy and sick, and people who have more and those who are less fortunate. One of the most important objectives of our State is to make this balance socially fair and to guarantee social protection. This is stated in our Basic Law in which the principle of the social welfare state is firmly enshrined.

“The Federal Republic of Germany is a democratic and social federal state.”

Article 20 of the Basic Law



Social security and justice



The principle of the social welfare state

Security and justice in the social welfare state

Germany is a social welfare state. This means that one of the central tasks of policy and legislation is to ensure social security and justice.

Social security	Social justice
<p>Statutory social insurance is designed to protect those in employment and their family members against the most critical risks in life.</p> <ul style="list-style-type: none"> • Unemployment • Illness • Need for long-term nursing care • Accidents • Old age 	<p>Everyone should have the same opportunities to participate in life in society.</p>
<p>Social benefits from tax revenue are generally provided to people who do not work or earn too little to live off. For example: basic income, social assistance, child and parental benefits (p. 30)</p>	<p>Education is an important starting point, which is why nurseries, primary and secondary schools as well as institutions of higher learning are paid for by the State. The inclusion of people with disabilities is also promoted.</p>
	<p>Disparities in income and wealth in society should not be allowed to become too great. Social benefits financed with tax revenue make it possible for poorer people to participate in life in society as well.</p>

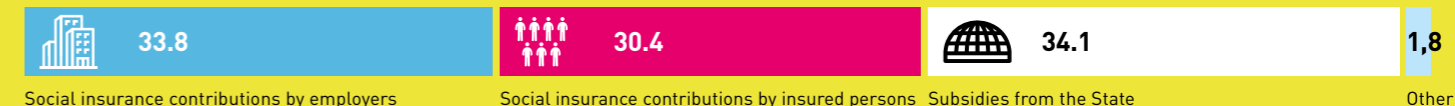
Funding the social welfare state

The social welfare state is funded by contributions to the social insurance systems and taxes. The aim of statutory social insurance is to provide financial protection against life's biggest risks: if people lose their job, become ill, have an accident or are no longer able to work in old age and require long-term care. The State also

helps people at risk of poverty and families with children through support and welfare benefits. Examples of these include housing benefit, child benefit and parental allowance or social assistance. Every year the Federal Government publishes Germany's social spending in the Social Budget (p. 29). In 2022, the social insurance

system paid roughly 717 billion euros in benefits. In addition, spending on support and welfare benefits to the population of the Federal Republic amounted to 224 billion euros. A total of around 1.2 trillion euros was spent on social benefits in 2022.

Percentage share



Figures are rounded off
Source: Federal Ministry of Labour and Social Affairs, Social Budget 2022

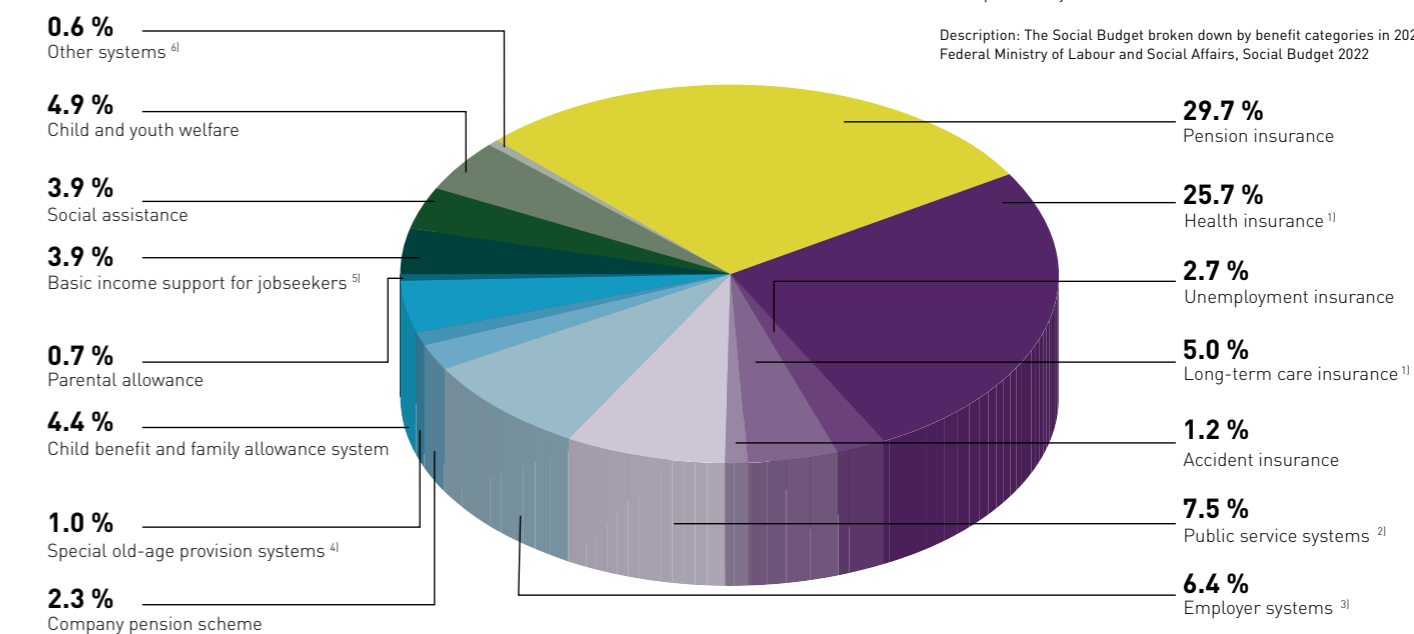
Funding the social welfare state: where does the money come from?

The social welfare state is funded from two sources: contributions and taxes. The social insurance system is mainly funded by contributions paid jointly by employees and employers. An exception is occupational accident insurance, which only employers pay into. In contrast, the money for support and welfare benefits

and services comes from taxes that all citizens have to pay to the State. From their payslip, employees and trainees can see how much is deducted from their wages in the form of contributions and taxes (p. 30).

The Social Budget 2022

Share in total spending including contributions from the State



1) Statutory and private
2) Pensions, family allowances, health insurance assistance
3) Jobseekers/Employer systems/Continued pay
4) Provision for old-age for farmers, professional pension plans, private provision for old-age
5) Including other employment promotion schemes
6) Vocational training and advancement schemes, housing benefit and compensation systems

Description: The Social Budget broken down by benefit categories in 2022 Source: Federal Ministry of Labour and Social Affairs, Social Budget 2022

Can it all be financed?

The funding of the social welfare state can change. It is centred on four basic questions: How many people are paying contributions? vs. How many people are entitled to receive benefits? Who should receive benefits in the first place? And how much?

The law defines who receives money from the social protection systems and funds: only those who have paid in contributions can receive benefits from the social insurance system. People in need are entitled to support and welfare benefits if they meet certain criteria. For example, if an indi-

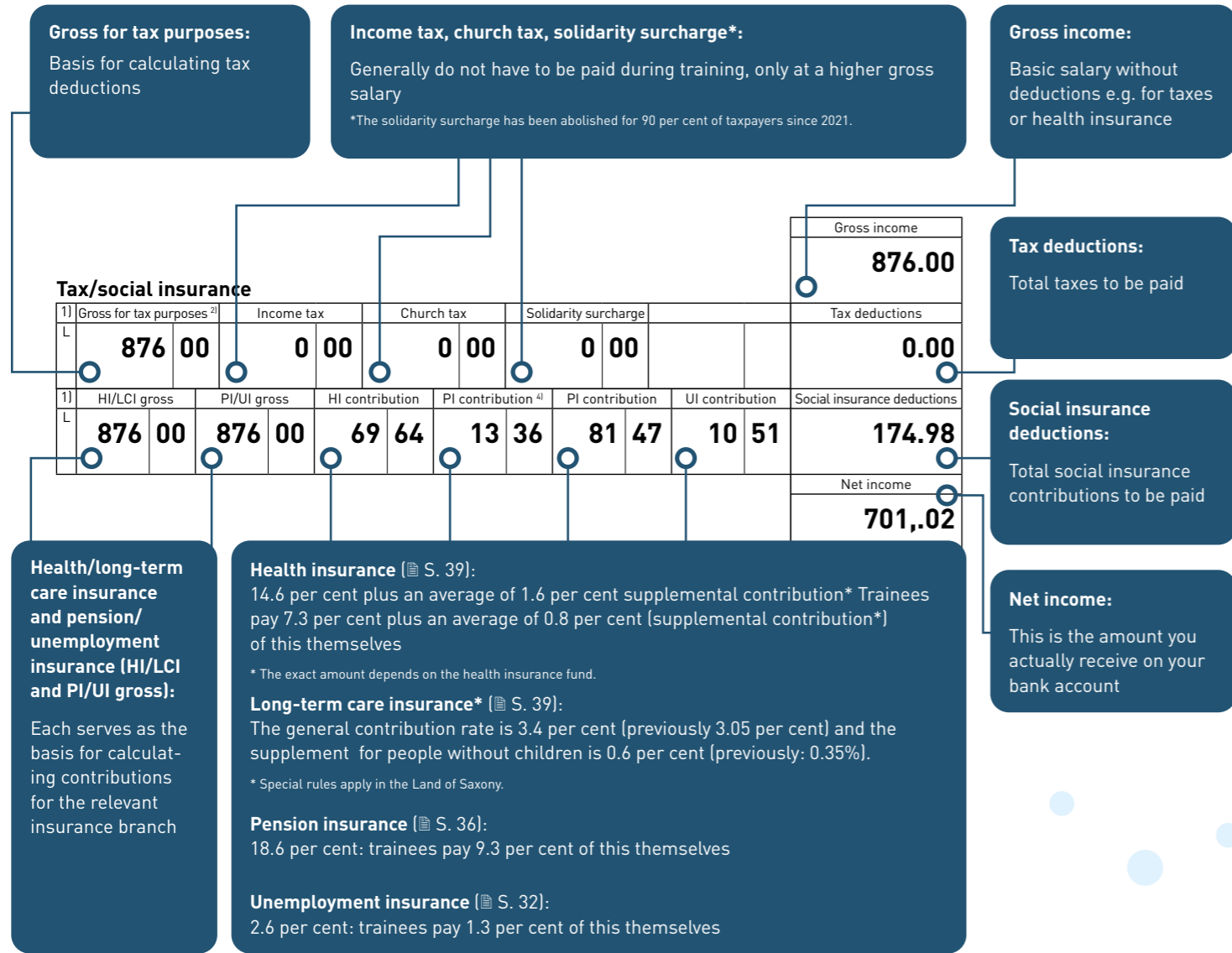
vidual's own means and their family's means are so limited that they cannot cover their costs of living themselves, the State steps in.

In an ageing society or in economic crises, the situation changes: the number of people paying in decreases and the number of recipients of social benefits increases. In order to keep the system running, lawmakers (the Bundestag and Bundesrat) can respond in three ways:

1. Increase contributions for those paying into the system

2. Cut benefits for recipients – they will then have to pay more themselves or make additional private provisions
3. Use taxes to subsidise the social insurance system

Or vice versa: if revenues are higher than spending, lawmakers can reduce contributions, increase benefits or reduce subsidies from taxes.



Source: own chart, data as at July 2021

Social insurance election: the insured have a say

The members of the self-governing bodies of the social insurance institutions are elected every six years in what is known as a "social insurance election", or "social election" for short. The social election allows the stakeholders – in this case the insured parties and employers – to have a say on the make-up of the self-governing bodies and on their representatives in the bodies.

Who can vote?

All those who pay contributions aged 16 or over. There are exceptions, for example the health insurance fund for students insured under family insurance.

Who is up for election?

In social elections, the members of the self-administrative bodies of the social insurance institutions are elected. Specifically, these are the representatives' assemblies of the statutory pension and occupational accident insurance funds, and the administrative boards in the case of the statutory health insurance funds. Generally, trade unions or other employee associations pursuing social or occupational policy objectives stand for election on the lists of nominees. Furthermore, employer organisations can also submit lists of nominees. In addition, insured people and employers can join together and stand for election themselves on what are called free lists. Information on candi-

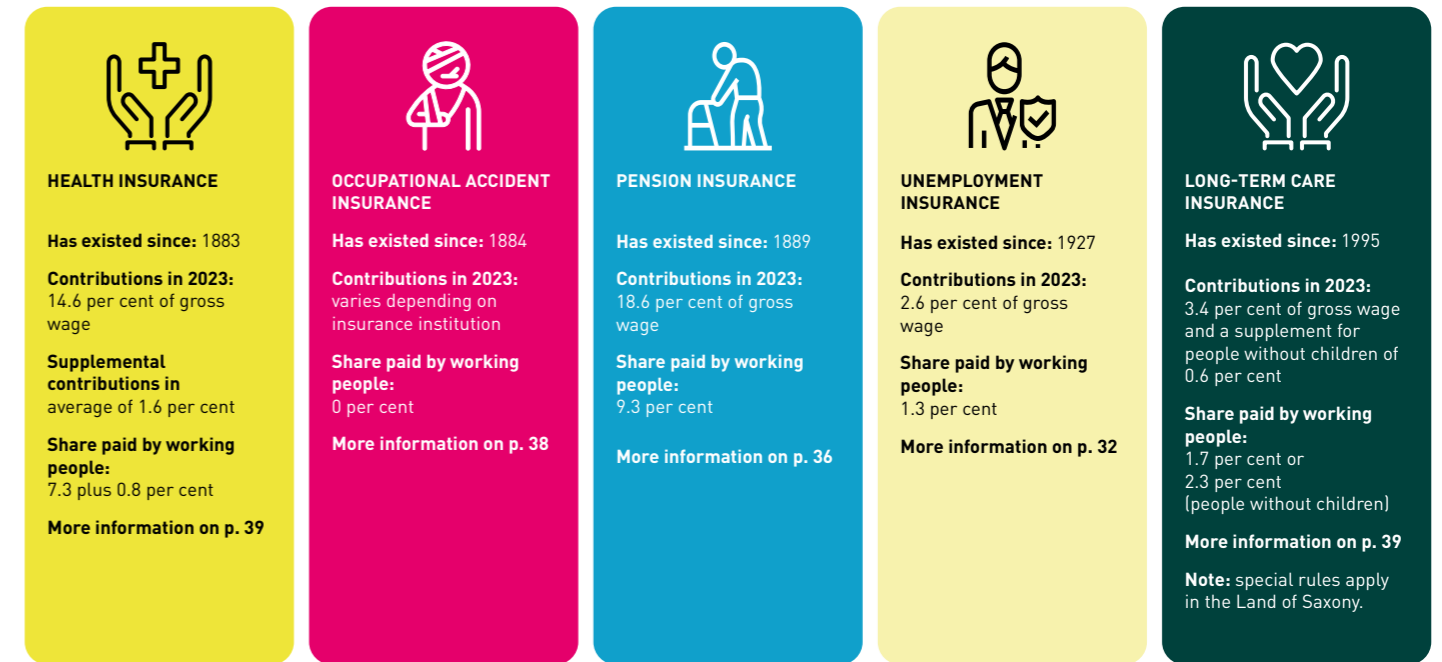
dates and their manifestos is provided in particular by members' newspapers and the websites of the social insurance institutions. The lists themselves also advertise social elections and inform people about their aims and candidates. Election campaign events like in political elections are rather uncommon.

51.3 million people

were entitled to vote in the social elections in 2023. Only parliamentary elections and European elections have more eligible voters. In the social election in 2023, a pilot project allowed online voting – alongside mail-in ballots – in the area of statutory health insurance.

Social insurance: an overview

The five branches of social insurance



Principles underlying social insurance

1. Compulsory insurance

The law stipulates who is subject to compulsory insurance and in turn receives protection from statutory social insurance. Anyone in a permanent job or in vocational training is usually automatically covered – in Germany, for example, around 90 per cent of the population is covered by social insurance. Self-employed people, on the other hand, usually have to organise their own insurance coverage. Other exceptions include soldiers, judges and civil servants who are employed by federal, Land and local authorities and so receive their benefits directly from taxes instead of from contributions.

2. Self-administration

The social insurance institutions perform their tasks under their own responsibility (self-administration). The State assumes a supervisory role. Self-administration is performed by the insured parties and the employers, i.e. those who pay the contributions. Self-administration is therefore the democratic core of the social insurance system.

3. Funding through contributions

Employees and employers pay for social insurance benefits in the form of contributions. The amount they pay is based on their gross salary.

4. Solidarity

Everyone who pays contributions is covered by social insurance – whether they can contribute a lot of money or not. This creates a balance between the healthy and sick, employed and unemployed, young and old, single people and families.

5. Equivalence

Equivalence means of equal value: the level of benefits depends on the contributions paid so far. This principle applies to pensions, unemployment benefit and wage replacement benefits such as sick pay.



Unemployment and unemployment insurance

Unemployed, but not destitute

Help is guaranteed

The social welfare state comes to the assistance of anyone who is affected by lack of work or becomes unemployed. The employment promotion system, whose primary component is unemployment insurance, finances unemployment benefit, short-time work allowance and many other benefits and services to get people into the labour market. Those who are not eligible for benefits under the employment promotion system can apply for benefits under the system of basic income support for jobseekers, or the citizen's benefit. Employment promotion including unemployment insurance and basic income support for jobseekers (the citizen's benefit

since the start of 2023) not only help get people into work but also increase people's chances of getting a new job through further training and skills development courses. After all, the aim of labour market policy is to balance supply and demand on the labour market:

jobseekers should get back into jobs subject to mandatory social insurance contributions as quickly as possible, and businesses should be able to find enough workers to meet their demand for skilled labour.

But no system is perfect: in all modern societies, Germany included, there are people who do not have a job. This cannot be entirely avoided (p. 34).

For example, society and technology are changing and some occupations are dying out – like that of miners in recent years. The unemployment rate in Germany has been falling for several years. The COVID-19 pandemic meant that for an interim period, the number of unemployed persons increased again. But in 2021 unemployment was on the decline again, and in 2022 the rate was just 5.3%.

Not all people without a job manage to find their way back into working life quickly and easily. The period of unemployment varies greatly depending on age and qualifications (p. 12). The longer people are without work, the more difficult their situation usually becomes. Over time, their skills get

rusty if they have no opportunity to engage in continuing education and training. This also makes it more difficult to find a new job. For many unemployed people, the psychological strain is enormous: it's not just tighter budgets that can mean painful changes. Some begin to feel less

valued and unneeded by society. According to medical studies, mental illnesses such as depression are more frequent among the unemployed than among the working population.

Short-time work: the way through the crisis

Fewer orders and closed shops: the COVID-19 crisis had a severe impact on the labour market. Many people suddenly had a lot less work to do in their companies – or in some cases no work at all. The government and Bundestag had to act quickly.

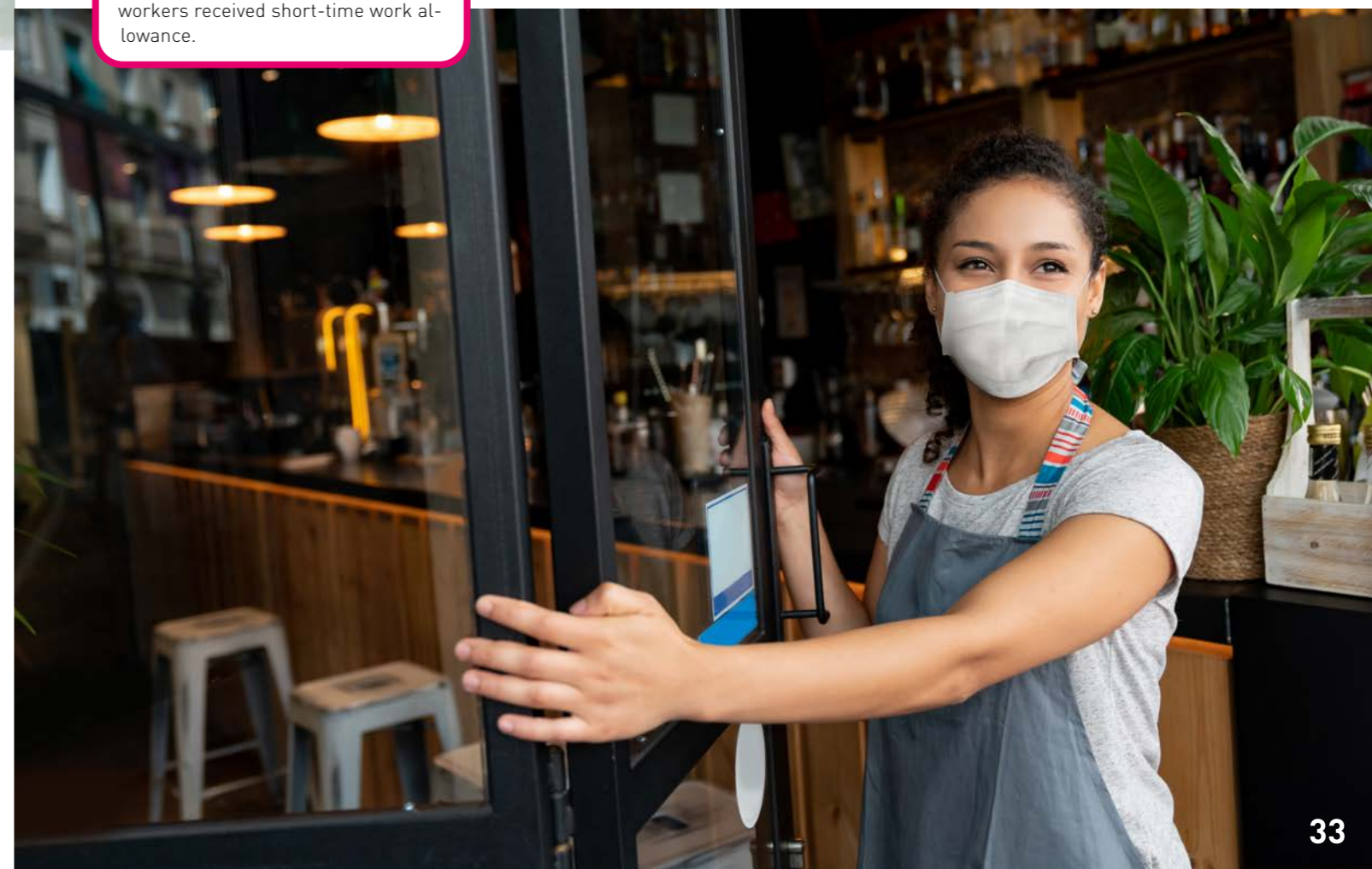
426,000 workers

were on short time work for economic reasons on an annual average in 2022. Workers in the hospitality sector, retail and other service occupations were particularly hard hit. The highest level to date was recorded by the Federal Employment Agency in April 2020. That month, six million workers received short-time work allowance.

The scope of the short-time work allowance was therefore expanded in spring 2020. Short-time work is when employers are permitted to reduce their workers' working hours. However, this is only allowed in consultation with the works council, or – if there is no works council – with the workers themselves. Companies therefore save on wages. The Federal Employment Agency largely makes up for the workers' shortfall in income. This applies for all workers in jobs subject to mandatory social insurance contributions, as the short-time work allowance is

paid out of the employment promotion system (p. 32)

The advantage is that workers keep their jobs. Once the crisis is over, businesses and workers can return to working at full capacity. Thanks to this system, the German labour market has weathered the COVID-19 crisis well by international standards. The organisation of industrialised countries, the OECD, projects that the number of workers will return to pre-pandemic levels faster in Germany than in other countries.



Causes of unemployment

Frictional unemployment exists because there is always a percentage of workers who are looking for a new job. When a person changes job, frictional unemployment occurs between the end of the old job and the start of the new job. Efficient placement in work attempts to shorten the period of frictional unemployment.

Cyclical unemployment is the result of fluctuations in economic development. If the demand for products and services drops, fewer workers are needed and businesses let people go. If economic development is positive, demand for products and services increases and more workers are hired (again). Cyclical unemployment therefore occurs on the short- and

medium-term. Measures such as the short-time work allowance (p. 33) are designed to prevent this form of unemployment.

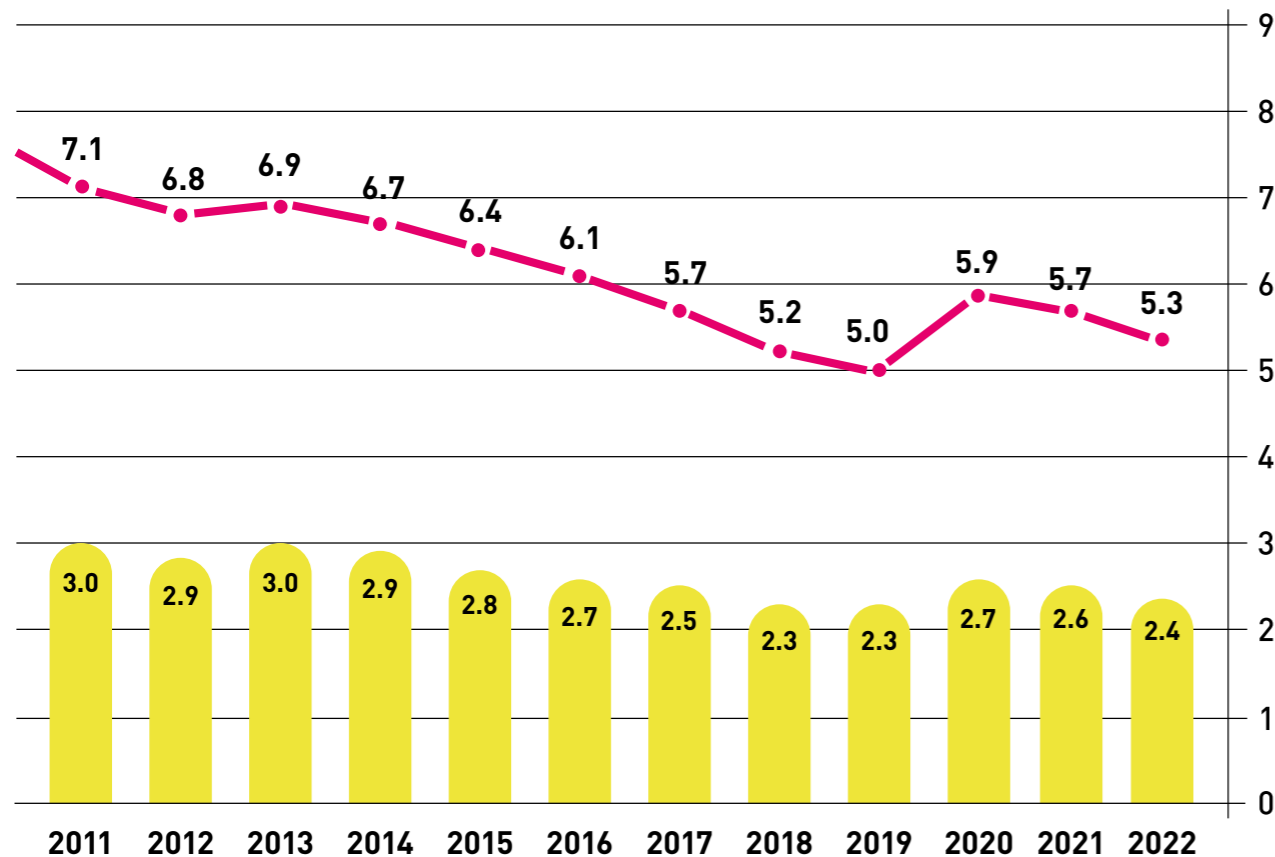
Structural unemployment is caused by a variety of factors, which are caused by longer-term changes in the economy and society. For example, the focus of economic activity has shifted from industry to a service economy. Technological developments (e.g. greater use of renewable energy coupled with the phase-out of coal, or digitalisation as a result of which machines perform a variety of tasks) are also reasons why certain jobs are no longer required overall or particularly in individual regions. Labour market policy takes action here:

by actively promoting further training and skills development in a targeted manner, the aim is to prevent the development of structural unemployment (p. 6).

Seasonal unemployment primarily depends on demand for labour at different times of the year. Some jobs, such as those in agriculture, construction or tourism, are mainly in demand in the summer, so unemployment in winter is somewhat higher. The instrument of seasonal short-time work allowance is used to prevent seasonal unemployment

How many people are unemployed?

Unemployment rate (percentage) —●—
 Absolute number of unemployed persons in millions ■



Source: Federal Employment Agency, labour market statistics

Unemployment benefit: assistance from social insurance

Employees who lose their jobs receive money from the statutory unemployment insurance system. The funds come from contributions paid by employees and employers. The money does not automatically appear on jobless people's bank accounts, however. Anyone who wants to receive unemployment benefit must register with the Federal Employment Agency – and not waste any time in doing so. There are two reasons why:

- **For one**, they must register as seeking employment. This registration must be made three months before the end of the vocational training or employment relationship at the very latest, or within three days of notification of the date of termination. Early registration is designed to help jobseekers return to the labour market as quickly as possible.
- **Secondly**, they must register as unemployed and apply for unemployment benefit. Individuals must register as unemployed on the first day of unemployment at the very latest.

Those who become unemployed receive 60 per cent of their standardised previous net wage in the form of unemployment benefit, and 67 per cent if they have children. Self-employed people who have previously paid voluntary contributions can also receive unemployment benefit.

Unemployed persons are only eligible for unemployment benefit if they were insured under the unemployment insurance system for at least 12 months during the last 30 months before registering as unemployed. How long unemployment benefit is paid depends on the person's age and the period of time in which contributions were paid. Unemployed people under 50 can receive unemployment benefit for a maximum of 12 months. For people over 50, this period increases gradually up to a maximum of 24 months.

“When the boss told us that he had to close our company, it came as quite a shock. Fortunately, my colleague knew that you can get help from the employment agency even before the period of unemployment begins. A large portion of my application costs and travel expenses for interviews were covered. The fifth interview finally led to a job, so I was only unemployed for six weeks in total.”

Stefan, 33,
automotive mechatronics engineer
from Eschwege

Citizen's benefit: tax-financed basic income

The citizen's benefit was introduced in Germany on 1 January 2023, replacing the old basic income support for jobseekers (Arbeitslosengeld II). Anyone who has been unemployed for a longer period of time and cannot live off their own savings or another income is entitled to the citizen's benefit under certain conditions. In contrast to unemployment benefit, basic income support for jobseekers is not financed from contributions, but rather from tax revenues. Before the State, or the general public, pays this benefit, the individual is means-tested.

Since January 2023, single people and single parents receive 502 euros a month in basic income support. Spouses or civil union partners each receive 451 euros, while children and young people receive between 318 euros and 420 euros, depending on their age. On 1 January 2024, these amounts will increase to 563 euros per month for single people and single parents, 506 euros per month for spouses or civil union partners and to between 357 and 471 euros per month for children and young people. The costs of rent, heating and statutory health and long-term care insurance are also covered. For certain individuals such as single parents and pregnant women, there is additional monthly assistance as well as one-off assistance – for example, money for a buggy or clothing. Children and young people under the age of 25 are entitled to benefits under the Education Package (benefits for education and participation (p. 43).

With the introduction of the citizen's benefit, the focus has shifted to long-term and sustainable jobs. Now the principle is that vocational training should take precedence over jobs as auxiliary workers. The “priority of job placement” that used to exist has been abolished. To make vocational and continued education and training more attractive, the continuing education and training benefit (150 euros per month) and the citizen's benefit bonus (75 euros per month) were introduced.

Especially young people and young adults under the age of 25 whose parents claim the citizen's benefit have been allowed to keep more of their income since 1 July 2023. Income from jobs for pupils or students, from vocational training or spending money from the Federal Voluntary Service or Voluntary Social Year can be kept up to the mini-job limit (currently 520 euros). This also applies during a three-month transition period between school and training. Income from holiday jobs can be kept in full. But all those receiving the citizen's benefit who are gainfully employed with an income over 520 euros are seeing that work pays. The tax-free allowances for them have been increased too.



Provision for old age

More pensioners, fewer children

Our society is changing dramatically as a result of demographic change. We are living longer and drawing pensions for longer and longer as well. At the same time, the birth rate has been low for decades. Today, there are

36 people of retirement age for every 100 people of working age. By 2050 this figure is forecast to even reach 54 according to current population projections by the Federal Statistical Office (variant 2). To keep the finan-

cial burden on future generations under control, pensions will not be able to increase as much as in the past. People will also have to work longer.

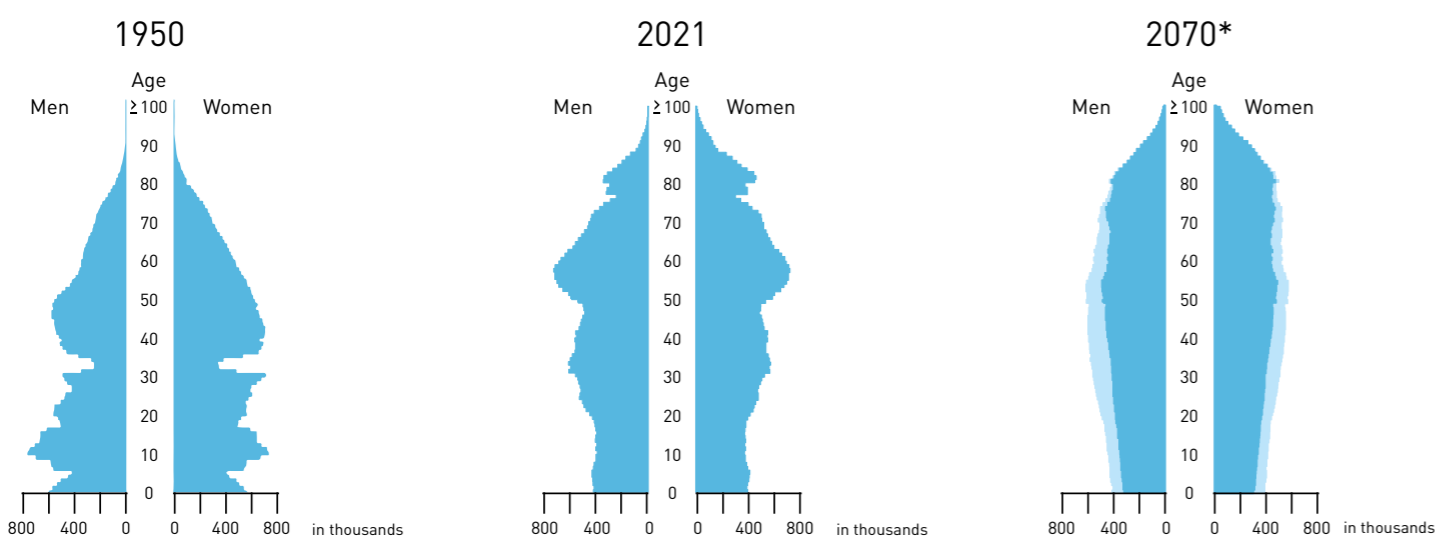
Pension policy

As a result of demographic change, the statutory retirement age has been gradually raised from 65 to 67 since 2012. For people who have been insured for many years, however, it is possible to enter early retirement at the age of 63. In 2018, a "double stop line" was introduced in the statutory pension insurance system. This means that the pension level cannot drop below 48 per cent and the rate of contribution cannot exceed 20 per cent in the period through

to 2025. The extension of the 48 per cent pension level is a key objective in this legislative term, as it increases people's trust in receiving a decent income in old age after many years of work. At the same time, a sustainable financing system must be guaranteed, also on the long term. This will be implemented with the planned Pension Package II. By building up a capital stock (generational capital) for the statutory pension insurance system, the Federal Government

will put pension insurance on a broader financial footing. In addition, what is known as the "basic pension" was introduced in 2021. Anyone who has compulsorily paid into the statutory pension insurance system for at least 33 years but has earned below average overall can receive an individual pension supplement if the criteria are met. Recognised periods spent child-raising and providing long-term care are also taken into consideration here.

Germany is ageing - age pyramid of the population in Germany



* Results of the 15th coordinated population projection (base: 31 December 2021) Source: Federal Statistical Office (Destatis), 2022

Statutory pension insurance

In Germany, spending on statutory pension insurance is funded from current revenues. This is referred to as a pay-as-you-go system. This means that contributions of current employees are used to pay the pensions of the older generation. That is why this system is also referred to as an intergenerational contract. In addition to the contributions, the statutory pension insurance system receives considerable financial resources from the Federal Budget.

Who is insured?

Employees

This also include trainees, development workers, people with disabilities who work in recognised workshops, people doing voluntary military service and people in the Federal Volunteer Service. Anyone who receives unemployment or sickness benefit for a certain period of time remains insured **nonetheless.selbst.**

People providing long-term care

People who look after relatives in need of long-term care and who do not work more than 30 hours a week are compulsorily insured. The contributions are paid by the long-term care insurance funds. The rule here is that

care has to be provided at least ten hours per week, spread over at least two days.

People raising children

Mothers or fathers are compulsorily insured for the first three years after birth if they are looking after their children. The State covers their contributions during this period.

Self-employed

Certain occupational groups such as self-employed craftspersons and tradespersons, artists and midwives are compulsorily insured in accordance with social legislation. All other self-employed persons can

insure themselves voluntarily, or compulsorily if they apply to do so. Apart from a few exceptions, self-employed people pay the contributions themselves.

!

64

years of age

In 2020, men and women received an old-age pension for the first time at 64.1 and 64.2 years of age, respectively

Overview: Three pillars of provision for old age

<h3>Statutory pension insurance</h3> <p>Basically designed as compulsory insurance, the contributions amounting to 18.6 per cent of the gross wage are shared equally between employers and employees for workers subject to compulsory insurance.</p> <p>The following are insured:</p> <ul style="list-style-type: none"> • employees • certain self-employed people • special groups of people, for example care-providers and recipients of wage replacement benefits such as unemployment/sickness benefit. 	<h3>Company pension scheme</h3> <p>A company pension scheme refers to a system where employees build up a supplementary pension through their employer. The employer organises the supplementary pension. A variety of options are available. They can receive assistance from pension funds and pension plans, which pay out the company pension to the former workers at the end of their working life. Workers can also forego some of their pay and (additionally) build up a company pension in this way.</p>	<h3>Private old-age provision</h3> <p>Individual provision: everyone must pay for this themselves. There are various forms of investment, such as:</p> <ul style="list-style-type: none"> • private pension insurance • bank and fund savings plans • owner-occupied residential property <p>To some extent, the State promotes private additional old-age provision with financial assistance (allowances) and with tax savings (the "Riester pension").</p>
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Life risks

Protected throughout life

When it is no longer possible to work

Reduced earning capacity pension

Accident or serious illness: if you are no longer fit and capable, you cannot earn money. This is when the statutory pension insurance system steps in. It not only provides support in old age, but beforehand too if your ability to work on the general labour market is impaired. The financial help for beneficiaries is called a "pension on account of reduced earning capacity", or "reduced earning capacity pension" for short. The monthly amount that is paid depends above all on how much insured parties have paid in and for how long. Before a reduced earning capacity pension is paid, though, the feasibility of placing the individual in a job other than the one in which they originally trained is checked.

Occupational disability insurance

Those who are no longer able to work from a young age have not had much time to pay into the pension insurance system. Although pension law contains provisions for such cases to ensure there is a sufficient financial

safety net, this can mean that the reduced earning capacity pension will also be low – potentially too low to live off. For this reason it is advisable for people starting out in their career to take out private occupational disability insurance. The insurance company will ask people questions about their health before they take out the policy. The younger and healthier the insured person is, the cheaper the insurance will be. This is why it is a good idea to take out the insurance as early as possible, preferably right at the beginning of vocational training. Consumer advice centres provide important information and advice on the various insurance contracts.

Accident insurance

Protected on the way to school, in the classroom and at work: if something happens at work or on the way to work, statutory occupational accident insurance pays for treatment by a doctor in an emergency. It also covers the costs if long-term effects require benefits to be paid for participation in

working life (p. 39). The advantage for those insured is that they do not have to contribute a single cent. Only the employers pay the contributions. Children at nursery school, school pupils and students are automatically covered by school accident insurance.

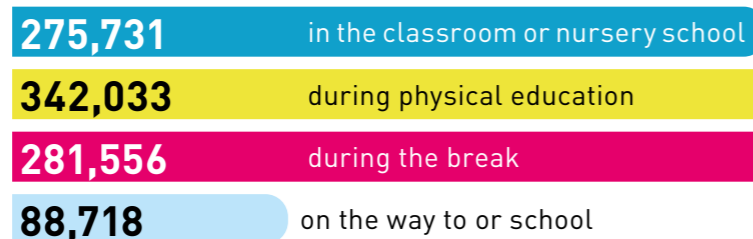


Better safe than sorry?

Life insurance, household effects, damage to glass: in addition to legally required social insurance, insurance companies offer many other services – especially for young customers. Not all of these are worth spending money on. Consumer advice centres only believe the following three forms of private protection make sense for young professionals: third-party liability insurance, occupational disability insurance and private old-age provision (p. 37).

Number of notifiable accidents in 2022*

Accidents at school and when commuting



Source: German Statutory Accident Insurance: school accidents according to type of event and German Statutory Accident Insurance: accidents within the scope of pupil accident insurance

Prevention: rehabilitation before retirement

If there are initial signs of health impairments that put at risk an individual's ability to practice their occupation in the future, the person concerned can apply for preventive services. People who become ill and can no longer work in their occupation do not immediately receive a pension. First of all, an attempt is made to help

those affected to return to work through medical and occupational rehabilitation. Medical measures can include physiotherapy or consultations with therapists, for example. Occupational rehabilitation encompasses what are referred to as benefits for participation in working life. These include

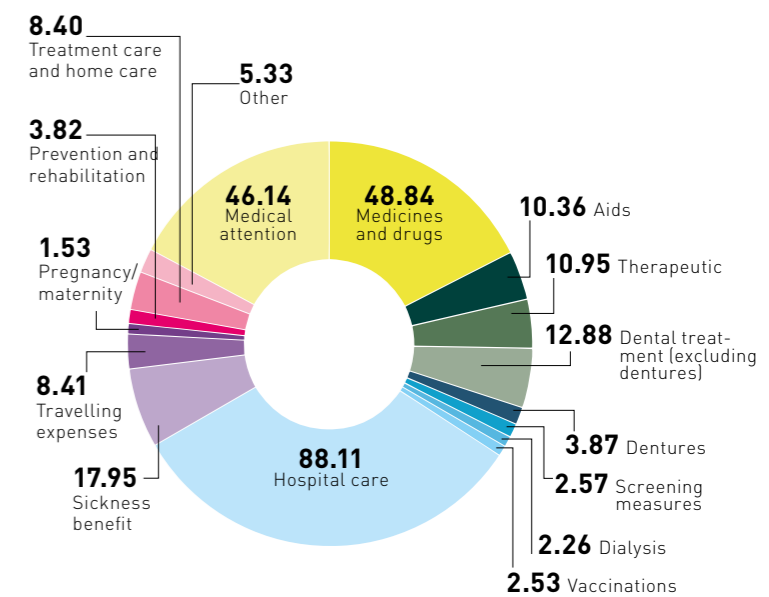
reskilling, training measures, and other measures. Health, pension, occupational accident and unemployment insurance systems are the most important providers of rehabilitation measures. Which system covers which particular costs depends on the individual case.

When medical care is needed

Trainees have statutory health insurance cover from day one. This means that treatment and check-ups at a doctor's are paid for. In the event of incapacity to work, employees and trainees continue to receive their wages for six weeks, after which the health insurance funds step in and pay sickness benefit for a maximum of 78 weeks: 70 per cent of gross income (a maximum 90 per cent of the net salary). Statutory health insurance is the oldest of the five branches of the German social insurance system and was introduced in 1883 by Reich Chancellor Otto von Bismarck. It is based on the principle of solidarity: employees with a higher income pay higher contributions than those with a lower income. In an emergency, however, everyone is treated equally – regardless of how much they have paid in. Private health insurance works differently: it is aimed at people who earn a lot as well as the self-employed and civil servants. Here everyone pays for themselves. How much you pay depends on your personal health risks and treatment preferences.

What the statutory health insurance (SHI) system pays

Spending for individual benefit categories under the SHI in 2022 in billion euros



Source: National Association of Statutory Health Insurance Funds 2022, official statistics, CY 1

When long-term care becomes necessary

If long-term care is needed, social long-term care insurance covers some of the costs. How self-sufficient a person still is in everyday life will determine the amount of benefits they receive under the long-term care insurance system. Responsibility lies with the long-term care insurance fund in which the person is insured. The medical service assesses each individual case on behalf of the long-term care insurance fund, classifying it into five levels of care: from level 1 for people who need little help to level 5 for people who can do almost nothing on their own anymore. Depending on the level of care and whether the people in need of care are

looked after at home by relatives, the long-term care insurance funds pay different amounts of money for nursing care. According to statistics of the Federal Ministry of Health, just under 5.2 million people received support from long-term care insurance in 2021. In an ageing society, long-term care is becoming an increasingly important issue. The nursing sector will therefore also need sufficient numbers of skilled professionals in the future. The aim of public policy is therefore to implement various measures to make the nursing professions more attractive and improve working conditions. Measures include bolstering academic nursing

training, creating new care-related occupations, and relieving the workload of nursing staff thanks to tailored digitalisation in the nursing sector. To complement this, the procedures to attract and hire skilled workers from abroad are being simplified and accelerated. In addition to this, with the help of the "Concerted Action for Nursing" campaign, the first signs of success are already visible. For instance, by giving nursing professionals more responsibility and career opportunities, increasing the number of staff and significantly higher wages.

t1p.de/KonzertierteAktionPflege

Aid for victims – right to social compensation

Social compensation law only concerns a relatively small group of people and is therefore not very well-known among the wider public. People who have been the victim of a violent act and have suffered damage to their health as a result are particularly entitled to compensation. A violent act is defined as an intentional, unlawful assault of a person. This also includes sexual offences and sexual assaults on minors. Social compensation law also supports other people, including, for example, those who have suffered harm from a protective vaccination or who suffered damage to their health in East Germany as a result of an administrative decision.

Which benefits are available? There are cash benefits and benefits in kind. If someone is permanently injured, pensions can be paid. Medical treatment, including rehabilitation, and nursing care in the case of particularly serious consequences are also included. If a victim needs aids to be able to work in their original occupation again, for example, this is provided in the form of participation benefits. The following principle applies: benefits are intended to alleviate or eliminate the consequences of the damage to health and to place the victim in the same material position as before the violent act. If the offender cannot cover the damage, com-

munity solidarity steps in through the social compensation law.

Example: Paula, 18 years old, is doing a traineeship as a car mechatronics engineer and is assaulted on her way to the swimming pool, beaten and knocked to the ground. She suffers multiple fractures on both arms. After several operations, it is clear that she is permanently unable to grip things properly and can only lift things with difficulty. Paula cannot complete her training and has to learn an occupation where she does not experience such physical strain. Social compensation law supports Paula by providing medical treatment and rehabilitation measures and, depending on the severity of her health impairment, by paying her a basic monthly pension. In addition, benefits for participation in working life or measures supporting schooling and vocational training (for example, to begin another training course or to study at university) are also possible.

Reform of social compensation law: social compensation law has undergone comprehensive reform. In the future, benefits will be consolidated and regulated in a new Social Code (Book XIV). Those eligible are to receive benefits even more quickly and in a more targeted manner. Furthermore, there will be many improvements in benefits. The new legislation applies from 1 January 2024.

Explanatory video: [t1p.de/Entschadigungsrecht](https://www.t1p.de/Entschadigungsrecht)

“Zero tolerance for violence!
But if something does happen,
social compensation law will help.”

Dr. Rolf Schmachtenberg

Permanent State Secretary at the Federal Ministry of Labour and Social Affairs



Social justice

Can it be measured?

This much is clear: if you are sick, you cannot work. This is just as true today as it was in the past. But in former times, around 150 years ago, being ill in Germany was twice as hard. For many people, illness, unemployment and old age were synonymous with poverty and hardship. This was because there was no social protection back then, so no health care for all, no accident protection at work, no unemployment benefit, and no pension and long-term care insurance - all important achievements of the modern social welfare state. The social welfare state means that the State ensures the protection of its citizens. This is the goal of policy-making and legislation in a social welfare state. The healthy help the sick, the young help the old, the working the unemployed, and not just by deeds, but also in the form of money distributed

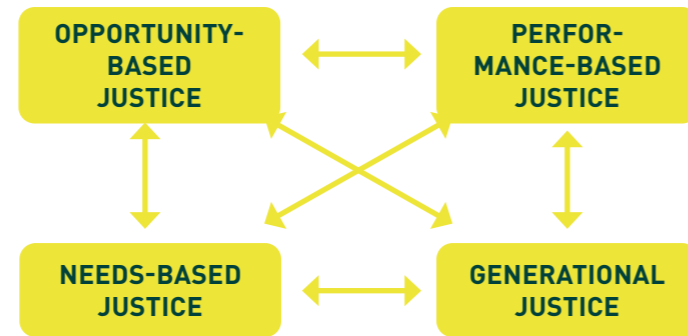
through the social insurance system. This is how the State tries to ensure social justice. Social justice means that living conditions as well as chances and opportunities should be approximately the same for all people in a society. But guaranteeing this is not so easy with a little over 84 million inhabitants in Germany (as of end of 2022). The gap between rich and poor (p. 44) in particular is criticised again and again. Social justice is therefore often the source of heated debate - as is so often the case when resources are to be shared. How is money distributed between rich and poor through a tax system that is as fair as possible? How can we ensure that people today do not live at the expense of future generations? Or what rights do foreign fellow citizens have in our country?

Questions of justice are not solely limited to social policy - they also apply in the world of work and the field of education: How can we offset disadvantages and ensure everyone has similar opportunities? What role should the input and particular needs of individual people play? None of these questions can be answered all that easily, as there is no "right" or "wrong" here. Social questions are subject to societal change. Therefore there is no objective standard for social justice. Just is what we believe to be just.

A magic square

Researchers Irene Becker and Richard Hauser from the University of Frankfurt distinguish between four dimensions of social justice.

The four aspects are mutually dependent and partly in conflict. Irene Becker and Richard Hauser therefore refer to the construct of a "magic square": not all goals can be achieved at the same time. For example: the demand „Everyone should get what they need in life“ (**needs-based justice**) contradicts the demand „What you get should depend on the work you perform“ (**performance-based justice**).

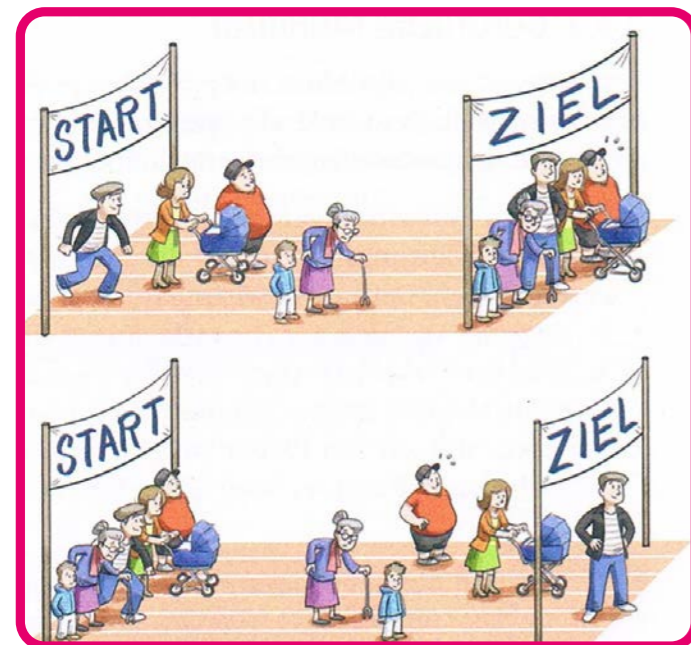


The goal of generational justice is to ensure that one generation is not worse off than the previous generation and future generations. Young and old people must therefore find a way to share resources, burdens and duties fairly. This applies, for example, to the topics of environmental protection, old-age provision and pensions (p. 36).

Opportunity-based justice means that everyone should have the same possibilities to develop their potential. This also means everyone having the same rights – irrespective of their origin and social status, gender, age, disability or cultural background. In reality, however, people start out in life from different positions. For example, the parents' level of education still has a bearing on the secondary school a child attends. The lower the parents' level of education, the rarer it is that their children will attend an upper-

level secondary school, or Gymnasium. Since a low level of education is more often associated with low income and a higher risk of unemployment, the financial situation of parents and the educational opportunities of their children are also interlinked.

For example, the option of going abroad for a year as an exchange pupil to gain experience and language skills is only available to a few. According to figures from the consultancy Weltweiser, roughly 16,000 pupils from Germany have recently taken part in such a programme. 82 per cent of them attended an upper-level secondary school. „Pupil exchange is a phenomenon of upper-level secondary schools,“ the consultancy concludes.

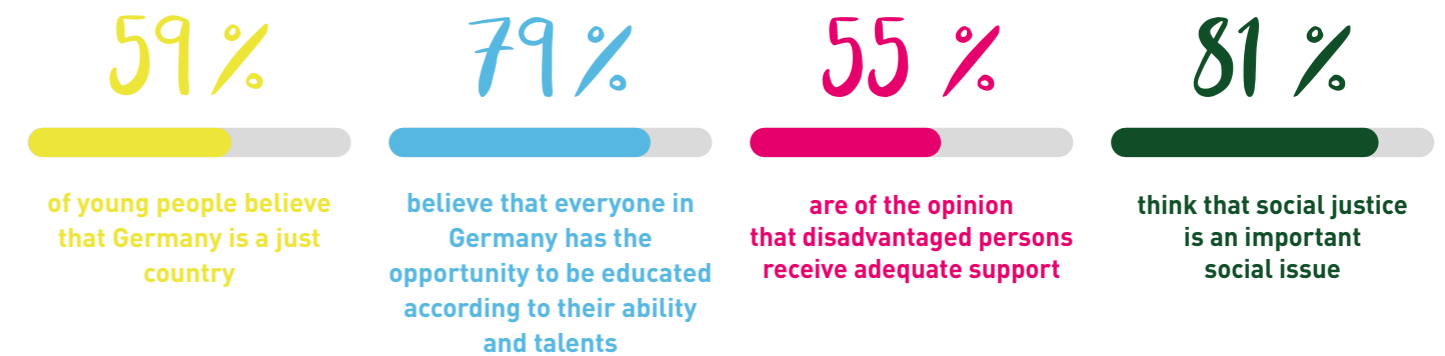


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Who reaches their own goals?

The cartoon shows the difference between opportunity-based justice and performance-based justice.

What do young people think about social justice in Germany?



Sources: Shell 2019 Youth Study; "Future? Ask Young People!" study by the Federal Ministry for the Environment 2019

Laws for more justice

The State can try to compensate for such unequal access to education and enable children to have fair chances and opportunities. For example, parents with low incomes receive a higher child supplement in addition to the child benefit and are not required to pay nursery school fees. Furthermore, the "Education Package" (benefits for education and participation) helps children from families on basic income support or a low income to have the same

opportunities in their free time, at school or nursery as children from families with higher incomes. For example, the children receive additional benefits for membership in a sports club, for one-day and multi-day excursions (e.g. school trips), school supplies and private tutoring. Their parents do not have to pay anything towards lunchtime meals at school or nursery school or for school transport.



“During the ecological transformation which we will all experience, it is important that we do not lose our focus on social justice. Climate action, environmental protection and social justice go hand in hand. This also includes facilitating a sustainable life in urban centres and in the countryside.”

Dante Davis studies American Studies, English Studies and Public Law at the University of Potsdam and was a member of the youth project advisory board for the "Future? Ask Young People!" youth study conducted by the Federal Ministry for the Environment.



Poverty and wealth

Unequal distribution of wealth and income

Can there really be poverty in a rich country like Germany? Germany is a social welfare state after all. Yes, poverty does exist, as poverty has many facets and usually impacts many areas of life. It's not just about whether you have a roof over your head or food on your table, but about the opportunities you have in life, so for educational success, earning opportunities, health or social and political participation. In Germany, it is still too often the case that when parents have limited financial means, their children are disadvantaged. Differences in learning outcomes due to people's social backgrounds can already be seen in infancy and can impact a person's whole life, including their later career opportunities. Experiencing material hardship is also a major strain mentally, often associated with anxiety and a sense of shame.

Poverty in Germany is a different kind of poverty than the poverty that occurs in the poorest countries of the world. People in Germany are entitled to an unlimited period of support from basic income systems (e.g. the citizen's benefit). This provides them with the means to meet their basic

needs and housing costs are also covered. Access to one of the world's very good health and education systems is also free of charge. And by European comparison too, social security is on the high end in Germany. In Germany and Europe, and in many other industrialised countries, we primarily see relative poverty and the risk of poverty (▣ p. 45).

Inequality: The gap between rich and poor

Inequality measured in money is based on an assessment of how income and wealth are distributed among members of the population. The Gini coefficient, which is always between 0 (where everyone would have the same) and 1 (where one person would have everything) is around 0.3 for income in Germany and between 0.7 and 0.8 for wealth. This means that wealth inequality is much higher than income inequality.



Fact check Is the gap widening?

In the past decade, the values used to measure inequality in Germany have barely changed, remaining more or less at the same level. Given the good economic development and the decline in unemployment, many researchers had, however, expected "the gap to close", i.e. for inequality to decrease.

Why hasn't this happened? As a result of significant income growth, all income brackets have more money at their disposal than ten years ago. However, the middle class and higher income brackets have benefited more from economic growth than people who have no work or can only work for a few hours. Furthermore, Germany has also received over one million refugees who also need to gain a foothold in the world of work.

"The first time I experienced how being poor and happiness are truly interlinked was on my eighth birthday. I had invited a few friends to my party, only five, I couldn't invite more as we didn't have enough space at home. We were sitting in the children's room, half of which was packed with my brother's things. It was raining outside, we'd eaten the cake, played the party games, and then my mother brought us white T-shirts and some markers, and we were allowed to colour them in and cut them up and make costumes out of them. I thought that was a great idea, but my friends didn't really. At Tobi's there was a huge outdoor summer party with a barbecue, space to run around and play and fireworks in the evening. And now we were sitting here on the floor, cutting and colouring white T-shirts, and I realised that my friends found it kind of boring."

Social worker and children's books author Benjamin Tienti



Definitions of poverty and income

Absolute poverty means a life on the verge of the minimum subsistence level (existential poverty). People in absolute poverty have hardly any access to essential goods such as food and drinking water. In money terms, people are in "absolute poverty" according to a World Bank definition if they have to live on less than 1.90 US dollars per day, which is currently equivalent to around 1.80 euros. This definition primarily applies to developing countries. Absolute poverty is virtually impossible in Germany and is limited to those who do not make use of existing welfare services despite being in great need.

People whose standard of living is below the standard of a society live in **relative poverty**. This is the definition that is particularly important for industrialised countries. Relative income poverty is the term used when income is significantly below average income. Depending on the economic and social welfare system they live in, people with an income below the at-risk-of-poverty threshold might only participate in education, health services and society to a limited extent.

The at-risk-of-poverty threshold is at 60 per cent of the median income. Anyone with less than this amount at their disposal is considered to be at risk of poverty in Germany.

The mean income or median income lies exactly in the middle: the number of households with higher incomes is exactly the same as the number of households with lower incomes.

The at-risk-of-poverty rate measures relative poverty. It indicates the proportion of people whose income is below the at-risk-of-poverty threshold.

Anyone who suffers **significant deprivation** cannot afford many things that are considered normal. For example: heating their home adequately, buying a washing machine, going on holiday every year, or paying the rent.



Fact check Are there really more and more poor people?

That depends on how you look at it.

Relative poverty, i.e. the number of people who are at risk of poverty because they have a low income has risen slightly in Germany. This is the conclusion the Federal Government comes to in its 6th Report on Poverty and Wealth. In 2005, 14.7 per cent of the population was at risk of poverty. By 2020, the figure was 16.2 per cent. However, this recent increase is also due to the fact that many refugees have come to Germany. They have difficulty finding a job at first.

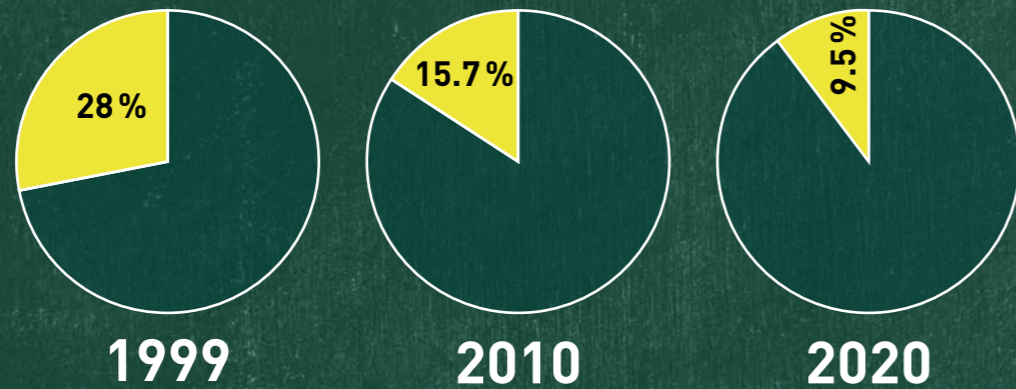
Absolute poverty, as explained above, plays hardly any role in Germany. State welfare benefits ("**minimum income benefits**") that guarantee the socio-cultural subsistence level in Germany take care of that. **The percentage of the population relying on welfare benefits of this kind** dropped from 9.7 per cent in 2015 to 8.3 per cent in 2020.

Significant material deprivation has also decreased considerably during this period (▣ p. 46): fewer and fewer people have to forego a decent standard of living for financial reasons.

Poverty and wealth in figures

Percentage of the world population living in absolute poverty

Projections indicate that global poverty will increase again for the first time since 1998 as a result of the COVID-19 pandemic.



Percentage of citizens in Germany struggling with "significant material deprivation" in 2020: 5.6 per cent



Percentage of citizens in the European Union struggling with "significant material deprivation" in 2020: 5.6 per cent



Percentage of children of parents with a lower secondary school certificate (Hauptschulabschluss) attending an upper secondary level school (Gymnasium) in 2019: 5.9 per cent

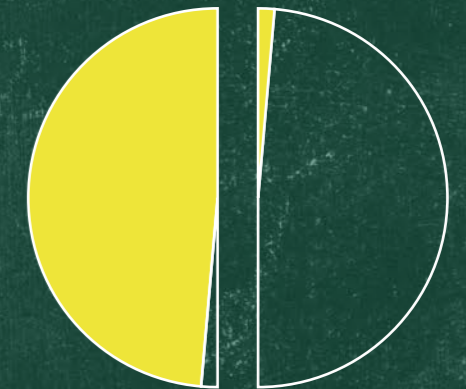


Percentage of children of parents with an upper secondary school certificate (Abitur) attending an upper secondary level school in 2019: 67.1 per cent



One child in seven in Germany is at risk of poverty.

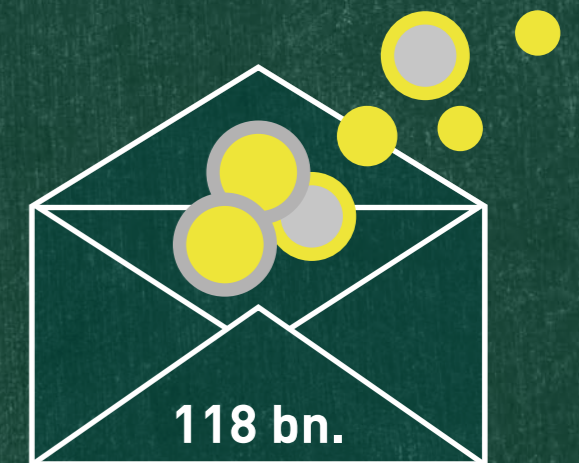
Without social transfers, this figure would be 36 per cent of minors!



Half of all households in Germany own 97.5 per cent of the net wealth. The other half of the households own 2.5 per cent of the net wealth.

Average net wealth - i.e. assets minus debts - of a household in western Germany in 2018: 182,000 euros

Average net wealth of a household in eastern Germany in 2018: 88,000 euros

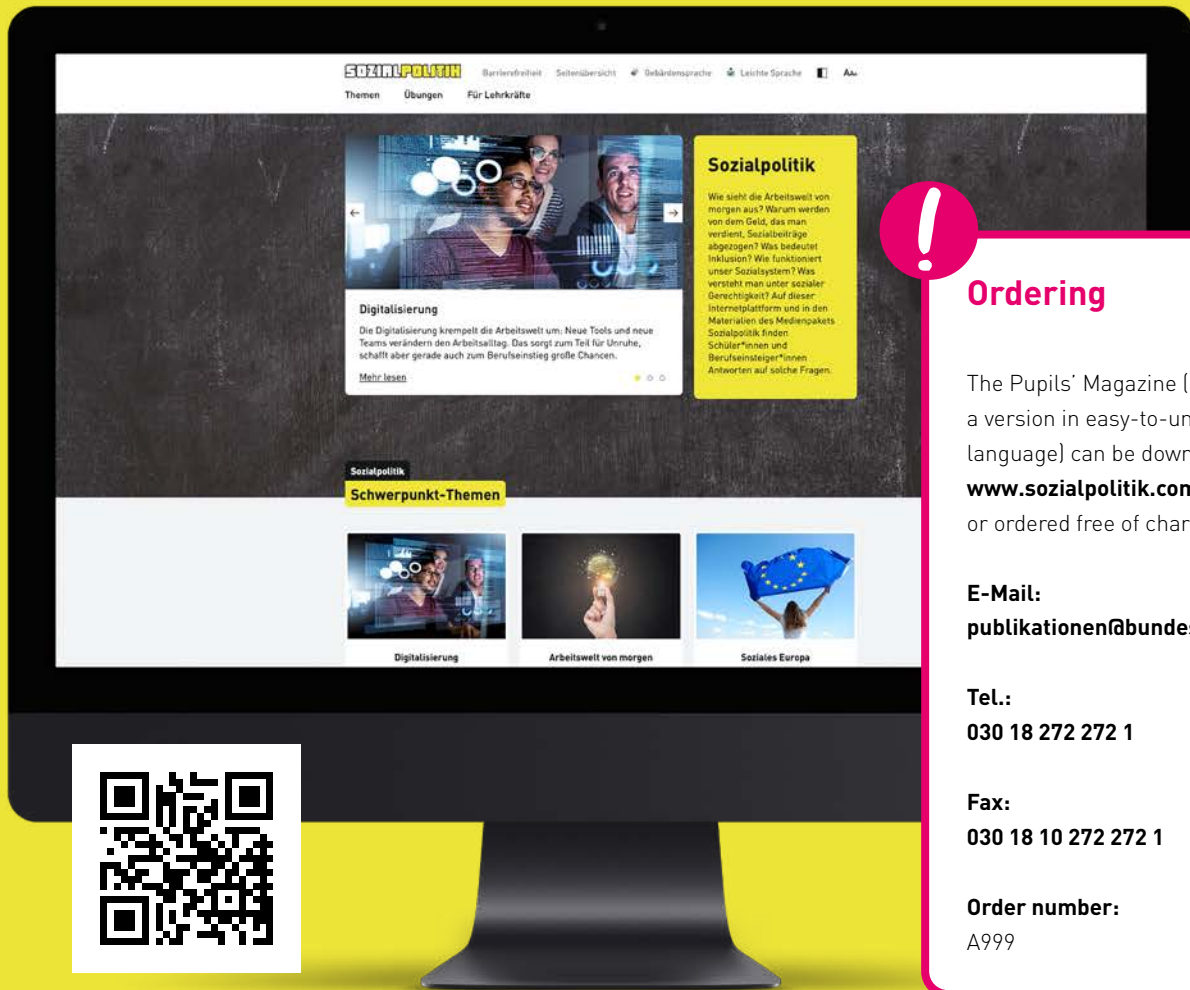


Amount of wealth gifted or inherited in Germany in 2021: 118 billion euros

Sources: United Nations: Sustainable Development Goals, 2017 and 2020 Reports. Eurostat (ILC_MDDD11): People struggling with significant material deprivation, data as at 2021. Federal Ministry of Labour and Social Affairs: 6th Report on Poverty and Wealth, 2021. Federal Statistical Office: Sample Survey of Household Income and Expenditure 2019. Federal Statistical Office: School attendance by selected school types and highest general school-leaving qualification of parents, 2019. Federal Statistical Office: Inheritance and gift tax statistics 2021

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