## nak Nationale Armutskonferenz

Mitglied im Europäischen Armutsnetzwerk EAPN





Organisation: Nationale Armutskonferenz Contact Person: Anna-Katharina Dietrich E-Mail: <a href="mailto:anna-katharina.dietrich@diakonie.de">anna-katharina.dietrich@diakonie.de</a>

# CESCR - International Covenant on Economic, Social and Cultural Rights Sixty-fourth session (24 September-12 October 2018)

Oral statement by the German Anti Poverty Network concerning the 6th state report of Germany

In my statement I will focus on the right to an adequate standard of living and the right to just and favourable conditions of work and fair wages. In particular I will address

- 1) In-work poverty
- 2) Sanctions against recipients of benefits
- 3) the exclusion of job-seeking EU-citizens from social benefits

### General remarks

In its Concluding Observations from 2011 the Committee called on Germany to adopt and implement a comprehensive anti-poverty programme. Unfortunately, it continues to be the case that poverty reduction is largely neglected by the Federal Government. It is also not addressed in the current coalition agreement. Overall, the rate of poverty risk in Germany is at 16,5%, according to data from the Federal Statistical Office. Despite good macroeconomic developments and despite a decline in unemployment over the past few years, the relative poverty risk could not be reduced significantly.

#### In-work poverty

In its Concluding Observations from 2011, the Committee expresses concern about the large number of people who are employed, yet rely on supplementary benefits because their earnings do not sustain them. This situation has not improved significantly since then. 1.1 million working people in Germany earn so little that they still depend on benefits.

Moreover, according to a study from the Institute of Economic and Social Research (WSI), poverty among the employed doubled between 2004 and 2014: The proportion of the working poor among all working people rose to 9.6% in this period. In comparison to the other EU states, Germany is on average here. Yet, the example of Germany is particularly noteworthy: On the one hand, the employment rate rose more strongly than in any other European country, while on the other hand Germany recorded the highest increase in inwork poverty in this tine period.

The Federal Government refers to employment placement as the most important means of its poverty reduction efforts. Yet, these statistics show that the decline in unemployment in recent years has <u>not</u> led to a reduction in the risk of poverty rate. The cause lies in the expanding low-wage sector. Job growth in Germany is to a great extent a result of an increase of the low-wage sector. Often it is women who work in marginal employment: They make up two-thirds of the 7 million workers with a so called Minijob. Studies also show that Minijobs usually aren't a bridge into a regular job.

We therefore think the German Government should address the issue of combatting poverty among the employed and not only promote job growth but promote decent work, fair wages and the containment of the low-wage sector.

#### Sanctions against recipients of benefits

Persons unable to secure their livelihood receive social benefits. These social benefits are supposed to amount to the socio-cultural subsistence level. Yet this minimum level of subsistence is not secure: A failure to cooperate in the eyes of the Jobcenter can incur sanctions that lead to benefits being reduced and ultimately being denied completely.

In total 953.000 sanctions were imposed in 2017. Especially young adults (persons under 25) are drastically sanctioned: If a young person doesn't accept a job offer or terminates an educational programme, he/she receives a 100% sanction.

People affected by sanctions face existential threats, especially when sanctions apply to cuts in the cost of accommodation, which can ultimately lead to homelessness. A large proportion of the sanctions imposed are in violation of the law, hence 38% of all lawsuits and objections against sanctions are successful.

From a human rights perspective, the current regulations and practices in relation to the basic provision for job-seekers (Grundsicherung) are problematic, because they (1) cut the amount of basic provision, which is defined as the minimum level of subsistence by the German parliament, (2) force recipients to accept precarious work and (3) discriminate between different age groups.

The German Anti Poverty Network considers the current sanctions regime in Germany to be in violation of the International Covenant on Economic, Social and Cultural Rights, and calls for the abolition of sanctions that threaten minimum subsistence.

Restrictions on the right to an adequate standard of living through the exclusion of jobseeking EU-citizens from social benefits

Since the introduction of the "Law to Regulate Claims of Foreign Persons for Basic Provision for Jobseekers" in 2016, a large proportion of European Union citizens living in Germany and seeking employment have been completely excluded from basic social welfare provision. They are entitled only to so-called 'bridging benefits' if they declare a willingness to leave the country. This also applies to families with children.

The lack of living subsistence has a huge social impact: the affected persons become vulnerable in their precarious situations on the housing and labour market. According to, the national umbrella organisation of homeless services in Germany, about 12% of the homeless people are EU citizens, a large proportion of whom sleep on the streets. Nationwide surveys conducted by the welfare organizations of the Catholic and the Protestant Church show that exclusion from social security benefits has serious consequences, especially for families and children.

The German Anti Poverty Network therefore advocates that EU citizens living in Germany and seeking employment should have equal access to basic welfare provision.