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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) Restrictions on the right to an adequate standard of living through penalties and the exclusion of job-seeking EU-citizens from social benefits
- 3) Child poverty

In-work poverty

Overall, the rate of poverty risk in Germany has risen considerably since the early 2000s. Despite good macroeconomic developments and the unemployment rate falling over the past few years, the relative poverty risk could not be reduced. 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. According to a study from the Hans-Böckler-Stiftung, poverty among the employed doubled between 2004 and 2014. 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 in a regular job. It would be important that the Committee addresses the issue of combatting poverty among the employed and the necessity of not only promoting job growth but promoting decent work, fair wages and the containment of the low-wage sector.

Restrictions on the right to an adequate standard of living through penalties and the exclusion of job-seeking EU-citizens from social benefits

Persons unable to secure their livelihood receive social benefits to guarantee an adequate standard of living. These social benefits are supposed to amount to the socio-cultural subsistence level. Yet this minimum level of subsistence is not secure: Recipients of benefits can be sanctioned by the job center: A failure to cooperate in the eyes of the authorities can incur penalties that lead to benefits being reduced and ultimately being denied completely. In total 939.000 penalties were imposed in 2016. Especially young adults (persons under 25)

are drastically sanctioned, even for minor misconduct, i.e. if they miss an appointment at the job center. People affected by penalties face existential threats, such as homelessness. A large proportion of the penalties imposed are in violation of the law, hence 38 per cent of all lawsuits and objections against penalties are successful.

Moreover, the German legislation is restricting the right to an adequate standard of living for job seeking EU citizens. Although they are legally resident in Germany, EU citizens without formal employment are excluded from any social benefits and health care for a period of five years. The lack of living subsistence and health care has a huge social impact: the affected persons become vulnerable in their precarious situations on the housing and labor market. This creates the breeding grounds for wage dumping, labor exploitation or even prostitution and human trafficking. Statistics by the Federal Office of Criminal Investigation show that most of the victims of human trafficking in Germany are EU citizens.

Child poverty

Child poverty is stagnating at a high level in Germany. One in five children either lives in poverty or is at risk for living in poverty. Poor children have low chances of advancement in Germany. There is a variety of social and family services for poor households (child benefit, the child tax credit, supplementary child benefits for low income earners and services from the Educational Package). Yet rules for the application for different services are difficult to understand and impede the use of these services by families considerably. For this reason, social and family services go unused by many of those eligible for them. Furthermore, the financial support for children by the state varies considerably. The financial support through the child tax allowance is bigger for high-income families than it is for low-income households. It would therefore be important that the Committee addresses the issue of financial support for low-income families and the issue of access to social and family services.